

Panel Upholds Giuliani Offer On Police Pay

By Clifford J. Levy

Sept. 5, 1997

See the article in its original context from
September 5, 1997, Section B, Page 1 [Buy Reprints](#)

[VIEW ON TIMSMACHINE](#)

TimesMachine is an exclusive benefit for home
delivery and digital subscribers.

An arbitration panel announced yesterday that it was upholding Mayor Rudolph W. Giuliani's wage offer to the New York City police union, all but ending an unusually vitriolic dispute that had been fought from precinct station houses to the State Capitol.

The panel said the Mayor had presented a reasonable proposal to the powerful union, the 29,000-member Patrolmen's Benevolent Association, when he offered a salary increase of 13.3 percent over five years, roughly the same raise that unions representing other municipal workers have received.

The panel chastised the police union for seeking more money than other municipal workers had got, which the union said it deserved because its members were responsible for the sharp drop in crime in the city recently. It said that granting such a request would throw labor relations into turmoil because other unions would then contend that they should garner similar increases.

"It would create chaos," the panel wrote in its ruling. "Whipsawing efforts by every municipal union undoubtedly would follow. This would severely damage the city's financial stability."

The police union said it might appeal the ruling, which was handed down by a three-person panel appointed by the city's Office of Collective Bargaining, though labor experts said such appeals were difficult to win. If the union does not file an appeal, which it has up to a month to

do, the new contract will go into effect immediately, retroactive to 1995, when the last contract expired.

The union president, Lou Matarazzo, said he would consult with senior union officials about whether to set up picket lines in front of police station houses, raising the possibility that officers might be demonstrating against the Mayor at the height of his re-election campaign.

The union mounted similar protests last January after it formally rejected the Mayor's last offer and the impasse went to arbitration.

During those protests, officers carried signs that said, "No zeroes for heroes," a reference to a wage freeze in the first two years of the contract.

Mr. Matarazzo also vowed to retaliate with one of the union's most effective weapons, the State Legislature.

The union wields strong influence in Albany, and in recent years the Legislature has repeatedly come to its aid by approving bills that change contract and workplace regulations in the union's favor -- usually over the objections of Mr. Giuliani and his predecessors.

The current conflict has lasted more than two years, in part because the union sought state legislation that would have moved arbitration proceedings from the city agency to a state one that the union believes would treat it more favorably. The Legislature approved the bill over Gov. George E. Pataki's veto, but the Mayor successfully challenged it in court.

Union officials said yesterday that any state legislation they obtained would probably not affect the basic terms of the new contract, but they said they would ask the Legislature for help in negotiating the next contract. They said they would submit new legislation to move arbitration proceedings to the state panel.

"I am extremely disappointed that we couldn't get a fair shake from the arbitrators," Mr. Matarazzo said. "We are now going to take it up to Albany."

Mr. Giuliani hailed the ruling by the arbitration panel, saying he hoped that it would convince rank-and-file officers that he was being fair. "This decision makes clear that the offer that the city made to them is a very generous one," he said.

But many officers said they were still upset with the Mayor, in what is perhaps one of the more unexpected hallmarks of his tenure: a chief executive who has prided himself on his success as a crime fighter is unpopular with many members of his police force.

Some officers also expressed anger toward the union, which has weathered a number of blows in the last year, including the indictment of its chief lawyer.

"I'm totally disgusted," said Officer Vincent Martinelli, a union delegate in the 108th Precinct in Queens. "I felt that the P.B.A. should have taken a hard line, an aggressive stance against Mayor Giuliani and the arbitration panel. We're working harder than we ever have and we've lowered the crime rate drastically. We deserve more. I feel we should have played hardball."

Officer Martinelli, who worked phone banks for the Mayor's 1993 campaign, added, "We were stabbed in the back by the Mayor."

Mr. Giuliani said police officers should blame the union leadership for employing a failed strategy for wresting more money from the city.

"I really feel very bad for them," he said, "because I think that they were not well served in the way in which this whole thing was handled by their leadership."

In the new contract, the Mayor had offered the union a five-year package that follows the pattern of the deals he negotiated with the other municipal unions: the two-year wage freeze, followed by annual increases of 3 percent, 3 percent and 6 percent. When the increases are compounded, the total raise under the package approved by the arbitration panel is 13.3 percent in salary alone, or 15.3 percent when all other benefits are included, officials said.

By the end of the old contract, an officer with 10 years' experience was receiving \$50,400 in salary and other cash benefits, said James F. Hanley, the city's Labor Commissioner. By the end of the new contract, that officer will be earning \$57,584, an increase of \$7,184, or 14.25 percent, slightly more than the 13.3 percent because other cash benefits are included.

The P.B.A. had originally refused to accept the two-year wage freeze. Its leadership later relented, but said that in addition to the 13.3 percent, it wanted what it referred to as productivity bonuses of at least a few thousand dollars for each officer.

"They fail to recognize the type of work that our people do," Mr. Matarazzo, the union president, said yesterday after the panel rejected the productivity demand.

The Office of Collective Bargaining is independent and is governed by a board on which both unions and the city have representation.

Mr. Hanley and Deputy Mayor Randy L. Levine advised Mr. Giuliani in his dealings with the police union. The three men said the ruling showed the wisdom of the labor strategy that the Mayor put in place in 1995, when he sought the two-year wage freeze, which was intended to help the city cope with a large budget gap.

Mr. Giuliani said that the panel agreed with his view that the unions could not seek big increases from the city by comparing their wages with those in nearby suburbs, where the salaries are typically higher.

He said the panel had demonstrated that police officers historically received raises that outpaced inflation.

"From the point of view of the fiscal integrity of the city and the ability of the city to deal with all of the unions," Mr. Giuliani said, "it is a vindication of the city's position."