

**FY 1999 PRESIDENT'S BUDGET**  
**PRICE ESCALATION INDICES**  
(Annual Rates in Percentages)

**OUTLAYS**

<u>Fiscal</u> <u>Year</u>	<u>Procurement</u>	<u>RDTE</u>	<u>Mil Con</u> <u>FH Const</u>	<u>O&amp;M</u> <u>(Excl</u> <u>Fuel)</u>	<u>O&amp;M</u> <u>Fuel</u>	<u>Mil 1/</u> <u>Pers</u> <u>Non-Pay</u>	<u>CPI-U</u> <u>Medical</u>
1998	1.4	1.4	1.4	1.4	19.7	1.4	3.4
1999	1.5	1.5	1.5	1.5	-8.8	1.5	3.9
2000	1.6	1.6	1.6	1.6	2.1	1.6	3.9
2001	1.7	1.7	1.7	1.7	2.1	1.7	3.9
2002	1.7	1.7	1.7	1.7	2.1	1.7	3.9
2003	1.7	1.7	1.7	1.7	2.1	1.7	3.9
2004 <u>3/</u>	2.2	2.2	2.2	2.2	2.1	2.2	3.9

**BUDGET AUTHORITY 2/**

1998	1.5	1.5	1.5	1.5	19.7	1.4	3.4
1999	1.6	1.6	1.6	1.6	-8.8	1.5	3.9
2000	1.7	1.7	1.7	1.6	2.1	1.6	3.9
2001	1.9	1.7	1.8	1.8	2.1	1.7	3.9
2002	1.9	1.8	1.8	1.8	2.1	1.7	3.9
2003	2.0	2.0	2.1	1.9	2.1	1.7	3.9
2004 <u>3/</u>	2.2	2.2	2.2	2.2	2.1	2.2	3.9

**PAY RAISE ASSUMPTIONS 4/**

	<u>ECI</u>	<u>Military</u>	<u>Civilian</u>
1998	3.3	2.8	2.8
1999	3.6	3.1	3.1
2000	3.5	3.0	3.0
2001	3.5	3.0	3.0
2002	3.5	3.0	3.0
2003	3.5	3.0	3.0
2004 <u>3/</u>	3.5	3.0	3.0

1/ Not to be used to inflate accounts fixed by statute.

2/ These are composite rates at the title level. Inflation rates for specific accounts are a function of the spend out profiles and will vary within each title.

3/ These rates are to be used for all years beyond 2004.

4/ All pay raises effective January 1.