

P.E.R.C. NO. 85-40

STATE OF NEW JERSEY
BEFORE THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of

BOROUGH OF METUCHEN,

Petitioner,

-and-

Docket No. ID-84-15

METUCHEN PBA LOCAL 60, INC.,

Respondent.

SYNOPSIS

The Chairman of the Public Employment Relations Commission, acting pursuant to authority delegated to him by the full Commission, finds a proposal of the Borough of Metuchen to be an economic issue within the meaning of the Act for purposes of interest arbitration. The proposal would change vacation benefits for future members of the Borough's police department. This proposal must be considered by the arbitrator as part of each party's economic package.

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Appearances:

For the Petitioner, Sills, Beck, Cummis, Zuckerman,
Radin & Tischman, P.A.

(Joel C. Balsam, of Counsel, Richard M. Meth, on
the Brief)

For the Respondent, Bernard T. Lanoue, President

DECISION AND ORDER

On May 1, 1984, the Borough of Metuchen ("Borough") filed a Petition for Issue Definition Determination with the Public Employment Relations Commission. The petition seeks a determination whether a proposal made by the Borough during successor contact negotiations with PBA Local No. 60 ("PBA") is an economic or non-economic issue within the meaning of N.J.S.A. 34:13A-16(f). The proposal would change vacation leave for future members of the Borough's police department.^{1/}

The Borough and the PBA have filed briefs and statements. The following facts appear.

^{1/} The petition also sought a determination concerning sick leave issues and the identity of an insurance carrier for major medical coverage. However, those two proposals have been resolved during negotiations.

The PBA is the majority representative of all of the Borough's police officers except the chief of police and the lieutenant of operations. The parties are engaged in interest arbitration proceedings to resolve an impasse in successor contract negotiations. The Borough has proposed to change the vacation leave for all future police officers. The change would not affect current police officers.

The Borough argues that since the changes would not affect any current employees, there is no economic benefit to the officers or impact on the Borough and the proposal should be labeled as non-economic.^{2/} The PBA argues that vacation benefits have long been recognized as an economic issue.

Pursuant to N.J.S.A. 34:13A-6(f), the full Commission has delegated authority to me to apply well-settled case law to decide this case. Doing so, I find that the Borough's proposal is economic in nature.

N.J.S.A. 34:13A-16(f)(2) defines economic issues as including "...those items which have a direct relation to employee income including wages, salaries, hours in relation to earnings, and other forms of compensation such as paid vacation, paid holidays, health and medical insurance, and other economic benefits to employees." (Emphasis supplied). Accordingly, paid

^{2/} The Borough also argues that since the proposal would not affect any current employees represented by the PBA, the PBA does not have a right to negotiate over the proposed change. This argument presents a scope of negotiations issue which is not properly raised in the context of an issue definition petition. Therefore, I will not pass upon it.

vacation is an economic issue. Further, the Commission has repeatedly held that the fact that a particular proposal would not reduce or increase benefits to any present employees or result in any additional present expense to the employer does not change its economic character. See In re Twp. of Hillside, P.E.R.C. No. 83-146, 9 NJPER 386 (¶14174 1983); In re Borough of Manasquan, P.E.R.C. No. 82-128, 8 NJPER 403 (¶13185 1982); and In re Borough of Paramus, P.E.R.C. No. 84-11, 9 NJPER 538 (¶14222 1983). Accordingly, the Borough's proposal is an economic issue within the meaning of the Act for the purposes of interest arbitration.

ORDER

The proposal of the Borough of Metuchen to change vacation benefits for future members of the Borough's police department is economic in nature and must be considered by the arbitrator as part of each party's economic package.

BY ORDER OF THE COMMISSION


James W. Mastriani
Chairman

DATED: Trenton, New Jersey
October 4, 1984