

P.E.R.C. NO. 83-146

STATE OF NEW JERSEY  
BEFORE THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of

TOWNSHIP OF HILLSIDE,

Petitioner,

-and-

Docket No. ID-83-5

HILLSIDE PBA LOCAL #70, INC.,

Respondent.

SYNOPSIS

The Chairman of the Public Employment Relations Commission, acting pursuant to authority delegated to him by the full Commission, determines that proposals concerning longevity pay and payment to officers temporarily working in a higher rank are economic in nature and that proposals concerning the replacement, maintenance, and installation of equipment on police vehicles and in locker rooms are non-economic in nature. The former must be submitted to an interest arbitrator as part of an overall economic package; the latter must be submitted on a proposal-by-proposal basis.

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Appearances:

For the Petitioner, Miller & Menaker, Esqs.  
(Lawrence M. Miller, of Counsel)

For the Respondent, Loccke & Correia, Esqs.  
(Manuel A. Correia, of Counsel)

DECISION

A Petition for Issue Definition Determination was filed with the Public Employment Relations Commission on December 20, 1982 by the Township of Hillside ("Township") alleging that a dispute existed as to whether certain issues should be classified as economic or non-economic within the meaning of N.J.S.A. 34:13A-16(f)(2). The dispute arose during the course of interest arbitration proceedings involving the Township and the Hillside PBA Local #70, Inc. ("PBA"). The petition lists three provisions of the existing contract or negotiations proposals which the Township contends should be classified as economic items for purposes of interest arbitration. Both parties have filed statements in lieu of brief.<sup>1/</sup>

<sup>1/</sup> In its statement, the PBA has indicated that it has withdrawn from negotiations the portion of Article VII dealing with the filling of a vacancy from the Civil Service promotional list. Accordingly, there is no need to decide the economic or non-economic nature of this proposal. Additionally, the PBA concedes that Article 2, Section 3 relating to leaves of absence for PBA representatives to attend the PBA convention is economic in nature.

The first issue concerns Article 11 relating to longevity pay. The PBA contends that this proposal merely memorializes what is the status quo concerning this term and condition of employment, and accordingly would have no economic impact upon the Township. However, the fact that a given proposal would not provide any additional economic benefit to employees than that already enjoyed does not change its character from an economic to a non-economic issue in view of the following statutory definition of an economic issue: "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."

To analogize, a proposal to freeze salaries (i.e., a 0% wage increase) would nonetheless have to be presented as part of an economic package despite the fact that it would provide no additional economic benefit to employees or cost to the employer. Similarly, the inclusion of a longevity pay article in the contract is part of an economic presentation. Thus, the longevity pay article relates to an economic issue for negotiations in interest arbitration.

The next proposal in dispute concerns the replacement, maintenance, and installation of equipment on police vehicles and the installation and maintenance of certain equipment in the police station and locker room areas for the safety, comfort, and protection of police officers. The Township's petition contends these are economic items for negotiations. In view of the above quoted definition which identifies as economic those items which

have a direct relation to employee income, this proposal must be considered non-economic in nature. While the items requested may have an economic impact on the employer's cost they cannot be classified as an economic benefit to the employees. Therefore this proposal is a non-economic item for purposes of interest arbitration.

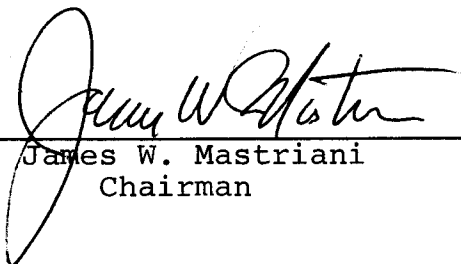
The final item in dispute concerns payment to officers who work temporarily in a higher rank in accordance with the salary for that higher rank. Again, the PBA argues that this proposal merely memorializes what is already the status quo in the Township. However, since the item undeniably relates to compensation, it must be categorized as an economic issue within the meaning of the Act.

ORDER

The following items are determined to be economic in nature as defined in N.J.S.A. 34:13A-16(f)(2):

Article XI - Longevity pay and portion of Article VII relating to officers working in an acting capacity in a higher rank.

The proposals in Article II(a) through (e) are determined to be non-economic issues for purposes of interest arbitration.

  
James W. Mastriani  
Chairman

DATED: Trenton, New Jersey  
May 26, 1983