

OFFICE OF COLLECTIVE BARGAINING
CITY OF NEW YORK

In the Matter of the Impasse

between

THE CITY OF NEW YORK

-and-

THE CITY EMPLOYEES UNION,
LOCAL 237, I.B.T.

IMPASSE PANEL

Case No. I-61-70

REPORT AND RECOMMENDATIONS

of the

IMPASSE PANEL

Thomas A. Knowlton, Chairman
Jerome J. Lande, Member
Louis Yagoda, Member

On June 17, the undersigned were designated as Members of an Impasse Panel to assist the parties hereto to resolve a dispute involving the terms of the renewal of their Collective Bargaining Agreement to be effective on January 1, 1970. Hearings were held by the Panel on July 7 and July 30, 1970, and both parties were represented.

The City employees who are involved in this proceeding are those who are employed in five titles: Principal Storekeeper,* Senior Storekeeper, Storekeeper, Stockman and Assistant Stockman -- numbering, together, approximately 1,000 persons.

The issues in the dispute are:

- (1) The amount of salary increases to which the employees are entitled;
- (2) The amount of the promotional guarantees which will be effective during the contract;
- (3) The minimum salaries which will be included in the new contract; and
- (4) The matter of "rounding" the salaries which are to be effective for the contract period.

There is also a dispute relating to the duration of the agreement.

The Union believes that the employees are entitled to increases as follows:

*The employees in this title are involved in this proceeding only for the period commencing July 1, 1971.

<u>CLASSIFICATION</u>	<u>Effective date and Amount:</u>		
	<u>1/1/70</u>	<u>1/1/71</u>	<u>1/1/72</u>
Assistant Stockman	\$775.00	\$775.00	\$775.00
Stockman	825.00	825.00	825.00
Storekeeper	875.00	875.00	875.00
Senior Storekeeper	925.00	925.00	925.00

This represents the final position of the Union.
The Union's position is based on the three-fold claim that:

(1) The employees are entitled to an increase at least as great as, if not greater than, that which they received in the preceding agreement (which amounted to from \$500* to \$700** per year for each of the three years of the agreement);

(2) The cost of living increase amounted to approximately 15% over the contract period. This measure of inflation was not contemplated by either party when the contract was negotiated and therefore suitable compensation is now justified.

(3) Increases which have been negotiated by the City for employees in similar categories to those which are involved here, e.g., "B Laborers," who receive a substantially higher salary than do Assistant Stockmen who, in the Union's belief, have similar duties and qualifications.

*For the year 1968 the minimum increase was \$550.

**For Principal Storekeeper the increase was \$950.

The City proposed as reasonable and equitable the increases which are listed below:

	<u>Effective date and Amount:</u>		
<u>CLASSIFICATION</u>	<u>1/1/70</u>	<u>1/1/71</u>	<u>1/1/72</u>
Assistant Stockman	\$425.00	\$425.00	\$425.00
Stockman	\$500.00	\$500.00	\$500.00
Storekeeper	\$550.00	\$550.00	\$550.00
Senior Storekeeper	\$600.00	\$600.00	\$600.00

The City does not deny that the cost of living in New York City has risen sharply over the past several years and, indeed, it support its offer of a substantial salary increase to the employees in part because of this cost of living increase. In the main, however, the City believes that its offer is justified principally because these employees are entitled, in its opinion, to the same percentage wage increase which has been found to be appropriate in negotiating with representatives of large numbers of City employees.

It should be noted that these wage proposals do not include the very considerable increase in the employee pension costs about which this Panel is not concerned, but which represent improvement in the economic well-being of the employees. Obviously they form part of the overall "package" which is involved.

The City denies that the Laborers who are cited by the Union represent an appropriate basis for comparison with the Assistant Stockmen in view of their differing legal situation.

In the opinion of the Panel, our deliberations should be confined to the area of City employment and, second, to an inquiry into the factors, if they exist, which distinguish the employees here from others with whom the City has recently dealt.

In general, the City insists that it has succeeded in negotiating salary changes, effective for the current period, for many disparate groups of its employees, amounting to not more than an 8% increase. It has increased this figure in some special cases where it has proven to be impossible to secure adequate personnel at the current salary level. The number of such exceptions is small.

The Panel can find no reason in this case, involving approximately 1,000 of the city employees, to deviate from the norm which has heretofore been established. Consequently, the recommendations of the Panel, with respect to salary increases, are as follows:

PANEL RECOMMENDATIONS

Effective date and Amount:

<u>CLASSIFICATION</u>	<u>1/1/70</u>	<u>1/1/71</u>	<u>1/1/72</u>
Assistant Stockman	\$475.00	\$475.00	\$475.00
Stockman	\$575.00	\$475.00	\$475.00

<u>CLASSIFICATION</u>	<u>1/1/70</u>	<u>1/1/71</u>	<u>1/1/72</u>
Storekeeper	\$650.00	\$650.00	\$650.00
Senior Storekeeper	\$750.00	\$750.00	\$750.00
Principal Storekeeper	---	\$500.00*	\$1,000.00

*Effective July 1, 1971

These amounts represent an average of approximately 8% to the various groups of employees who are represented.

We have recommended increases for each of three calendar years: 1970, 1971, and 1972. By so doing, we are obviously recommending a three-year contract, which we consider to be appropriate under the circumstances.

We recommend that the new minimum rates be established as follows:

PANEL RECOMMENDATIONS

<u>CLASSIFICATION</u>	<u>1/1/70</u>	<u>1/1/71</u>	<u>1/1/72</u>
Assistant Stockman	\$5,700	\$5,900	\$6,100
Stockman	\$6,650	\$6,850	\$7,050
Storekeeper	\$7,400	\$7,600	\$7,800
Senior Storekeeper	\$8,850	\$9,050	\$9,250
Principal Storekeeper	---	---	\$11,700

Of course, the maximum rate for each of the classification should be raised each year by the amount of the recommended annual increase for the classification.

We do not recommend that the salaries which are affected during the contract period be subject to "rounding". We are not convinced that this practice has any significance in this case or that there is any justification for it here.

The matter of promotional guarantees should be treated as follows:

MINIMUM INCREASE FOR PROMOTION:

Assistant Stockman to Stockman	\$400.00
Stockman to Storekeeper	\$450.00
Storekeeper to Senior Storekeeper	\$525.00
Senior Storekeeper to Principal Storekeeper	\$650.00

October 16, 1970

Respectfully submitted,

Thomas A. Knowlton, Chairman

Jerome J. Lande, Member

Louis Yagoda, Member