

CA-0039
M 75-96

In the Matter of Interest Arbitration

between

The City of Rochester, New York

and

Local 1071, International Association
of Firefighters

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CONCILIATION

Arbitration Award

January 3, 1977

PEOO-AJ
JP-25 M

I) Hearing
A Hearing was held before the undersigned panel of arbitrators on December 11, 1976. Appearing for the Firefighters were: Mr. George Hoffenberg, Esq., Mr. Daniel Coyne, Mr. Jim McGovern, Professor Jarold Zimmerman, Mr. Charles Lamphron, Mr. Jerold Bills, Mr. Robert Lau, and Mr. Richard Mattice. Appearing for the City of Rochester were: Mr. Richard Whalen, Mr. Jerry Cooper, Mr. Louis Paris, Chief Drake, and Deputy Chief Heuther.

The parties were given a full opportunity to offer oral testimony and supporting documents.

II) Issue

The issue before this panel is wages for the period 6/30/76 through 6/30/78. *Items 1 & 2 in Appendix A were accepted by both parties. JFD*

III) Background

Local 1071, IAFF and the City of Rochester entered into negotiations which resulted in a memorandum of agreement dated August 28, 1976. The agreement with respect to wages was 3.5% bonus (not added to base) effective July 1, 1977 and 8.0% effective January 1, 1978. This tentative agreement was accepted by the City and Firefighter bargaining teams. The City ratified this agreement, but it was rejected by the firefighters. Both sides unsuccessfully attempted to resolve the issue in further meetings and finally elected to put the matter before an arbitration panel. This panel convened on Saturday, December 11, 1976 at the Chamber of Commerce Building in Rochester, New York.

IV) The Arguments

A) The Union

The Union position before the arbitration panel is as follows:

Local 1071, IAFF argued that 1) the City had ability to pay, and 2) the Rochester firefighters were not overpaid. The Union argued that Rochester's financial status can be measured by the price (interest) the City pays for borrowed funds. This price reflects the confidence investors have in Rochester's ability to pay interest and principal and the data appear to show that Rochester has paid a lower price for money than Albany, Buffalo, and Syracuse.

In addition to this, Moody's Investor Service issues bond ratings and Rochester has a triple (Aaa) rating which suggests that Rochester is in better financial shape than Albany, Syracuse, and Buffalo. Add to this the fact that Rochester has a higher per capita full value of taxable real estate and higher per capita city revenue and it is difficult not to conclude that Rochester is in sound financial shape.

Local 1071 also presented data on firefighter salaries in Rochester. It points out that:

- 1) Money earnings have increased from around \$ 7500 in 1967 to nearly \$15,000 in 1975.

- 2) Real earnings (1967 dollars) increased from \$7500 in 1967 to nearly \$10,000 in 1972, but decreased to about \$9000 in 1975.

Moreover, the Union asserts that the above is only half the picture and that in fact firefighters have increased productivity between 1967 and 1975. One measure of work is the number of alarms that the firefighters respond to. Over the period 1967-75, this increased by 4000 alarms, which is about a 43% increase in output. This is compared to an 18% increase in real earnings over the same period.

For these reasons, the Rochester Fire Fighters Association argues for a 6% salary increase effective back to July 1, 1976 and a 6% increase effective July 1, 1977.

B) The City

The City argued that it was concerned about the need for such a hearing and the impact of the subsequent award on the bargaining process. It asserts that final and binding arbitration is designed to provide finality in collective bargaining and that it should not be used where the parties at the table are able to resolve their differences as was the case in these negotiations.

The City further asserts that if the memorandum of agreement is not sustained there will be a ripple effect on

this city as well as others in the sense that the rank and file can undercut their leaders. Moreover, it changes the bargaining process in the sense that the City cannot rely on the union leadership to sell mutually arrived at agreements to the rank and file. This will eventually force the City to hold back in negotiations and so thwart the bargaining process.

Thus, the City's concern is that any change in the Memorandum of Agreement made by the panel will inflict permanent and irreparable damage to the bargaining process and therefore it asks this panel to endorse the previously agreed upon Memorandum of Agreement.

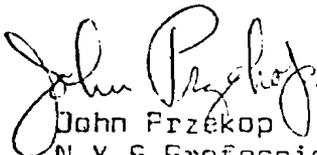
V) Reasoning and Award

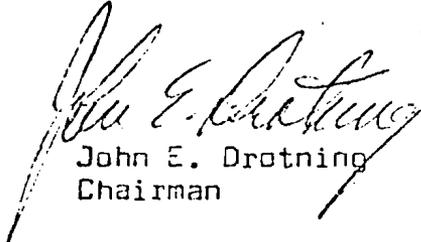
This is not an easy issue to resolve. There are positive and negative aspects in both arguments. The problem for the panel is to weigh the merits and demerits of each argument and to arrive at a reasonable conclusion. On the one hand, is the Firefighters' argument that the City has the ability to fund wage increases. The data seem to support this conclusion, but it must be remembered that Rochester Firefighters are well paid relative to their brothers in many comparable cities.

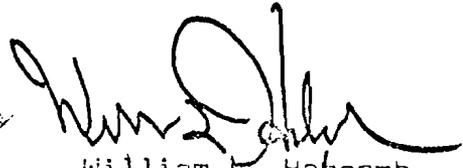
On the other hand, is the City's contention that a

panel recommendation different from the Memorandum of Agreement brutalize the bargaining process. This argument also has merit, but the panel is mindful that the Firefighter bargaining team is obliged to submit tentative agreements for rank and file consideration. In this case it was rejected and this vote cannot be discounted. After considering these arguments in executive session, this panel unanimously makes the following award:

1. The City of Rochester will increase salaries by 2.5% to all firefighters and non-uniformed members of the unit effective July 1, 1977 and by 8.0% effective April 1, 1978.
2. The existing rank salary differentials will be maintained.


John Przekop
N.Y.S Professional
Firefighter, Inc.


John E. Drotning
Chairman


William L. Holcomb
City of Rochester, N.Y.

Rochester Fire Fighters Association

LOCAL 1071
40 WEST AVE.



INTERNATIONAL ASSN. OF FIREFIGHTERS
ROCHESTER, N.Y. 14611

(716) 235-8484

Mr. Chairman, members of the Panel.

The Union makes the following proposal for settlement of the dispute between the City of Rochester, N.Y. and Local 1071 I.A.F.F. and for the period of from July 1, 1976 to June 30, 1978.

- 1) All conditions and terms of the expired agreement which were previously agreed to during the current negotiations ^{C.W.A.} ~~and except as modified below~~, shall continue in full force and effect. *12/11/76 R.W.G.*
- 2) Effective July 1, 1976 items A, B, C, D, E, F, G, of the Memorandum of Agreement dated August 28, 1976, to all members of the Unit. *12/11/76 R.W.G.*
- 3) Effective July 1, 1976 a 6% salary increase to all firefighters and all non-uniformed members of the unit maintaining the existing rank salary differentials. *12/11/76 R.W.G.*
- 4) Effective July 1, 1977, a 6% salary increase to all firefighters and all non-uniformed members of the unit maintaining the existing rank salary differentials.

Daniel J. Coyne Pres.

James McGovern V. Pres.

Robert Lau, Sec'y.

Jerold Bills, Treas.

Charles Lamphron, B.C. Rep.

December 11, 1976

