

New York City  
Office of Collective Bargaining

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REPORT AND RECOMMENDATIONS

In the Matter of the Impasse

of

between

IMPASSE PANEL

LOCAL 1199 DRUG AND HOSPITAL UNION  
AFL-CIO

Case No. I-82-71

and

Re: Pharmacist Titles

THE CITY OF NEW YORK

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Before the Impasse Panel:

Benjamin H. Wolf, Chairman  
Professor Matthew A. Kelly  
Professor Irvine L. H. Kerrison

APPEARANCES:

For the Union:

Sipser, Weinstock & Weinmann, Attorneys  
By: Harry Weinstock, Esq.  
Phillip Kamenkowitz, Executive Vice-President  
John Guiffre, Principal Pharmacist

For New York City:

Robert H. Pick, Esq.  
Assistant Director Labor Relations  
Michael Davies, Research Analyst  
Leo Banner, Chief Pharmacist

This proceeding arose out of an impasse in negotiations for a new contract to take effect on January 1, 1971. Although Local 1199 had been certified as the representative of City pharmacists for several years and had previously engaged in collective bargaining with the City, no agreement between them was ever signed. Instead, the recommendations of an impasse panel invoked to help resolve their dispute in 1969 were incorporated in a personnel order that became the informal basis for their relationship. No issue over the prior

arrangement has arisen in this proceeding. The parties agree that the present impasse is concerned with the provisions to apply during the period beginning January 1, 1971.

Below are the titles in the pharmacist occupational group represented by the Union, the number employed in each and the present salary ranges.

<u>Title</u>	<u>Number Employed</u>	<u>Salary Range</u>
Pharmacist Trainee	3	\$7,500
Pharmacist Technician	1	7,700
Pharmacist	194	11,232
Senior Pharmacist	33	11,882 - 13,320
Supervising Pharmacist	11	12,532 - 12,740
Principal Pharmacist	8	13,632 - 14,165

Pharmacist Trainees are graduate of Colleges of Pharmacy who require six months internship to qualify for a license as a pharmacist by New York State. Upon gaining State licensure, the Pharmacist Trainee is eligible to fill pharmacist positions as available. This group is a means of recruiting young pharmacists into service.

Pharmacist Technicians are pharmacists who have been licensed in foreign countries or in other states but not in New York State and are qualified to perform the functions of a pharmacist under the supervision of a New York State licensed pharmacist.

Local 1199 represents and bargains for about 80% of the pharmacists employed in the retail drug industry in New York City. It also represents about 150 of 400 pharmacists employed in the voluntary and private hospitals. In

general, it urges that the standards established in those fields be matched for the City pharmacists. The City maintains that its standards are now comparable with those of the voluntary hospitals when the whole job, salaries, fringe benefits and working conditions, is considered. It urges against upsetting the salary relationship between pharmacists and other city employees by recommending greater increases than currently being granted. It insists that the City's financial situation be given great weight in our recommendations.

Following are the unresolved issues, the data and arguments submitted in support of them by each side and the considerations that led the panel to make its recommendations.

1. Duration.

The Union asks a two-year contract similar in duration to that negotiated between the Union and the voluntary hospitals of New York. The City urges a three-year term.

Two factors lead us to recommend a 30-month term: 1) We are already 12 months into the term of a new contract. With only 12 months to go, a two-year contract would compel the parties to begin negotiating a successor contract almost as soon as they sign the new one. 2) A balance between the Union's need for comparability with the private sector and the City's need to stay within the limits of its budgetary and salary structure requires a longer term. Spacing 25% in increases within 24 months would be too costly.

2. Salaries.

The Union asks a general increase of 15% as of January 1, 1971, and 10% as of January 1, 1972. These increases are similar to those achieved in its contract with the voluntary hospitals for the period July 1, 1970 to June 30, 1972.

While not denying the stability of the comparison with the voluntary hospitals, the City argues that the greater fringe benefits of its pharmacists make up most of the difference in salaries and their work week of 35 hours compared with the longer work week in most hospitals makes the hourly wage of City pharmacists almost equal to that of the voluntary hospitals even without a salary increase in the new contract. At present a city pharmacist who works 35 hours makes \$9.06 per hour in salary and the value of fringes, while the Local 1199 hospital pharmacist who works 37 ½ hours makes \$9.13.

The Union protests against the hourly computation since voluntary hospital pharmacists are paid the same amount whether they work 35, 37 ½ or 40 hours. Moreover, it points out that the hospital pharmacists have many opportunities to work overtime at time and a half while City pharmacists work at straight time for the first five hours over 35.

The panel does not consider the arguments over the hourly wage persuasive. We find, by and large, that the fringe benefits and working conditions of both groups of pharmacists are roughly equal except in one major respect. The private employers contribute 5% to a pension fund while the City's contribution is 19% and is expected to be 21% next year. That difference of 14 to 16% cannot be disregarded in assessing comparability.

The Union argues that the young pharmacists are not interested in pension funds and cannot be recruited for City positions unless salaries themselves are comparable. It also points out that City pension benefits cannot be carried with them to a new job.

However, there can be no denying the force of the City's argument that its pension plan is vastly superior and contributes a tax free gain of considerable advantage to a City employee. The advantage can be readily seen in the following example. Under the Local 1199 voluntary hospital pension plan, a pharmacist with a final average salary of \$14,000 and 30 years of service can

retire at age 65 with a pension of \$3,880 per year. Under the City plan, the same pharmacist could retire ten years earlier, at age 55, with a pension of \$8,785 per year.

The panel, nevertheless, realizes that at some point in time the salaries of City pharmacists must reach those in the voluntary hospitals if the City is to be competitive. This can be accomplished without unduly straining the City's financial capabilities under our proposal for a 30-month agreement during which the required 25% increase would be attained in four steps. Although the time the City contract lags behind the voluntary hospital contract will be increased from the present six months to one year, the lag will be more than compensated for by the City's superior pension plan.

### 3. Minimum Rates.

The Union asks the following minimum rates as of January 1, 1972, to maintain comparability with the voluntary hospitals:

<u>Title</u>	<u>Present Minimum</u>	<u>Requested Minimum</u>
Trainees	\$7,500	\$9,375
Technicians	7,700	9,625
Pharmacists	11,232	14,040

The requested minima are 25% above the present minima. We are granting this request in stages, paralleling the salary increases.

The minimum rates requested for Senior, Supervising and Principal Pharmacists are considerably more than 25%, and ranged from \$5,618 more for the Senior Pharmacist to \$8,368 more for Principal Pharmacist. The Union submitted data that it argued justified such increases.

Our examination of the data leads us to the conclusion that a greater increase is justified for the Supervising and Principal Pharmacists although not nearly as much as asked by the Union. We also find that two of the Senior Pharmacists who are temporarily in charge of the pharmacies in small hospitals are not now compensated for this responsibility and we have recommended a differential to be paid to them while they are in charge.

4. Cost of Living Increase.

The Union's request for a cost of living increase is denied. We believe that our salary recommendations more than cover any anticipated rise in the cost of living.

5. Longevity.

The Union's demand for longevity increases is denied.

6. Tuition Reimbursement.

The Union asks that tuition be reimbursed up to \$65 per credit for a maximum of 12 credits a year. At present they receive \$200. We recommend an increase to \$250.

7. Hazard Differential.

The Union asks compensation for the added risk run by pharmacists employed in correctional institutions. A differential of \$600 was recently granted to nurses employed in such institutions and similar treatment seems appropriate for pharmacists.

RECOMMENDATIONS

We recommend:

1. Contract period from January 1, 1971 to June 30, 1973.
2. Increases in the annual salary on the following dates:

	<u>1/1/71</u>	<u>10/1/71</u>	<u>4/1/72</u>	<u>1/1/73</u>
Pharmacist Trainee	\$ 562.50	\$ 562.50	\$ 375.00	\$ 375.00
Pharmacist Technician	577.50	577.50	385.00	385.00
Pharmacist	842.00	842.00	562.00	562.00
Senior Pharmacist	913.00	913.00	609.00	609.00
Supervising Pharmacist	941.00	941.00	628.00	628.00
Principal Pharmacist	1,033.00	1,033.00	689.00	689.00

3. Increases in the minimum rates for each position on the following dates:

	<u>1/1/71</u>	<u>10/1/71</u>	<u>4/1/72</u>	<u>1/1/73</u>
Pharmacist Trainee	\$ 8,062.50	\$ 8,625.	\$ 9,000.	\$ 9,375.
Pharmacist Technician	8,277.50	8,855.	9,240.	9,625.
Pharmacist	12,074.	12,916.	13,478.	14,040.
Senior Pharmacist	12,795.	13,708.	14,317.	15,000.
Supervising Pharmacist	14,473.	15,414.	16,042.	16,500.
Principal Pharmacist	15,665.	16,698.	17,387.	18,000.

4. A differential at the rate of \$500 per year for the Senior Pharmacists at Francis Delafield and Goldwater Memorial Hospitals for the period they are in charge of the hospital pharmacy.

5. A differential of \$600 per year, similar to that granted nurses, for employment in correctional institutions.

6. An increase of \$50 in tuition reimbursement to make the maximum \$250.00.

Respectfully submitted,

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Benjamin H. Wolf, Chairman

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Matthew A. Kelly, Member

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Irvine L. H. Kerrison, Member

December 29, 1971.