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POSITION PAPER ON NRSA POSTDOCTORAL STIPENDS

The National Postdoctoral Association (NPA) is requesting that the NIH leadership take action to increase stipends for postdoctoral fellows supported under the National Research Service Award (NRSA) in all future budget submissions. We ask the NIH to fulfill its pledge made in 2001 to increase initial stipends to \$45,000, and to provide automatic cost-of-living increases each year thereafter to keep pace with inflation. The NPA offers the following justifications for this request:

National organizations support a stipend increase.

A report from The National Research Council, "Addressing the Nation's Changing Needs for Biomedical and Behavioral Scientists" (2000), recommended increasing the NRSA postdoctoral stipend, calling the current levels "unduly low." The NIH response in 2001 concurred with this recommendation and set a target of \$45,000 per year for new postdoctoral scholars, with the expressed intention to raise stipends by 10-12 percent per year until this target was reached. Additionally, the NIH pledged to budget for cost-of-living increases annually to keep pace with inflation and to prevent the loss of buying power seen as stipends remained largely flat over the past decade. At the time this pledge was made, it was supported by two major organizations representing the biomedical research community: the Association of American Medical Colleges (AAMC) and the Federation of American Societies for Experimental Biology (FASEB).

Postdoc stipends do not cover the basic costs of living.

A large percentage of the U.S. postdoctoral population is located in expensive metropolitan areas such as Boston, Washington, D.C., New York City, and San Francisco. These are areas in which apartment rental alone can easily exceed \$18,000 per year. In the rest of the country, increased commuting costs associated with the doubling of the cost of gasoline in the last two years have been similarly detrimental. Therefore, it is becoming increasingly difficult for young scientists to pursue a career in which the compensation is not sufficient to cover the basic necessities of life. Because of this economic shortfall, most postdoctoral scholars now ultimately pursue careers outside of academia. Had the NIH fulfilled its 2001 pledge by giving ten percent annual increases, the target stipend of \$45,000 would have been reached in FY2006. Furthermore, a modest two percent annual increase in subsequent years would have resulted in an FY2009 stipend of \$47,754 -- 31 percent higher than the current level. Instead, when adjusting for increases in the cost-of-living, the NIH stipend freeze has resulted in a five percent decrease in the actual value of these stipends compared to 2006, when adjusting for increases in the cost-of-living. Experienced postdocs, whose salary hasn't been adjusted since 2004, are therefore further burdened.

NRSA stipends do not compare favorably with other postdoc compensation levels.

The attractiveness of the NRSA is further reduced when compared to the National Science Foundation's postdoctoral awards, which currently range from \$45,000 - \$50,000, nearly 18 percent higher than the NRSA stipend. Postdoctoral fellows at U.S. Department of Energy Labs earn anywhere from \$67,000 to \$80,000. Distinguished postdoctoral fellows at Los Alamos receive a stipend of over \$100,000. Most postdocs supported through the NIH's IRTA/Visiting Fellow Trainee program earn between \$41,200 and \$47,200 as a starting stipend. For scientists in the federal government, PhD-holders are eligible to start at GS-11, which begins at \$46,189. GS-9, for which a Master's degree holder qualifies, begins at \$38,175, exceeding the current NRSA stipend for

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postdoctoral scholars. Therefore, the NRSA, which is intended to recruit the best and brightest young scientists in the United States, provides a stipend that is 18-25 percent lower than comparable postdoctoral fellowships and federal wages available to Ph.D. holders.

NRSA stipends do not compare favorably with wages for other PhDs in the job market.

Pursuing a postdoctoral fellowship requires financial sacrifice. In 2006, the average starting salary for a Bachelor's degree holder was \$40,900, \$46,873 for a Master's degree holder, and \$62,000 for Ph.D. holders working in private industry—all well above the NRSA postdoc stipend of ~\$37,000. When comparing lifetime earnings of biomedical researchers who enter the workforce with a bachelor's degree versus a Ph.D., doctorate holders will not earn more than a bachelor's degree holder before they reach age 60.

Lower stipends dilute the prestige of the NRSA program.

In the years between 1997 and 2002, applications for individual NRSA fellowships declined from nearly 2,500 to 1,500. In 2003, when NRSA stipend levels increased by ten percent, applications rose to nearly 2,000, reaching 2,500 in 2006, despite no increase in the number of awards made during this time frame. If the promise of the NRSA program to attract the best and brightest is to be achieved, stipend levels must be increased to levels that are not seen as punitive to those receiving these awards.

NRSA stipends levels have a broader impact on all postdocs.

The federal government supports over 70 percent of the postdoctoral scholars in the US, and NIH funding represents the single largest source of support for postdoctoral scholars in biomedical research. The NRSA is the most direct method of funding for individual postdocs by the NIH, and although this mechanism supports just a few thousand U.S. postdocs, it remains the most prestigious award an individual scholar is eligible to receive. Additionally, the NRSA stipend scale has become the *de facto* minimum standard for postdoctoral compensation across the country and thus impacts close to 40,000 postdocs supported on biomedical research grants.

The NIH is inconsistent in its policies regarding cost-of-living increases for other categories of researchers.

The NIH has cited limitations in the overall NIH budget as a reason to freeze NRSA stipends at the 2006 levels (and at the 2004 levels for experienced postdocs). This stance is inconsistent with its own practices for intramural and extramural researchers. The intramural research staff is compensated on the general schedule and receives yearly cost-of-living increases. Furthermore, the salary cap for extramural researchers using NIH grant dollars to supplement their salary has consistently increased over this same period. Indeed, the NIH has effectively singled out postdoctoral (and predoctoral) scholars in its adverse budgetary decisions involving cost-of-living increases. Ironically, this is the one group of researchers who have the least amount of disposable income needed to weather inflation.

The NRSA stipend freeze creates greater risk for postdoc exploitation.

Current NRSA stipend levels are comparable to that of entry level research support staff (i.e. research technicians). While the technician has limited laboratory experience and generally works a forty-hour work week, a postdoc has an average of seven or more years of lab experience and may work as much as 50 percent more hours per week. Given that R01 success levels are at historic lows, it may be tempting for a struggling PI to alter staffing models in the lab to exploit the postdoc's experience and willingness to work. This activity undermines the covenant of postdoctoral mentoring and training.

The financial trade-offs associated with reducing training slots are minimal.

The NPA recognizes that without significant increases in either the NIH appropriation, or a reallocation of funds into the NIH training budget, that increasing the stipend levels will necessitate a reduction in the number of positions funded. The NIH currently supports approximately 7,000 postdoctoral fellowships, with a three-year support limit. Thus, approximately 2,300 new postdocs are added per year, on average. A ten percent stipend increase would affect only this group in the first year, and require a cut of approximately 165 slots. This represents less than one-half of one percent of the overall postdoc workforce and does not mean that these positions will be lost. The NPA understands that cutting fellowships in a time of budgetary constraint is a difficult decision, but does not feel that this cut would have a significant negative effect on the total postdoctoral training population. Rather, it should increase the number of highly-qualified applicants to the NRSA program.