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OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 532

RIN 3206-AG12

Prevailing Rate Systems; Special Wage Schedules for Supervisors of Negotiated Rate Bureau of Reclamation Employees

AGENCY: Office of Personnel

Management.

ACTION: Final rule.

SUMMARY: The Office of Personnel Management is issuing a final rule to establish special wage schedules for the supervisors of certain Bureau of Reclamation, Department of the Interior, employees who negotiate their wage rates.

EFFECTIVE DATE: February 27, 1995. FOR FURTHER INFORMATION CONTACT: Paul Shields, (202) 606–2848.

SUPPLEMENTARY INFORMATION: On September 7, 1994, at 59 FR 46201, the Office of Personnel Management (OPM) published a proposed rule to establish special wage schedules for the supervisors of certain Bureau of Reclamation, Department of the Interior, employees who negotiate their wage rates, with a 30-day comment period. During the comment period, which ended October 7, 1994, OPM received comments from a local union officer and six employees.

Discussion of Comments

1. The local union officer and two employees said they thought the new special schedule system would be expensive and recommended that the current process of linking the pay of supervisors with bargaining unit rates of pay be continued or modified.

We do not agree with these comments. This new special schedule proposal was developed by the Bureau

of Reclamation working in partnership with the covered supervisors and reflects agreements reached in those discussions. When the agency removed the supervisors from the bargaining units in 1990, the only pay system available was the Federal Wage System (FWS) under the provisions of title 5, United States Code. The agency received authority to temporarily continue (as an agency "set-aside" practice) the historical pay differentials at each location, subject to the statutory pay limitations of the FWS. Pay setting for these supervisors is complicated by the combined factors of wage negotiations for bargaining unit employees, delays in those negotiations, pay limitation statutes, and FWS locality pay rates. The purpose of this special schedule is to eliminate, in the pay-setting process for these supervisors, the dependence on negotiated rates for the bargaining unit and the associated complications of delays in negotiations.

Based on the information currently available, the proposed special schedule will not result in a significant increase in operating costs. Under the new survey process, the special wage survey for supervisors will be timed to coincide with the annual survey that is done for bargaining unit employees. The surveys will be done at the same time with many of the same firms being surveyed for both purposes. The special wage survey committees and data collector personnel will be the same, with a few additions for the supervisory survey.

2. Several questions were raised about how special wage area boundaries were set up. Special wage area boundaries were generally established to correspond to the boundaries currently being used for the wage surveys for bargaining unit employees. However, in some cases, areas were consolidated either because of the desire to simplify the survey and wage setting process, the geographic location of the Bureau of Reclamation projects, the desire to permit use of the same survey company in more than one project, or the similarity of the rates being paid to the Bureau of Reclamation supervisors in consolidated areas.

Three employees recommended that the survey area for the Hungry Horse Project Office be extended to include Pend Oreille County, Washington, which would include Boundary Dam, a

facility of Seattle City Light Company. As a city government facility, Boundary Dam does not meet the statutory FWS requirement that only private industry companies be surveyed. However, since Pend Oreille County is within the survey area used for the bargaining unit employees, and the Bureau of Reclamation is attempting to coordinate surveys for the supervisors with those of the bargaining unit, we have added Pend Oreille County to the Hungry Horse Project Office survey area. This will also facilitate the process in the future should the local area survey committee need to add private industry survey companies in that county.

3. The local union officer and three employees commented on the industries and companies to be included in the special surveys. The union suggested that only unionized companies be surveyed. We do not agree with this suggestion because under statutes and regulations, FWS pay-setting is based on a determination of private industry prevailing rates, regardless of union organization. The three employees expressed concern that private industry electric utility and hydro-electric companies would not be included in the surveys. No changes in the regulation are needed. These industries are expressly included by the regulation at § 532.285(c)(1) (Standard Industrial Classification Major Group 49—Electric, Gas, and Sanitary Services).

4. Two employees expressed concern that the survey jobs being used in the special surveys would not cover jobs in large hydro-electric facilities with multicrafts. We do not feel a change is necessary. This special schedule process takes into account the number of crafts supervised and the range of work supervised through application of the classification criteria found in Factor 1 and Subfactor IIIA of the FWS Job Grading Standard for Supervisors. These job aspects are covered by Subfactor IIIA, Scope of Assigned Work Function and Organizational Authority, which addresses aspects reflecting the variety of crafts and the range of work. For example, at Level A-4, the scope and diversity of work supervised is addressed. Similarly, one of the elements used in distinguishing the difference among situations in Factor 1, Nature of Supervisory Responsibility, is the number of levels of supervision through which work activities are