

OFFICE OF COLLECTIVE BARGAINING

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In the Matter of Impasse

-between-

REPORT

Electrical Inspectors,

and

Local 3, IBEW, AFL-CIO (Union)

RECOMMENDATION

-and-

I-183-85

The City of New York (City)

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before: Thomas M. Laura
Impasse Panel

Appearances:

For The Union

Norman Rothfeld, Esq.
Angelo Granata, Local 3, IBEW
Joseph Callier, Local 3, IBEW

For The City

Marc Z. Kramer, Esq.
Brian Boylan, Esq.

Pursuant to the rules of the Office of Collective Bargaining, the under signed was designated as a one-man Impasse Panel to hear and decide the above-described dispute. Hearings on this matter were held: February 7, May 5, August 6, and 8, September 3 and 5, October 24 and 31, November 12 and 13, at the Office of Collective Bargaining, 110 Church Street, New York, N.Y., at which time the parties were afforded full opportunity to present evidence, give testimony under oath, examine and/or cross examine witnesses and to present oral argument in support of their respective position. A stenographic report was taken of the proceedings. Briefs were to be submitted 30 days after receipt of the transcripts by the parties and the

Impasse Panel. The final transcript was received on December 17, 1986 and the City's brief was received January 16, 1987 and the Union's on January 20, 1987, at which time the hearing was declared closed.

During the hearing on September 5, 1986, at the request of the City, the Union contract proposals were placed in evidence and so marked (Union 22). The Union's position was that items I through 14 were still open. Because of this position, the City felt that the Union had clearly not established a prima facie case. And further, the City made a motion to hold the proceedings in abeyance pending the outcome of a Scope of Bargaining Petition on those demands outside the scope of bargaining. The hearing was suspended pending a decision by the Board of Collective Bargaining Tr 646-73).

On September 19, 1986, the City of New York filed a Motion to Dismiss and also a Scope of Bargaining Petition. The Union responded to the City motion and scope petition on September 26, 1986.

On October 1, 1986, Arvid Anderson, Chairman, Office of Collective Bargaining, in responding by letter to the parties with a cc to the Impasse Panel, stating in part:

"It is my understanding that to date six hearings have been held in the matter and that the Union has rested its case in chief. It is also my understanding that the matter is now in abeyance pending a determination of the Motion to Dismiss and the Scope of Bargaining petition.

Finally, I have examined the Board's files in this case and note that the original request for the appointment of an impasse panel filed by the Union's counsel only listed three issues as being at

impasse, namely, Salary Increases, Longevity Increases and Minimum Salaries. The request for impasse as originally typed also listed the additional items of Eligibility for Promotion Test, Car Allowance Increase and restriction of Supervisory Titles to Permanent Employees. However, the latter items had been crossed out prior to the receipt by OCB of the request for impasse.

Thus, since the only subjects before the panel, Salary Increases, Longevity increases and Minimum Salaries, are mandatory subjects of bargaining, no scope of bargaining questions now exist to present to the Board of Collective Bargaining; nor is there any basis to consider the City*s Motion to Dismiss.

Accordingly, I hereby recommend that the Impasse Panel direct the parties to proceed forthwith to complete the hearings and the impasse panel proceedings on the open items."

By letter dated October 3, 1986, the Impasse Panel informed the parties that the hearings would resume on October 24, 1986 and continue on October 31, November 12 and 13. 1986.

Issues in these proceedings:

- 1. Salary Increases
- 2. Longevity Increases
- 3. Minimum Salaries

The Union represents the Electrical Inspector, Associate Electrical Inspector, Principal Electrical Inspector, Inspector of Fire Alarm Boxes, Senior Inspector of Fire Alarm Boxes and Apprentice Electrical Inspector. This also includes all assignment levels.

POSITION OF THE PARTIES

Electrical Inspector, Local 3 IBEW

The Union narrowed the issue to "Should the City raise the compensation of its Electrical Inspector classifications to parity with the Electrician classifications employed by

the City? If not, what increases, if any, should be granted the Electrical Inspector classifications for the 1984-1986 collective bargaining agreements?" (Union brief page 1)

The Union points out, during the City's fiscal crisis, the gap between what the City Electricians received (fixed by state prevailing rate law) and that which the City Electrical Inspector received grew greater and greater while at the same time the number of Electrical Inspectors grew smaller and smaller. They dwindled from approximately 250 to 100 presently. The majority of the 100 are provisional appointees. The remaining are permanent Civil Service Employees whose qualifications are required to equal those of the New York City Electricians in accordance with the civil service requirements (Tr 452-6). The City Electricians widened the gap further with their settlement for the period in dispute. Many of those remaining inspectors have announced their intention to accept the next Electrician vacancies.

The backlog of revenue-producing Electrical Inspectors has caused the Department of Transportation to make 15 contracts with consultants, who are to hire and supervise persons to perform needed electrical inspections. These contracts required that inspections by these consultants' employees would be monitored by the City's Electrical Inspectors. The Union does not know how many of these employees did electrical inspecting or how much money they cost the City.

Increasing the number of inspectors could result in sufficient revenue-producing inspections through permit fees

to pay for these inspectors salaries (Tr 93). Timely inspections could prevent any electrical fires that could have disastrous consequences.

The City of Chicago, in order to hire and retain Electrical Inspectors with the same qualifications as its Electricians possess, must pay its Electrical Inspectors whatever its electricians are awarded under the Illinois Prevailing Wage Rate Law. For 1/1/85 they receive wages of \$37,836 and \$41,802 on 1/1/86 (Union 13, Appendix A). In Los Angeles, \$32,802 on 7/1/85 and \$34,452 on 7/1/86 (Union 12, App. A-1, A-2). In Detroit the Electrical Inspectors were guaranteed automatic equity progressions from \$31,502 on 7/1/83 (Union 9, Schedule 1).

A \$10,000 difference exists between the pay of the City Electricians (Union 23B and the average Electrical Inspectors pay (Tr 1197, Impasse 2). Those provisionals who do not possess the same qualifications as the City Electricians and therefore would not pass a civil service examination given for Electricians are not entitled to the \$10,000 wage increase. Those provisionals could be replaced by persons who do possess the qualifications of electricians when the wage increases would permit the Civil Service Commission to schedule an examination which journeymen electricians would take. In the meantime, small increases should be given to the Provisionals --- enough to stem the increasing number of their resignations and replacements by employees of consultants. Provisionals who resign are now eligible for jobs like Con Ed's Commercial

Service Representative at \$18 per hour (Tr 21, 65, Union 1) which employees have fewer inspectorial responsibilities than do the City's Electrical Inspectors (Tr 21, 68).

The City's concern about its inviolable lockstep increases is unjustified. The City varies from such lockstep, however, where circumstances warrant. In the case of the City Electricians, the City agreed to a greater amount under the 1984 Comptrollers' Determination than for the increase that would have been provided using the lockstep percentage increase to which most other employees agreed (Union 23).

The City's worry that other inspectors would establish cases for greater increases if the Electrical Inspectors received greater increases is unwarranted. No evidence was provided that any City inspector other than Electrical Inspector have the same job qualifications as tradesmen to whom the City is required to pay prevailing wage rates, or that the City is unable to hire any other type of inspector that the City needs at the wage offered them, or that could pay for themselves through "Permit Fees", or who are resigning to make more money elsewhere or that other inspectors consider their work or their required qualifications comparable to those of the Electrical Inspector.

On July 15, 1974 the Board (Decision B-11-74) upheld the Report and Recommendations of Panelist James V. Altieri which gave the Sanitarian inspectors greater increases than the other inspector classifications had negotiated. The Board cited with approval Mr. Altieri's refusal to presume that all inspector

titles involve similar work and to his refusal to give controlling weight to negotiations between the City and a union which did not represent the Sanitarian Inspectors.

While the Coalition percentage contract increases have been the same, actual wage rates for the Electrical Inspectors as a group has been decreasing, as higher paid long-term qualified permanent Electrical Inspectors have left and have been replaced by provisionals hired at \$21,000 (Tr 1196-7, Impasse 2).

The City has the ability to pay the wage increase required. The City has had surpluses for each of the past five years, the latest surplus being Five Hundred and Seventy Million Dollars (Union 16). The fact that the State Financial Control Board has lost the power to disprove of the City's wage contracts indicates that the State no longer deems the City's finances to be a problem (Tr 575). Even though increasing the number of inspectors may not yield enough through "Permit Fees", granting the permanent Electrical Inspectors parity with the City's electricians would not affect the City's budget.

The City's comparison of wages of the Electrical Inspectors which the City thinks should be paid them beginning July 1, 1984 with the wages paid certain other employees in the survey of cities is misleading because:

(a) City Tab 40 is a comparison of June 30, 1984 rates instead of July 1, 1984 rates.

(b) The data from the other cities shows only minimums and maximums and does not indicate whether those Electrical Inspectors must progress to the maximum, as they do in Los Angeles, with the minimum being the maximum in Chicago and Detroit (Tab 40), whereas New York City is not

required ever to pay more than amounts close to contractual minimums.

(c) Part of the City's statistics is based upon cities of less than a million persons even though New York State law requires that cities of more than one million be dealt with separately (Union 8).

(d) OMLR never compared job specifications of other cities with those of New York City's Electrical Inspectors but left it to the other cities to decide which of their employees had jobs comparable to New York City's Electrical Inspectors Titles (Tr 1201-2).

The Union concludes, "The City should be directed to grant wage increases for the 1984-1986 collective bargaining agreements for the Electrical inspector titles which would restore the parity that the permanent Electrical Inspectors had with New York City's Electricians. The Provisional Electrical Inspectors should be awarded substantial wage increases sufficient to stem their departure to other positions".

The City of New York

Pattern bargaining has been an essential element of negotiations with municipal unions in New York City since the fiscal crisis. It has been critical to the City's recovery from near financial ruin and its efforts to achieve long-term fiscal stability. Moreover, pattern bargaining has allowed the City to maintain an orderly bargaining process, thereby preventing the leapfrogging and whipsawing that previously prevailed and contributed to the City's fiscal problems.

Local 3 is asking this panel to ignore the bargaining history not only of this round but of the past decade, even though Local 3 itself had an active role in shaping that history. The patterns established in the prior three rounds of

bargaining, as reflected in the Coalition Agreements of 1978, 1980 and 1912. were ultimately accepted by Local 3 (City 1, 2, and 14). Additionally, since 1967 the Electrical Inspectors have maintained the same minimum and maximum salary levels as all other inspectorial titles in the City (City Tab 35, and 36). Accordingly, Local 3 seeks to upset not only the general pattern of bargaining, but its bargaining relationship vis-a-vis the City's other inspectorial titles.

With the significant number of unions, bargaining units and employees in the City, pattern bargaining is the most efficient and orderly means of achieving fair, reasonable and responsible settlements in a timely fashion. Without these patterns, the delays in reaching agreements experienced in this round would undoubtedly have been even more prolonged.

Impasse panel decisions have consistently imposed the economic patterns established in coalition agreements on individual units which sought higher wage increases and benefits. To illustrate, Morris Glushien, the Impasse Panel in Case No. I-142-79 City 14), which involved the Electrical Inspectors, found this principle of collective bargaining to be controlling in New York City:

...(i)f Local 3 can break the pattern which has governed everyone else, it would be rewarded for its obduracy. And it would create a catastrophic potential. Other unions despite the City's continuing fiscal difficulties, would be encouraged to hold back from a common bargaining approach in the expectation that, by being dissidents from the generally agreed upon settlement, they would obtain a substantially better deal. This can hardly be said to comport with the interest and welfare of the public.

Local 3 has failed to establish any change in circumstances. vis-a-vis pattern bargaining, which warrant reversing Morris Glushien's determination in 1-142-79.

The present round of bargaining began with the negotiation of the Municipal Coalition Economic Agreement (MCEA) (City 8). This Agreement was accepted initially by District Council 37 and the Communication Workers of America. The major feature of the MCEA were three un-compounded wage increases of five, five and six percent over a three year period. In addition, an equity fund was established. health benefits were improved, an additional holiday was granted for Martin Luther King Day and contributions to the welfare fund were increased. Thereafter, the City successfully negotiated the Uniform Coalition Economic Agreement (UCEA). The major difference between the UCEA and the MCEA was that the UCEA provided for three compounded six percent wage increases as opposed to the MCEA's un-compounded increases of five, five and six percent (Tr 717).

Application of the MCEA to the Electrical Inspectors will best serve the public interest.

The City is facing several financial uncertainties in 1987 which may well be far more difficult to deal with than those faced in the past. The first of these uncertainties, which is of great concern to the City, is the dramatic shortfall in the City's revenue projection. The reason for such concern is that it is local revenues that have allowed the City to fund wage increases and service improvements. However,

for the fiscal year 1986, non-property tax revenues came in almost \$300 million less than projected and overall revenues have been down \$100 million for the past four quarters. These revenue shortfalls are a warning of economic uncertainties since future revenue projections, which were calculated using the same base, must now be recalculated and reduced (Tr 757-8).

Another indication of the downward turn in the City's fiscal well-being has been the marked reduction in its "surplus". A surplus is the excess of the City's revenues over its expenditures in a given fiscal year. The excess is then rolled forward into the next fiscal year to meet expenses. During the early 1980's the City's surplus was on the steady incline. However, for fiscal year 1986, the surplus fell by nearly \$200 million. This indicates that the City's expenditures exceeded its revenues, forcing the City to use its surplus. An analogous situation would be one in which an individual is forced to use his/her savings to pay bills. Clearly, the decrease in the City's surplus is not a harbinger of fiscal well-being for the City (Tr 748-57).

Additionally, changes in the Federal budget balancing law (Gram-Rudman-Hollings) as well as the new Federal tax code will certainly have a dramatically negative impact on New York City's financial well being. First, Gramm-Rudman-Hollings has led to the elimination of federal revenue sharing, resulting in a \$270 million per year negative impact on the City budget. Secondly, the recently enacted tax changes have resulted in the City becoming substantially less competitive with the localities that surround it.

Upon careful analysis of the mentioned indicators, it becomes obvious that the fiscal well-being of the City is deteriorating. To award the Electrical Inspectors anything more than that provided by the MCEA will only add to that deterioration and will adversely affect the public welfare. Any increase above the MCEA will force the City to draw funds from the fiscal year 1987 or 1988 budget(s) thereby causing the amount of funding for services in those years to be reduced. An overwhelming proportion of the City's budget is non-discretionary as the City is required to provide for various mandated costs. The expenditure reductions would, therefore, impact disproportionately on the very limited discretionary portions of the budget which provides the resources for the normal everyday municipal services (Tr 744-5).

Job specifications in the City's survey focusing on a number of the largest cities as well as local jurisdictions were utilized to ensure the closest possible match of job functions and titles. Because of the variations in the number of hours worked by employees in different jurisdictions, a valid comparison can only be made after wages are adjusted to reflect a 35 hour workweek. Specifically, City Tab 40 demonstrates that when New York City Electrical Inspectors are compared with similar employees in some of the largest cities and local jurisdictions they are among the highest paid in their trade.

As of June 30, 1984, New York City Electrical Inspectors were ranked fourth among major U.S. cities in terms of minimum annual salary. Similarly, when maximum annual salaries are

compared, New York City Electrical Inspectors rank fifth among major U.S. cities.

More revealing, however, assuming application of the MCEA, New York City Electrical Inspectors will maintain their ranking among major U.S. cities in terms of annual salary through June of 1987. Thus, it becomes clear that the MCEA will provide the Electrical Inspectors with an increase that will keep them, in terms of wages, very near the top of their trade.

Due to the passage of time since the MCEA was bargained in June of 1984, the impasse panel can compare the actual percentage changes in the Consumer Price Index over that period with the projected percentage changes in Electrical Inspector salaries assuming application of the MCEA (City 29).

The increase in inflation over the 3 year contract period will be approximately 11 percent (City 29). The City's offer to extend the MCEA to Electrical Inspectors will produce a wage increase of 17.7 percent over the same three year period. The City's offer clearly will produce for Electrical Inspectors an increase in real wages, i.e. wages adjusted for increases in the Consumer Price Index. which is far beyond the Consumer Price Index. Moreover, Local 3 produced no factual basis on which to grant the Electrical Inspectors any increase whatsoever; therefore. the City's offer is more than equitable.

Although Local 3 now demands parity between Electrical Inspectors and-Electricians, the record is completely void of any evidence which would support such a demand. In fact, a comparison of the Union's own exhibits 6 and 7 demonstrate

the absurdity Of its argument. Union 6 and 7 set forth the job qualifications for the titles of Electrical Inspector and Electrician, respectively, as follows:

Union 6

Qualification Requirements (Electrician)

1. "Five years of full-time paid experience acquired within the last 15 years as a Electrician working on the installation, repair or maintenance of high or low potential electrical systems..."

Union 7

Qualification Requirements (Electrical Inspector)

1. "Five years full-time experience as an electrician or inspector of electrical installations".

Thus, the Union's own evidence demonstrates that Electrical Inspectors do not have the same qualification requirements as Electricians. A City Electrician is required to have five previous years of experience as an Electrician whereas an Electrical Inspector is not so required.

Moreover, the rate of pay for Electricians is dictated by statute. Section 220 of the New York State Labor Law, under which the Electricians are covered, requires that covered employees be paid at the rate prevailing in the private sector. Thus the rate of pay for Electricians is, to a large extent, outside the control of the City. On the other hand the Electrical Inspectors are covered by the Civil Service Law and are, thus outside the review of the prevailing rate law. In fact, the courts have ruled that Electrical Inspectors are not entitled to the prevailing rate of wages paid to Electricians, notwithstanding that inspectors, at times, also performed

electricians work. See, e.g. Wood v. City of New York 274 NY 155 (1937).

It is clear, therefore, that Local 3's demand for parity with Electricians is totally without merit.

DISCUSSION

The statutory scheme to resolve labor disputes between a public employer (City of New York) and a certified or designated employee organization (Local 3, IBEW) is set forth in the New York City Collective Bargaining Law (Administrative Code, Chapter 54) §1173-7.0 c(3)(b).

The Statute compels the impasse panel to ... consider wherever relevant the following standards in making its recommendations for terms of settlement:

(1) comparison of the wages, hours, fringe benefits, conditions and characteristics of employment of the public employees involved in the impasse proceeding with the wages, hours, fringe benefits, conditions and characteristics of employment of other employees performing similar work and other employees generally in public or private employment in New York City or comparable communities;

(2) the overall compensation paid to the employees involved in the impasse proceeding, including direct wage compensation, overtime and premium pay, vacations, holidays and other excused time, insurance, pensions, medical and hospitalization benefits, food and apparel furnished and all other benefits received;

(3) changes in the average consumer prices for goods and services, commonly known as the cost of living;

(4) the interest and welfare of the public;

(5) such other factors as are normally and customarily considered in the determination of wages, hours, fringe benefits, and other working conditions in collective bargaining or in impasse panel proceedings.

In reviewing the issues, Salary increases, Longevity increase and Minimum salaries, the City has proposed salary increases of 5.1% effective 7/1/84, 6.21% effective 7/1/85 and 6.4% effective 7/1/86. These economic increases are in lieu of the City's original proposal for wage increase, longevity payment and equity fund as spelled out in City 6 (Tr 50-2). The Union proposed that Electrical Inspectors should receive wage increases that would give them parity with the New York City Electricians (Union brief, page 2 and Tr 640, 644) and the provisional Electrical Inspectors receive substantial wage increases sufficient to stem their departure to other positions (Union brief, page 8 and Tr 110-4).

On "Comparability", the Union cites the cities of Chicago, Los Angeles and Detroit. The City of Chicago must pay its Electrical Inspectors whatever its Electricians are awarded under the Illinois Prevailing Wage Rate Law. The City of Chicago 1985-87 contract with the Electrical Inspectors guaranteed wages of \$3153-50/month on 1/1/85 and \$3408-50/month on 1/1/86 (Union 13, Appendix A, Tr 233). In Los Angeles, the Electrical Inspectors receive \$32,802-38 annually on 7/1/85 and \$34,542 on 7/1/86 (Union 12, Appendix A-1, A-2, Tr230-2). In Detroit, the Electrical Inspectors were guaranteed Automatic Equity Progression from \$31,502 on 7/1/83 (Union 9, Schedule 1, Tr 198-200).

The Union points out, in the City of Chicago, there is only one rate of pay, all receive it and it is tied to the electricians rate of pay. In New York City, Electricians are covered by Section 220 of the New York State Labor Law Prevaling Rate) and receive one rate of pay. The Union further points out that the New York City Electrical Inspector has identical job requirements and knowledge in in order to get the job, pass the exam and knowledge requirements when he is on the job with respect to the electrical code inspection, as that of the New York City Electrician and therefore want what the Electricians get (Tr 640, 644, 886. 888, F89).

In the private sector, the Union pointed to the Con Ed Commercial Service Representative who as of July 28, 1985 received a minimum of \$14-94/hr and a maximum of \$18.57/hr. All of these employees are at the maximum (Union 1A, Tr 64-5). The Union contends that the City Electrical Inspectors are paid lower wages than these Con Ed employees, who are doing the same work.

The City argued that New York City Electrical Inspectors salary schedule or range ranks favorably with those of comparable major jurisdictions (City Tab 40) and is commensurate with other inspectorial titles in the City (City Tab 35, 36 Tr 996 - 1010).

The exhibit of "Comparable Major Jurisdictions" on page 18 reflects the information contained in the first nine pages of City Tab 40. Not included is the population of each jurisdiction (it ranged from a high of 7,515,000 for the State of New Jersey to a low of 843,000 for the City of San Antonio).

COMPARABLE MAJOR JURISDICTIONS¹Salary Rates as of 6/30/84Adjusted For a 35 Hour Work Week

<u>Jurisdiction</u>	<u>Work Week</u>		<u>Salaries</u>		<u>Salaries</u>	
	<u>Hours</u>		<u>Minimum</u>	<u>Maximum</u>	<u>Minimum</u>	<u>Maximum</u>
Chicago	40		37,842	37,842	33,112	33,112
Detroit	35		31,076	31,502	31,076	31,502
Los Angeles	40		29,754	33,157	26,035	29,012
New York City	35		20,671	25,521	20,671	25,521
Philadelphia	40		20,169	22,205	17,648	19,429
Dallas	40		19,476	27,384	17,042	23,961
Houston	40		19,000	20,938	16,625	18,320
State of New Jersey	40		17,067	23,038	14,934	20,158
Nassau County	33.75		17,025	26,764	17,656	27,755
San Antonio	40		16,932	22,620	14,815	19,792
Suffolk County	37.5		15,817	24,273	14,763	22,756
		<u>Average</u>	22,257	26,840	20,398	24,665

¹City Tab 40 and supporting papers.

The cities of Dallas and San Antonio were the only ones below a million in population. Attempting to make it easier to read and comprehend, I included in each jurisdiction, the hours in the work week and the minimum and maximum salary range or schedule as existed on June 30, 1984 (The June 30, 1984 date is used because that is the salary range or salary schedule that was in existence on that date for the New York City Electrical Inspector and he/she is presently receiving a salary based on those ranges until new ones effective July 1, 1984 become operative). Because of the variation in the work week in the different jurisdictions, salaries were adjusted to reflect a 35 hour work week so that a valid comparison may be made. The average minimum and maximum are included to show the position of New York City in relation to the other jurisdictions.

The Union contends that the survey introduced by the City is not relevant as the City accepted the information supplied by the jurisdictions as to the titles that they equated to the Electrical inspector. The Union argued that no requirements for the title were supplied by the jurisdictions, therefore, there was no proof that the titles were similar.

The same could be said of the three jurisdictions that the Union cited; Chicago, Los Angeles and Detroit. The same three cities are among the eleven that the City contacted and had received a response.

The Union objected to this type of presentation because it did not reflect the salaries of the incumbents in each

jurisdiction (Tr 1202). They argued that where is one rate and everyone is at that rate you know the exact salary and as such you can make a valid assumption. Be that as it may, the City of Chicago is the only jurisdiction that has one rate of pay. The remaining ten, including two of the three that the Union cited, utilize minimums and maximums and there was no indication of the salary of the incumbents (City Tab 41). It may not be the best. but it reflects what the salary range is in these jurisdictions and as such, a valid assumption may be made.

The City presented a "Salary History" for inspectorial titles (City Tab 36), which details the salary range (minimum and maximum) for 8 titles, including Electrical Inspector. They are Boiler Inspector, Construction Inspector. Electrical Inspector, Elevator Inspector, Heating and Ventilation Inspector, Housing Inspector. Plastering Inspector and Plumbing Inspector. These eight have had the identical salary history since the enactment of the New York City Collective Bargaining Law. Seven of the eight are represented by another union.

The exhibit of "Salary History, Comparable New York City Inspector Titles" on page 21 reflects the information contained in City Tab 36, by detailing the salary history of two of the eight titles. I have chosen the Construction Inspector title to be representative of the other six. I have also included the MCEA settlement figures for the years '84, '85, and '86, that was accepted by the union representing the seven inspector titles of which the Construction Inspector is one.

SALARY HISTORY¹COMPARABLE NEW YORK CITY INSPECTOR TITLES²

	<u>Electrical Inspector</u>		<u>Construction Inspector</u>	
<u>Date</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Minimum</u>	<u>Maximum</u>
1/1/68	7,900	10,035	7,900	10,035
1/1/69	8,300	10,850	8,300	10,850
1/1/70	8,600	11,300	8,600	11,300
7/1/70	9,000	12,200	9,000	12,200
7/1/71	9,500	13,000	9,500	13,000
7/1/72	10,000	14,000	10,000	14,000
7/1/73	10,500	14,000	10,500	14,000
7/1/74	11,000	14,000	11,000	14,000
7/1/75	11,800	14,800	11,800	14,800
7/1/76	11,800	14,800	11,800	14,800
7/1/78	11,800	14,800	11,800	14,800
10/1/78	12,272	15,392	12,272	15,392
7/1/79	12,713	15,833	12,713	15,833
10/1/79	13,221	16,466	13,221	16,466
7/1/80	14,279	17,783	14,279	17,783
7/1/81	16,206	20,183	16,206	20,183
7/1/82	17,888	22,084	17,888	22,084
9/1/82	19,319	23,851	19,319	23,851
7/1/83	20,671	25,521	20,671	25,521
7/1/84			21,725	26,823
7/1/85			23,007	28,405
7/1/86			24,330	30,038

¹City Tab 36 and supporting papers.

²Representative of the Building and Construction Occupational Group.

The Union argued that the figures of minimum and maximum are meaningless in the City's calculation as no one is at the maximum and no one will ever reach it. As to the minimum, it, is so low that the City cannot hire or retain electrical inspectors at that level of pay (Tr 149. 182, 451-4. 494, 613-4).

A major factor contributing to this dilemma is that there has been no increase in the minimum or maximum salary since July 1. 1983. During this period the minimum for the other inspectors, who have settled, increased by \$3659, from \$20,671 to \$24,330. The blame surely must fall on both parties. The Union cannot fault the City as they (the Union) could have forced the issue much sooner. and the City cannot fault the the Union as they (the City) could have brought them to the table kicking and screening, as they had done to others.

On the issue of recruiting, the parties have established an Apprentice program. Proper training and the use of the program will assure the necessary competent Electrical Inspectors.

As for Electrical Inspectors leaving because of the pay, this will always happen as long as man has a free will.

The Union contends, that by keeping the Electrical Inspectors in lock-step with the non-prevailing wage City employee, the City would not be able to hire the competent Electrical Inspectors that it requires and they would be forced to hire provisionals who are less qualified, or contract with consultants to provide these services. They asserted that, presently the number of inspectors and inspections is inadequate

and that an electrical fires which could have been prevented by timely -inspections could have disastrous consequences(Tr 458-9. Union brief, Pages 3-4). Additional "inspection fees" (Tr 83-7) emanating from the ability to hire more inspectors and pay all at the journeyman Electrician rate (Tr 90), the City could break even (Tr 87).The difficulty with such a proposal is, there is no guarantee that with the expenditure of this sum of money, approximately Three Million Dollars (Tr 86), the City would achieve the elimination of its approximately 70,000 back-log of applications for electrical inspections (Tr 93) within a period of three years(Tr 96) and further, the decision regarding the use of consultants or the number of electrical inspectors the City needs and how many it can afford is a managerial decision that must be made by them and is outside the province of the Union or this panel.

The City at the request of the panel, provided a "Salary Scatter" of the Electrical Inspector title, dated June 30, 1984 (Impasse panel 1, Tr 1111-23). It also included the salary scatter of Construction Inspector, Elevator Inspector, Housing Inspector and Plumbing Inspector. On June 30, 1984 there were 43 Electrical Inspectors earning an average salary of \$22,991. One was listed as receiving \$50,308. No explanation was given for this. When deleted, the total becomes 42 and the average salary is \$22,341. The Construction Inspectors numbered 111 and averaged \$22,440. They too had someone earning over the maximum, so it too was deleted and the total became 110 with an average salary of \$22,397. Elevator Inspectors numbered 55

and had an average salary of \$21,242. Housing Inspectors numbered 292 and averaged \$22,245. Plumbing Inspectors numbered 14 and had an average salary of \$22,131.

Ranked in the order of average salaries, the Electrical Inspector was second with an average salary of \$22,341. The Construction Inspector was first with an average salary of \$22,397, Housing Inspector was third with \$22,245 as an average, Plumbing Inspector was fourth with \$22,131 and the Elevator Inspector was fifth with an average of \$21,242.

The "Salary Scatter" for the Electrical and the Associate Electrical Inspector titles for June 30, 1986 (Impasse panel 2, Tr 1154-67) shows a total of 48 Electrical Inspectors averaging \$23,514. There are two notable salaries that do not fit the minimum and maximum. Deleting these leaves a total of 46 and an average of \$22,849. The Associate Electrical Inspectors number 57 with an average of \$27,303. The same exhibit showed that on June 30, 1984, the Associate -Electrical Inspectors numbered 54 with an average salary of \$28,076. in June of 1984, the total number of Electrical Inspectors and Associate Electrical Inspectors numbered 96 (42 plus 54) and in June of 1986 the total was 103 (46 Plus 57).

The Union asserts that it should receive a wage increase that would give them parity with the City electrician. A \$10,000 difference now exists between the pay of the City electrician (Union 23B) and the average pay of an Electrical Inspector (Tr 1197, Impasse 2) Also, Provisionals who do not possess the same qualifications as the City electrician should receive small increases, enough to stem the increasing number of

resignations and replacements.

The Union believes that because the qualifications are the same the rates of pay for electrical inspector and electrician should be the same. The City points out that a City electrician is required to have five years previous experience as an electrician whereas an electrical inspector is not so required. The City further points out the Courts in Wood v. City of New York 274 NY 155 (1937), have ruled that Electrical Inspectors are not entitled to the prevailing rate of wages paid to Electricians. notwithstanding that inspectors, at times performed electricians' work.

I believe that the job description, not the qualification requirements is the basis for which salary rates are determined. The job description for the Electrician title is more demanding and physically taxing than that of the Electrical Inspector. Its true, an electrical inspector having similar qualifications as an Electrician would probably be able to perform the work, but, at this point, he isn't performing the work of the Electrician. He is being paid to inspect the work that was performed. He is not doing the installing, maintaining, replacing or repairing as is the Electrician. Therefore, the rate of pay he receives is predicated on the work he performs, not what his qualifications are. Further, I don't believe that the "provisional" employee should be paid at a lower wage. He is performing the work of an Electrical Inspector and should be paid accordingly.

Union, 6 and 7 set forth the job descriptions for the titles of i4electrician and Electrical Inspector, respectfully, as follows:

Union 6

Job Description (Electrician)

Installs, maintains, replaces and repairs traffic signals, controllers and other electrically-operated traffic control devices; installs conduit, raceway and wire; performs related duties.

Union 7

Job Description (Electrical Inspector)

Inspects work of traffic signal maintenance contractors for adherence to specifications; prepares field work orders and inspection reports; approves payment requisitions for work inspected; performs related duties.

Contrary to what the Union believes, there is a parity relationship with the "'Building and Construction Occupational Group". This parity has existed since the inception of the "Career and Salary Pay Plan" in 1954 when all these titles were placed in "Salary Grade 9". From that day forward they all had wage parity. No one received more, or less, than the other. Call it lock-step, parity or sameness, its there and has been for over 30 years for this group. There is a need for continuity, without which, everyone would hold back from accepting the generally agreed-upon settlement, thereby seeking to obtain a substantially better deal. To grant the Union more than those who have already settled would destroy this parity relationship which has been so beneficial to the Unions, the City and its Citizens.

The Union contends that the City has the ability to pay the wage increases that they require. They point out that for each of the past five years the City has had surpluses, the latest being 570 Million Dollars(Union 16). Therefore, even if the Electrical Inspectors were not to pay their way through inspections yielding "permit fees" if enough of them were hired, and granted parity with the City's Electricians, this would not affect the City's budget(Union brief, 6-7).

With a budget of 21 Billion Dollars(Tr 730), the amount that would be needed to satisfy the Electrical Inspectors wage demands would involve a very small expenditure. Even with an estimated budget gap of 505 Million Dollars for fiscal year '88 (Tr 739), this amount is small. The impact of one group, whether it be small or large, going beyond the pattern settlement would encourage discord, envy and militancy among other employees and unions.

The"Pattern of Settlement" is indeed a fact of life in collective bargaining where an employer has multiple bargaining units. It is widely recognized as one of the most important factors to be considered. Its justification is found in the fact that it promotes labor harmony and peace. Settlements or awards rendered greater than the pattern of settlement as established, absent the demonstration or evidence to justify a deviation. undermine morale, thereby providing the seeds for labor turmoil and unrest. The demand for parity with the City Electricians. because the qualification requirements, as the Union perceives them, may be the same, is not sufficient

grounds to disregard the parity that these employees have had with other inspectors in the Building and Construction Occupational Group over these many years.

In the instant matter, the City initially proposed the Municipal Coalition Economic Agreement (MCEA) to the Union (City 8). The major feature of the MCEA were three un-compounded wage increases of five, five, and six percent over a three year period. In addition an Equity Fund was established, health benefits were improved, an additional holiday was granted for Martin Luther King Day, contributions by the City to the Welfare Fund were increased and a longevity payment.

A settlement consistent with the MCEA was reached with the other inspectors who received a wage increase of 5.1% effective 7/1/84, 6.21% effective 7/1/85 and 6.41% effective 7/1/86- These increases were in lieu of the 5%, 5%, and 6% wage increase, longevity payment and the Equity Fund. This is exactly the same economic package that the City proposed for the Electrical Inspectors. It maintains the parity that has existed among the inspectors and it does not deviate from the pattern of settlement.

Inflation has increased approximately 1.1% during this contract period (7/1/84 - 6/30/87) that is in dispute. The City's proposal produces a wage increase of 17.75% over this same period. This clearly will produce an increase in real wages for the Electrical Inspector.

The most effective method to serve the public is to treat public employees fairly while maintaining a stable level

of government services. While striking a balance may at times present a difficult task, surely fairness to public employees should not have to give way to excessive demands. Likewise, the cost of government services cannot be placed solely on the backs of public employees. Needless to say, the interest and welfare of the public require that Electrical Inspectors be paid a salary and enjoy benefits commensurate with their workload and comparable to other jurisdiction and other inspectorial employees in the City of New York. It is apparent that the Electrical inspectors do rank favorably with respect to other jurisdictions and will continue to do so. The City's economic proposal maintains the standing of its Electrical Inspectors with respect to the minimum and maximum salary range of comparable inspector titles in the City.

Pursuant to the foregoing, and having reviewed the lengthy transcript, voluminous supporting data, briefs, and having considered the arguments and evidence offered and having also considered the statutory criteria enumerated in NYCCBL 1173-7.0c(3)(b). the undersigned makes the following

RECOMMENDATIONS

I recommend that the July 1, 1984 - June 30, 1987 collective bargaining agreement between the Electrical Inspectors, Local 3, IBEW, AFL-CIO and The City of New York. shall contain the same economic provisions as are contained in the settlement with the Building and Construction Occupational Group, which is consistent with the MCEA.

Dated: February 20, 1987

Thomas V. Laura
Impasse Panel

County of Essex,)
)ss:
State of New Jersey)

I, Thomas M. Laura, do hereby affirm upon my oath as Impasse Panel, that I am the individual described in and who executed this instrument, which is a Impasse Panel Report and Recommendation.

Dated: February 20, 1987

Thomas M. Laura
Impasse Panel