Statement from FoR on the Department of Labor Overtime Rule (Fair Labor Standards Act)

<u>Earlier this week</u>, the Department of Labor (DoL) increased the threshold at which salaried workers receive overtime payment for working more than 40 hours per week from \$23,660 to \$47,476 per year, effective December 1st, 2016. This ruling affects academics engaged primarily in research, including <u>postdoctoral researchers</u>. A summary is discussed in the New York Times article, <u>White House Increases Overtime Eligibility by Millions</u> and how it will specifically impact higher education (including teaching exemptions) is covered in <u>Overtime for Some</u> and DoL <u>guidance documents</u>. The salary level will be reviewed and revised upward every 3 years.

This means that institutions must either 1) track postdocs' hours and compensate them for working overtime, or 2) raise their salaries above the threshold in order to comply with the new regulation.

Future of Research (FoR) strongly supports the DoL's efforts to increase the pay of so many workers, including postdocs. This is an important step towards paying postdocs in a manner reflective of their expertise and importance to the research enterprise. We further believe it is in institutions' interest to raise salaries above the threshold level. Many institutions currently have guidelines that postdoc salaries follow the NRSA stipend scale, which begins at \$43,692 for 0 years experience. Francis Collins, Director of the NIH, has stated that, "in response to the proposed FLSA revisions, NIH will increase the awards for postdoctoral NRSA recipients to levels above the threshold."

To ensure that their postdocs are compensated above the salary threshold, or to track their hours, it will be necessary for institutions to identify all postdoctoral researchers. This is not yet done at all institutions, as has been highlighted in <u>reports dating back as far as 1969</u>. FoR has been working with the American Society for Biochemistry and Molecular Biology (ASBMB) to address this issue (see <u>4 reasons why we don't need 37 names for postdocs</u> and <u>Biomedical research workforce summit makes strides in implementing change for postdocs</u>).

Salary increases for postdocs have been recommended by a wide range of reports (Rescuing US biomedical research from its systemic flaws; Sustaining Discovery in Biological and Medical Sciences; Shaping the Future of Research: a perspective from junior scientists; Biomedical Research Workforce Working Group Report and summarized in Toward a sustainable biomedical research enterprise), but they still fall short of the \$50,000 minimum urged by the NAS report "The Postdoctoral Experience Revisited," the National Postdoctoral Association, and

previous reports when adjusted for inflation. Further, salary increases address just one of the recommendations made by these reports, which include provisions for yearly inflation indexing, regional cost of living adjustments and minimum standards for non-salary benefits for all postdocs.

Rather than accepting the proposed DoL recommendations and working together to advocate for more funding to accommodate these changes, a concerted effort was made by groups such as the <u>Association of American Universities</u>, the <u>National Association of Independent Colleges and Universities</u> and the <u>American Association of Medical Colleges</u> (AAMC) to keep the labor that drives research as cheap and plentiful as possible. We see this action as antithetical to the protective role institutions should have towards their trainees, and only exemplifies why so many graduate students and postdoctoral researchers are organizing and unionizing. Notably, <u>labor union organizations explicitly represented postdoctoral interests</u> to the DoL in this debate.

It is disappointing to see that institutions have already begun to push back against the ruling (see "Colleges push back against Obama's overtime rule" in this link). The AAMC's public statement mentions the Protecting Workplace Advancement and Opportunity Act [S.2707 and H.R.4773], which they are endorsing. This would nullify the updated rule, require the DoL to complete "certain required actions" before proposing any similar rule, and would bar the DoL from implementing any procedure to automatically update the threshold in response to inflation.

FoR is opposed to this Act and will continue to advocate for junior scientists in the face of such activity, and for fair recognition of and compensation for junior scientists (see *Fair Postdoc Compensation by the Numbers*, below). We at FoR stand in support with statements made by the National Postdoctoral Association and Rescuing on this issue, and look forward to working with these and other groups to encourage implementation of the rule.

If you are unable to access the links embedded in this pdf, please go to http://www.futureofresearch.org/2016/05/20/statement-from-for-on-the-department-of-labor-overtime-rule

FoR's goal is to represent the voices of junior scientists to advocate for critical systemic changes to the way we do science. For more information see <u>futureofresearch.org</u> or email info[at]futureofresearch.org

FAIR POSTDOC COMPENSATION BY THE NUMBERS In 2014, the US National be adjusted be adjusted increase to **Academy of Sciences** \$50,000 USD annually for for regional recommended that (minimum) inflation cost of living postdoc compensation: 50k 60k 70k USD **POSTDOC SALARIES (YR1):** The National Research Service Award (NRSA) starting Current NRSA minimum salary is used by many campuses to set postdoc stipends \$43,692 FLSA cutoff for overtime The newly announced Fair Labor Standards Act enforces \$47,467 pay requirements (Dec 2016) overtime compensation for those earning below \$47,467 Stanford University/ Whitehead Institute \$51,600/\$50,127 A small number of progressive schools have postdoc policy taken on the first of these recommendations - a salary of >\$50,000 **COMPARED TO:** National Research Council \$55,129 recommendation from 2000 College educated contemporaries WHY 50,000? \$52,012 without graduate degrees The 2014 NAS recommendation The cost of a graduate student to a lab was based on comparisons by \$54,247 labor economists to similar jobs (salary + tuition) in the research science workforce along with previous NRC reports Half an Asst. Prof's average salary \$50,228 Variation based on locali Equivalent researchers on the \$58,562-66,031 govt. General Schedule scale IT'S TIME TO PAY POSTDOCS FAIRLY! For more information visit future of research.org **REFERENCES:** National Academy of Sciences "The Postdoctoral Experience Revisited", 2014 (Appendix B) p93-95 NRSA stipends: (http://grants.nih.gov/grants/guide/notice-files/NOT-OD-16-062.html) FLSA: http://federalregister.gov/a/2016-11754 Stanford University: (http://postdocs.stanford.edu/handbook/salary.html: FY16 value) Whitehead Institute: (http://wi.mit.edu/people/postdoctoral/wipda/hr) FUTURE OF RESEARCH Comparison values: presented using data compiled in NAS, The Postdoctoral Expreience Revisited (see above) adjusted to 2016 dollars using CPI inflation calculator (data.bis.gov) General Schedule values for FY15 GS-11 values (https://hr.od.nih.gov/benefits/pay/title5pay.htm) Prepared by David T Riglar, eccah S Lijek and Sarah A Mazzilli

Fair Postdoc Compensation by the Numbers. Infographic based on data from <u>The Postdoctoral</u> <u>Experience Revisited (2014)</u> by FoR Board members Drs. David Riglar, Rebeccah Lijek and Sarah Mazzilli.