

TRANSIT LABOR

OUTLINE

1. **Part-Time Operators** (*source: Part-Time Transit Operators: the Trends and Impacts. TCRP Report 68, Project F-7, 2001*)*
2. **MBTA Management Rights Legislation**
3. **Scheduling Work Rules at the MBTA**

* *This source was incorrectly listed in Lecture 16, for Labor Management Innovations! The correct citation for Labor Management Innovations is Harsh Jr., W, "Innovative Labor-Management Practices" (TCRP Project F-2, Final Report, 1995).*

Part-Time Operators*

A. The Need

- Large difference between peak and base service requirements
- Full-time operators have daily guarantees significantly greater than peak service hours
- The spread between the start of the AM Peak and the end of the PM Peak is greater than a typical work day
- Split shift premiums, overtime pay and/or guarantee pay mean that peak period operating costs with full-time operators are very expensive

* This discussion is heavily based on TCRP Report 68: "Part-Time Transit Operators: The Trends and Impacts," by Charles River Associates, 2001.

Part-Time Operators

B. The Solution

- Hire a new class of part-time operators to work just the peak periods, with lower unit costs
- Part-time operators began to be introduced in the US in the late 1970s

C. Ancillary Benefits

- Potentially increases the transit labor pool

Use of Part-Time Operators in Large US Transit Systems*

	Number of Agencies	PTOs as Percentage of FTOs: Average across All Agencies in 1997
Agencies that reported using part-timers	55	11.9%
Agencies that reported not using part-timers	12	0%

Note: Part-time and full-time operator counts have been obtained from counts of “vehicle operations” personnel reported in the NTD. It is possible that the NTD data include some employees that are not operators, but rather employees in categories such as system security and fare collection. This issue is explained in more detail in Appendix A.

Sources: Study team analysis; 1997 National Transit Database data.

* *More than 500 Full-Time Employees (FY 1997)*

Wage Differentials Between FTOs and PTOs

Part-Time and Full-Time Wage Rates Always the Same
(Observation dates: Nov-82, Nov-85, Oct-88, Sep-97)

Orange County, CA	San Diego	Cleveland
Portland, OR	Delaware Transit	Indianapolis
Seattle	New Jersey Transit	Louisville
Detroit - SEMTA/SMART	Madison, WI	Montgomery Co., MD
Minneapolis	St. Paul	

Source: Study team extract from APTA, *Top Hourly Rate Summaries, 1982-97*.

Wage Differentials Between FTOs and PTOs

Part-Time Wage Rates Converge toward Full-Time Rates

Boston

Dallas

Cincinnati

Kansas City

Denver

Part-Time Wage Rates Diverge from Full-Time Rates

Chicago – CTA

Albany

Austin

Part-Time Wage Rates Maintain Constant Proportion

Milwaukee

MTA – Long Island

Phoenix

Source: Study team extract from APTA, *Top Hourly Rate Summaries*, 1982–97.

Part-Time Operator Findings: Cost

- **Net cost savings range from 1-10% of operating costs, depending on:**
 - peak/base service ratio
 - restrictiveness of full-time operator work rules
 - extent of concessions made in negotiations to win right to use part-timers
- **Cost savings come from:**
 - reduced premium and guaranteed pay
 - lower part-timer wages
 - lower part-timer fringe benefits

Part-Time Operator Findings: General

- Other impacts are on agency "morale" and labor relations overall
- Uncertain impacts on accident rates, attrition, and absenteeism
- Agencies have tended not to develop a staff of long-term part-timers
- Typically a part-time shift is a short day covering both peaks without spread premiums being paid

Part-Time Operator Findings: General

- Little diversity of part-time shifts
- No guarantee that the desired type of shift will be available in the future
- Training conducted during normal daytime hours
- Part-time positions are not attractive in good economic times:
 - low pay and poor benefits
 - difficult working hours make it hard to find other jobs
 - uncertain time before "promotion" to full-time status

Part-Time Operator Benefits — Percentage of Operators

1996 PTO Benefits Compared to FTO (per hours worked)

Benefit	Same	Lower	None
Sick leave	36%	6%	58%
Holiday pay	15%	46%	39%
Vacation	38%	21%	41%
Health insurance	8%	68%	23%
Retirement	32%	20%	47%

Source: Study team analysis of 1998 survey responses.

Part-Time Operator Benefits — Percentage of Agencies

1996 PTO Benefits Compared to FTO (per hours worked)

Benefit	Same	Lower	None
Sick leave	15%	8%	77%
Holiday pay	15%	35%	50%
Vacation	19%	23%	58%
Health insurance	13%	33%	54%
Retirement	25%	17%	58%

Source: Study team analysis of 1998 survey responses.

Recommendations

- **Restructure caps on part-timers in terms of hours rather than bodies**
- **Create work rules and procedures to attract those who want long-term part-time employment:**
 - **stability in schedules across run cuts**
 - **offer flexible working hours and tailored duties**
 - **move to one-piece duties from two-piece duties**
 - **develop some weekend part-time work**
 - **provide training in evenings and on weekends**
- **Move to dual hiring process into part-time and full-time ranks**

MBTA Management Rights Legislation*

Enacted in 1980 (under Section 8 of Chapter 581), gives to the MBTA Board of Directors the following inherent management rights:

- 1) to direct, appoint, employ, assign, and promote officers, agents, and employees and to determine the standards therefor;
- 2) to discharge and terminate employees except on the basis of race, color, religion, sex, age, etc.
- 3) to plan and determine the levels of service provided by the authority

** Source: Warner, Marc G., "Transit Management Rights: A Critical Appraisal and Assessment of Prospects." Transportation Quarterly, Vol. 42, No. 1, January 1988 (43-62).*

MBTA Management Rights Legislation (cont'd)

inherent management rights ...

- 4) to direct and evaluate the units and programs of the authority; to classify the various positions, and to ascribe duties and standards of productivity;**
- 5) to develop and determine levels of staffing and training;**
- 6) to determine whether goods or services should be made, leased, contacted for, or purchased on either a temporary or permanent basis;**
- 7) to assign and apportion overtime;**
- 8) to hire part-time employees.**

MBTA Management Rights Legislation (cont'd)

The law also imposed two more restrictions on the scope of collective bargaining. These limits, in the form of management prohibition rather than rights, included:

- 9) no pension benefit payments determined in a manner that includes an employee's amount of overtime earnings; and,**
- 10) no automatic cost-of-living salary adjustment based on changes in the Consumer Price Index or other similar adjustments**

As with the management rights, the subjects of these two restrictions could not become part of any management and labor agreements.

Management Rights Context

- **Budgetary crisis at the MBTA**
- **Deep differences between the MBTA, the Advisory Board, and the legislature**
- **Extensive media coverage of high MBTA costs**
- **MBTA ran out of money and shut down on December 6, 1980**
- **On December 7, 1980, the Management Rights legislation was passed**

Management Rights Follow-up

- **The MBTA faced 25 court challenges involving Management Rights: all were unsuccessful**
- **Bases were:**
 - **law abrogated existing negotiated contracts**
 - **labor protection under 13(c)**
- **Georgia implemented a similar law to apply to MARTA but it was repealed after successful union challenge under 13(c)**

Scheduling Work Rules: Use of PTO's at the MBTA

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Labor Agreement

Work Day Requirements

<u>Day Length</u>	<u>Full Time</u>	<u>Part Time</u>
Guarantee Day	7 Hrs 50	1 Hrs 50
Report Time	0 Hrs 10	0 Hrs 10
Max. Overtime	0 Hrs 15	None
Trippers	Not Allowed	na
Max. Day	8 Hrs 15	6 Hrs 00
Actual Avg. Day	8 Hrs 01	5 Hrs 45
Max. Spread (Wk/Sat/Sun)	13/11/10 Hrs	13/11/10 Hrs

Labor Agreement – Pay Provisions

<u>Provision</u>	<u>Full Time</u>	<u>Part Time</u>
Overtime	150% after 7 Hrs 50	None Allowed
Travel	20 Minute allowance	None Required
Spread Premium		
11 th hour	150%	0
12 th hour	200%	0
13 th hour	200%	0

Light Rail Pilot Differential

Blue Line SPTO Differential

Labor Agreement – Misc. Provisions

Straight Day Requirements – Full Time Operators Only

- All Days starting 5:00am or before
- All Days with 20 – 30 minute dinner break
- 25% of all Saturday assignments
- 50% of all Sunday assignments

Operator Benefits

	<u>FTO</u>	<u>PTO</u> 4/1/85	<u>PTO*</u> 7/18/89	<u>PTO</u> 1/1/94
HEALTH	Full Family	\$85 max/mn	Full Individ.	Full Family
DENTAL	Family	None	None	None
HOLIDAY	12 days	6 days	12 days	12 days
VACATION	1-6 weeks	Pro Rata	Pro Rata	Pro Rata
PERSONAL DAY	1 day	None	1 day	1 day
SICK LEAVE	Yes	None	Pro Rata	Pro Rata
LIFE INSURANCE	\$15,000	None	\$9,000	\$9,000
PENSION	Yes	Pro Rata	Pro Rata	Pro Rata

* Min. 24 Work Hours/Week

History of Part Time Operators

- **1970's – Contract negotiations**
 - Original proposal
 - Need approximately 400 to avoid spread
- **1980 – Management Rights**
 - Legislation – gain rights to use PTO's
- **1981-82 – Court Challenge**
- **April 1982 – First PTO**
 - Wildcat strike
- **1982-1989 -- PTO Weekday Timetables**
 - 1987 – 28% of Timetable Runs
 - Issue – “Loss of Seniority” claim by FTO's

History of Part Time Operators

- **1986-1991 -- PTO Weekend Timetables**
 - Issue – “More PTO’s → Less FTO’s”
 - 7 years as PTO before promotion
- **1987-1989-- Investigate Work Rule Options**
 - Red Line Experiment – “4-day/10 hour days”

Red Line Experiment

<u>Day Length</u>	<u>5 – Day</u>	<u>4 – Day</u>	<u>PTO</u>
Guarantee Day	7 Hrs 50	9 Hrs 50	1 Hrs 50
Report Time	0 Hrs 10	0 Hrs 10	0 Hrs 10
Max. Overtime	1 Hrs 15	0 Hrs 15	None Allowed
Max. Work Day	9 Hrs 15	10 Hrs 15	6 Hrs 00

Spread Provisions

Maximum Length	13 hrs 00	13 Hrs 00	13 Hrs 00
Premiums	Contract Rates	None	None

Red Line Experiment

Special Provisions

Biddable Trippers

1 Hrs 30 – 4 Hrs 30

Pick: one – five days

Overtime Rates

Ten Hour Day/

Four Day Work Week

Weekday Only

Saturday and Sunday Off

One Weekday Off

No Spread Premiums

Cover List/Vacation Relief

Cover All Assigned Work

Cover Vacant Trippers

Part Time Guards

Select FTO Assignments

Pay Only – No FTO Benefits

Duration

Summer Timetable Only

Motormen & Guards Only

Red Line Only

Red Line Experiment

What Happened!

- Disagreement among Union Officers
- Union Members voted against Experiment
- Arbitration award – mixed results
- Experimental Timetable operates one month
- Still generates much discussion

History of Part Time Operators

- **1991 – PTO's 33% of Timetable Runs**
- **1994 – 1996 – Cost Savings**
 - **Reduction of PTO's – Peak Work Only**
- **1996 – 2001 – Investigate Work Rule Options**
 - **Competitive Bid Proposal**
 - **Special FTO – Spread Day without Premiums**
 - **Contract Negotiations**
 - **Special FTO – Spread Day without Premiums**
 - **Regular FTO – 45% Straight Days**
 - **Night Owl Proposals – FTO's vs. PTO's**

History of Part Time Operators

- **2001 – PTO's 19% of Timetable Runs**
 - **Approximately 400 weekday PTO**
 - **Limited Weekend PTO Assignments**
- **2001 – ?? – Contract Negotiations for 2002**