POLICE LABOR CONFLICT IN BOSTON: SUMMER 2004

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In summer 2004 the Boston Police Patrolmen's Association [BPPA] picketed events leading up to and preparing for the Democratic National Convention [DNC], and threatened to picket convention events once the DNC was underway. The picketing was an effort to press Boston Mayor Thomas Menino to sign a labor contract with the BPPA on the BPPA's terms. The issues in dispute were resolved by arbitration on July 22nd, just prior to the convention's opening. What follows below is based on information contained in the Boston press and from occasional conversations with Boston police officers. It is simply an attempt to clarify my understanding of the issues and events,

Boston's city employed workforce covered by collective bargaining contracts totals 16,000 workers, represented by 32 unions. Contracts covering all these workers were unsettled in late spring 2004 a few months before the DNC's opening, when the city finally settled contracts with unions representing approximately 3/4 of the workers. Contracts with the four police unions and the firefighters remained unresolved, and public attention then focused sharply on the conflict between the BPPA and the Mayor. The BPPA is the largest of the police unions and represents 1400 officers.[1] The three other police unions represent 600 detectives and superior officers, and settlement of the BPPA contract was expected to establish the pattern for the settlement of contracts with these unions.[2] The firefighters supported the BPPA and seemed to be waiting in the wings hoping that a favorable settlement for the BPPA would bolster their efforts to settle on favorable terms.

In 1973 the Massachusetts legislature established means to resolve bargaining impasses between city or town officials and unions representing police or firefighters. These statutory procedures are in the hands of a Joint Labor Management Committee [JLMC] of fourteen members appointed by the Governor. Six members represent municipalities, three are police representatives and three are firefighter representatives. The chairman and vice-chairman are neutrals. Professor John Dunlop of Harvard

[1] *Boston Globe*, July 22, 2004.
[2] In March 2004 the Boston Police Detectives Benevolent Association representing 382 detectives and supervising detectives rejected an offer of 11.5% over four years. *Ibid.*

University was chairman until his death in the past year. Professor Morris Horowitz of Northeastern University, the vice-chairman, became acting chairman on Dunlop's death. In the spring of 2004 Boston's Mayor was increasingly anxious to settle with the BPPA before the start of the DNC and urged the BPPA to agree to arbitration under the aegis of the JLMC. The BPPA resisted, claiming that the city had not engaged in serious negotiation and recourse to arbitration was premature. The BPPA claimed that little, if any, serious negotiation had taken place on the city's part since the expiration of the last contract two years earlier, on June 30, 2002. In April 2004, as required under the statutory procedures, the State Mediation Board entered the picture, but its efforts were unsuccessful. Finally, in mid-July the JLMC agreed to mandate arbitration, but Horowitz tabled a three-man subcommittee motion that arbitration be expedited so as to settle the dispute before the start of the convention on July 25. Horowitz claimed the time before the convention was too short for an adequate examination of the issues. Governor Romney then filled the vacancy resulting from Dunlop's death by appointing Samuel Zoll, a recently retired Massachusetts judge, as chairman. This set the stage for what quickly became the unanimous acceptance of the city's desire for expedited arbitration by the JLMC. Romney's action supported Menino's belief that public safety would be jeopardized if the contract were not settled before the DNC began. Menino had ordered the police to work 12-hour shifts during the convention, and argued that the BPPA requirement that members picket on off-duty hours would leave officers too tired to provide adequately for public safety. Romney evidently accepted Menino's argument, and by filling the vacant chairman's position brought about a shift in the JLMC position on expedited arbitration. On July 19 Lawrence Holden, a highly respected and experienced arbitrator, was appointed and directed to bring in a decision by July 22. He did so, and his award was made public on the afternoon of July 22.

The Issues

Prior to the arbitrator's award on July 22 base salary for a Boston police officer reached its maximum annual level of $46,000, equivalent to a weekly salary of $886 and an hourly rate of $22, two years after first entering the police academy as a recruit. Every officer was also paid for 13 holidays at the overtime rate of $33, received a uniform allowance of $650, and a shift differential, varying by the shift worked, of approximately $60 to $65 weekly. These payments raised the base fulltime yearly salary to $53,700.[3]

[3] Ibid.

Officers also received overtime pay at the rate of $33 per hour, paid detail pay at the rate of $28 per hour, and pay for educational credentials in criminal justice or law. They receive a 10% increase in base salary for an associate's degree, 20% for a bachelor's degree, and 25% for a master's or law degree. It is estimated that approximately 60% of the officers represented by the BPPA now receive such educational payments with approximately 300 receiving 10%, 350 receiving 20%, and 250 receiving 25%. Officers without any of the educational credentials received a longevity differential of $1,500 for those who had five years of experience as of July 1, 1998, and of $3,500 for those who had 20 years of experience by that date.

Boston police officers thus have several sources of earnings, and the yearly amounts individual officers receive from three of these sources differ greatly. All receive the same base salary. Those with degrees in criminal justice or law receive additional pay. Some have longevity differentials. Most have some overtime earnings. Many supplement earnings with income not paid from the police department budget by volunteering for paid details with private contractors and other private businesses. These multiple sources of income complicated the resolution of the pay negotiations between the city and the BPPA. The press has reported that the Boston Municipal Research Bureau placed average earnings from all sources at $83,700,[4] and at $78,000 when the educational payments are excluded.[5]

The most recent contract between Boston and the BPPA expired June 30, 2002, and agreement on a new contract covering the four years ending June 30, 2006 had not been achieved prior to the July 22 arbitration. When the issue went to arbitration it was reported in the press that the city had offered a basic salary increase of 11.9% over the contract term, although the pattern of yearly increases that would lift salary by 11.9% by 2005, the contract's final year, was not reported. A rejected offer to the Detectives union had confined the proposed annual increases to the back three years of the contract, so it is likely that the offer to the BPPA was similarly back loaded. This is understandable. The city obviously wanted to avoid absorbing the substantial short run budgetary costs of full retroactivity evidently contained in the BPPA's reported demand for 17%. The press reported the cost of the BPPA proposal as $15 million dollars greater than the cost of the city's offer,[6] but didn't specify whether this was an estimate of the total extra cost over

[4] Ibid.
[5] Op. cit., July 21, 2004.
[6] Op. cit., July 19, 2004.

four years, or the additional cost in this fiscal year, in which basic salary payout would be increased by 24% by the need to pay retroactive increases for the two years that have passed without a contract. A back of the envelope calculation suggests that it is probably the latter cost that was referred to in the press.

The BPPA regarded 11.9% as inadequate. There are two considerations that can be used to support its contention. Firstly, base salary was not increased in the final two years of the contract that expired in 2002. Thus, the city's offer was equivalent, in its effect on year 2005 salary, to an annual increase of 2% over 2000-2006. For comparison purposes, the reported BPPA 17% demand was equivalent to an annual increase of approximately 2.5% over the same period. Secondly, since increases in salary under the city's offer were most likely confined to the last three years of the six-year period, total dollars paid out in additional base salary over the six years would be close to what might have been received by an annual increase of 1% over the same period. Total dollars paid out in the four years of the contract if the BBPA's demand had been accepted is close to what might have been received by an approximate annual increase of 1.5% over the six-year period. Neither would compensate for increases in the cost of living over the six years. Thus, frequent references, in press accounts, to the BPPA's demand as exorbitant, and to its picketing actions as extortionate do not hold up, in my opinion, under close examination.

The city's 11.9% looked better from a ten-year perspective. The contract that expired in 2002 was for six years. It provided base salary increases in its first four years of 3%, 3%, 4% and 4%, and 0% in each of the following two years. The city's offer of an additional 11.9% increase in the current contract would have increased basic pay by 26% over the ten-year span of the two contracts. The base salary level in 2005 relative to the basic salary level ten years earlier would have been equivalent to what might have been achieved by an annual increase of 2.6%. Base salary was approximately $40,000 at the beginning of the six-year contract that expired in 2002 and the increases in that contract raised salary to the $46,000 level where it now stands. The 11.9% the city is offered would have raised the base salary level to $51,700 by 2005. Base salary for police officers who acquire educational credentials sometime during this ten-year period would have increased an additional 10% over the ten years to $56,900 for those with an associate's degree; by an additional 20% to $62,000 for those with a bachelor's degree, and by an additional 25%% to $64,700 for those with a master's degree. Actual straight time salary levels in 2005 would have been larger than these base amounts by the payment of approximately $8,000 for holiday time, uniform allowance, and shift

differentials. Thus, the city proposal would have been increased the 2005 salary level to $60,000 for officers without educational credentials [excluding the longevity differentials] and to $73, 000 for those with master's degrees.

Since the root of the salary disagreement rests on the fact that the six-year contract that expired June 30, 2002 contained no base wage increases for the last two years, it is important to understand what led to this agreement. It should also be noted that that agreement also was not settled until two years after the expiration of the previous contract. The contract contained retroactive wage increases of 3% for each of the first two years and 4% for each of the middle two years, but the BPPA agreed to forego wage increases in the final two years in exchange for the city's offer to adopt payments for the educational credentials usually referred to as the Quinn Bill credentials. The Quinn Bill is state legislation enacted thirty or more years ago. It provides state financial support to cities and towns that increase base salaries for police officers who have approved degrees in criminal justice or law. These provisions have been described above. The Quinn Bill increases do not apply to overtime pay, but probably do raise pension levels, which are based on earnings. Adoption of the Quinn Bill provisions is at the option of each city or town, and the state agrees to fund 50% of the Quinn Bill costs. The BPPA had long pushed the city to adopt the Quinn Bill, and it finally did so beginning in 2000, but the *quid pro quo* demanded by the city, as the price of the Quinn Bill, was the BPPA's acceptance of zero wage increases in the last two years of the contract. One estimate related to me is that roughly 40-45% of bargaining unit members had some one of the Quinn Bill credentials at the time of its adoption. Consequently, since half the cost was picked up by the state, the trade-off of raises for the Quinn Bill probably reduced the cost of the contract, from the city's perspective, relative to what it would have been with 3% or 4% raises in the final two years. The long-term budgetary impact will obviously be greater as the percentage of police officers qualifying increases.

In this year's pay dispute the city pointed to the Quinn Bill payments as having raised average police pay substantially, and argued that this should be taken into consideration in judging the adequacy of the police base pay level, and the reasonableness of the city's offer. The BPPA responded that the police had paid for the Quinn Bill by foregoing wage increases that would have been built into their base salary. The argument by the police that they paid for the Quinn Bill is certainly true from a short term perspective. The budgetary cost to the city was probably less, over the life of the

last contract, than the budgetary cost of increases in the base salary level would have been over the same period, since half the cost was picked up by the state, and since many BPPA members did not qualify. But, over the longer haul, as the percentage of BPPA membership qualifying increases, the Quinn Bill will become similar to a generalized 20% increase in the base pay level. The long term budgetary impact of half the cost of Quinn bill payments may likely exceed what would have been the long term budgetary impact of the two years of foregone increases of 3 or 4%.

It is important to realize that the proposal to adopt the Quinn Bill at the sacrifice of a general salary increase was not greeted with joy by the entire membership of the BPPA. There were bitter arguments within the BPPA's ranks, and the BPPA's acceptance of the city's offer of the Quinn Bill in exchange for foregoing general wage increases narrowly squeaked by in a vote of the members. There is undoubtedly some residual bitterness on the part of officers without degrees who either have not been willing to acquire the credential or cannot find the time or the funds to finance the acquisition of the degree, who were told this year by the city and press commentators that a general wage increase should be held down because officers had been given the Quinn Bill. The Quinn Bill introduced into the police department a multi-tiered wage structure that will only be eliminated when all officers obtain the same level of compensated education equalizing wages for those doing the same job. At this time a substantial number of BPPA members have not benefited, and some may never benefit, from the Quinn Bill. They know the Quinn Bill was paid for by sacrifice of their wage increases and they may resent the use of the city's argument that since we gave you the Quinn Bill you should be happier with smaller increases in basic pay.

There is another aspect of the Quinn Bill issue worth considering. It concerns the value from the perspective of effective police work of the education acquired under the bill's provisions. Is an officer with a bachelor's degree 20% more effective than an officer without the credential? No one will ever be able to answer such a question with complete satisfaction. One can ask also whether it makes sense to narrowly define the kind of education that merits the extra pay. If aspects of a narrowly defined criminal justice education are necessary for effective police work perhaps they should be provided as in-service education, or perhaps prior acquisition of the degree should be required as a condition of original hire.

There is also the following question. Is the educational advantage offered by a

degree in criminal justice, particularly if the degree program is academically weak, better than the advantage offered by a degree in the liberal arts and sciences from an accredited college or university that does not offer, as most do not, narrowly circumscribed programs in criminal justice of the type that would meet the approval of the state's Quinn Bill administrators? There has been public criticism of the quality of both the educational credential and the quality of some of the programs. It has been claimed that sometimes credit is given for work done in the academy or for life experience. It has been claimed also that in some instances courses are taught by off duty police officers, and narrowly focused, at best, on the details of the police job. It is likely that many officers who have been motivated to acquire the credential for salary reasons have been exposed, even in the poorest educational settings, to broadening experiences, but it might be better if credit were given primarily for broad education at accredited schools and not confined, as it has been to a few schools, some looking for a market niche to survive, which cobble together questionable programs that pass muster under what may be low level standards imposed at the state level. The Quinn Bill has been criticized in the press as rewarding inferior education in narrowly conceived programs that do not do much to improve the quality of policing. As a consequence of this public criticism there has been some tightening up of standards and some closer oversight. This has led, I think, to a reduction in the number of schools where the narrowly focused education programs are regarded as acceptable for Quinn Bill purposes. Some officers are also concerned that the criticism of the educational quality, which may sometimes be based on poor information, may lead to a backlash at the state level with the state reneging on its commitment to provide funding for its share of the cost.

The money earned from paid details and overtime has also been used to justify smaller increases in basic salary. Clearly the options of available details and overtime are worth something to the police officers and could justify a somewhat lower rate of basic pay than otherwise, but hardly on a dollar for dollar basis. These extra earnings require the sacrifice of valuable scarce time needed for other aspects of the police officer's life. One should not go too far in justifying lower basic wages by promising more hours of work beyond the conventionally established reasonable length of workweek. It is also important to recognize that paid details do not directly impact the city's police budget. In fact, the police department is paid an amount equal to 10% of the detail money for administering the detail program. Arguing that the police do not deserve a raise because

they work, or can work, details is a little like arguing that workers do not deserve raises because they can hold second jobs. If $78,000, as indicated in a *Boston Globe* editorial, is a correct estimate of average police officer pay including overtime and details, but excluding Quinn Bill payments, then it indicates that on average each police officer works between 900 and 800 extra hours per year, an average of 14 to 17 hours per week.

Summing Up

An important issue raised in the dispute has been whether it is proper to keep increases in basic salary low because police can earn more by working long hours, either as overtime or as details, or by obtaining college degrees in criminal justice or law. The first of these is like saying that workers don't need raises because they can work second jobs. And, if the educational credentials increase police effectiveness then using the payment for an educational credential that is the return on the officer's investment in acquiring the credential, and all that the credential signifies for better performance, to offset increases in basic salary is a little like telling teachers they don't need increases in basic salary because they receive a differential for having acquired a master's degree. These arguments have a place at the bargaining table, but they should be made up front. The high numbers reported in the press for average police earnings are not due to exorbitant levels and rates of increase of basic pay. It is the other sources of earnings that explain the high earnings reported for some police officers, and the earnings from these sources have been used to by the City to justify its very modest proposals for a change in the basic salary level.

The Arbitrator's Award

The arbitrator's award was reported as totaling 14.5%. This breaks down as 4% for the first year, 2.5% for the second year, 2.5% for the third year, 3.5% for the first six months of the fourth year, and an additional 2% for the last six months. The longevity differentials were raised by $500. The paid detail rate was raised from $28 to $32. Presently those on paid detail are given a minimum of four hours pay but are paid for

hours worked only in excess of 4 hours. This was changed to guarantee a minimum of six hours on inside details if the officer works more than four but less than six, a minimum of eight hours if he works more than six but less than eight, and paid for hours worked only for hours in excess of eight. For outside details officer will be paid eight hours for more than four and less than eight, and paid for hours only for hours in excess of eight. The salary award in percentage terms came close to splitting the difference between the union's demand for 17% and the city's offer of 11.9%. It also came close to splitting the difference in the four-year cost of the two proposals. The mayor has accepted the award and has gone to the city council for a supplemental appropriation to cover the additional cost. It seems the council is likely to go along with the mayor. At the time the BPPA leadership announced that it still intended to picket convention events to protest the mayor's pushing of the dispute to arbitration, and to support the other three police unions and the firefighters who were still without contracts. But within a few day settlements with two other police unions were announced and soon after a settlement was announce with the firefighters. The BPPA contract set the pattern for these settlements,

The Firefighters' Contract

The contract the city signed in 2001 with the firefighters lurked in the background of the BPPA-city conflict. This contract covered the four-year period from July 1, 2000 through June 30, 2003. In 2001 the firefighters mounted a highly visible and aggressive campaign to pressure the mayor to go along with their contract demands. The police must have concluded that an aggressive campaign such as the firefighters mounted in 2001 could pay off in 2004. The firefighters' settlement in 2001 included a 22% salary increase over four years. The contract provided also that firefighters could cash in unused sick days upon retirement. This contract expired on June 30 2003 and the firefighters, like the police, were without a contract in 2004. After the police contract in 2004 was settled the firefighters signed a three-year contract that will expire at the same time as the new police contract on June 30, 2006. This contract contains the same annual raises over the three years from July 1, 2003 to June 30, 2006 as the same three years of the police contract, i.e., 2.5% for the first year, 2.5% for the second year, 3.5%

for the first six months of the third year, and an additional 2% for the last six months, a cumulative total of 10.5%. Since the firefighters had received 4% in the final year of the contract that expired in 2003, the total and yearly percentage increases for the firefighters over the four years ending on June 30, 2006 are identical to what the police will receive over the same four years. Despite the Quinn Bill offset, the police must have looked upon the firefighters 22% over the four years ending in 2003 as very favorable compared to the 14% they received in the six year contract that ended in 2002 plus the 11.9 % offered to settle the current four year contract. There have been rumblings from the firefighters about the police acquisition of the Quinn Bill provisions and the firefighters are arguing for similar educational credential payments. All this undoubtedly added to this year's conflict.

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