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City May Play Role in Labor Fight Between Crane Workers and Developers

By [CHARLES V. BAGLI](#)

The men who operate and maintain cranes and other heavy equipment are the royalty of the construction industry, with some earning well over \$200,000 a year in jobs often passed down from fathers to sons.

Now powerful elements of New York City's real estate industry are trying to enlist City Hall in a looming contract battle with their union, whose conduct is governed by an accumulation of traditions, work rules and contract terms dating 100 years to the days of steam shovels.

The city is considering a request by developers and contractors to require crane operators to carry a national license, rather than a city one, which is likely to antagonize the union because it could put people from outside New York, and outside the union, into the cabs of cranes. The real estate executives and Deputy Mayor Stephen Goldsmith say the move would make job sites safer. But the executives are not denying that the threat of a new licensing requirement could help them achieve another goal: eliminating a small but expensive class of workers in the union — master

mechanics and oilers – whose jobs, they say, were long ago rendered obsolete by technological advances.

“I’m hoping this will lead to real negotiations,” said Steven Spinola, president of the [Real Estate Board of New York](#), the powerful lobbying organization. “If it’s nonproductive work, why are we paying for it?”

The struggle provides a glimpse into the arcane world of high-rise construction, and an industry desperate to cut costs and increase profits in an unforgiving economy. It also puts the city in a tenuous position of being perceived as a tool for pressuring a union.

Leaders of the union, Locals 14 and 15 of the International Union of Operating Engineers, who represent about 6,500 workers, did not return calls requesting comment. But they are clearly wary of being depicted as the poster boys for padded contracts: after refusing to make concessions, as other unions have done in recent years, they are negotiating with the [Port Authority of New York and New Jersey](#) to reduce by two-thirds the number of master mechanics required on the construction of three skyscrapers, the transit hub, the national memorial and the vehicle screening center at ground zero.

The union dates to the 1890s, when an ancestor, the National Union of Steam Engineers, was organized to represent the men who operated and repaired the often dangerous steam boilers found in factories and office buildings, and on construction sites. The operating engineers are an insular group, still largely Irish-American and Italian-American, with jobs passed from father to son, a relative or a friend. They have been far slower than electricians and carpenters at integrating their ranks with blacks, Hispanics and women.

Leaders of the two locals also have a long and tangled relationship with organized crime figures. Two federal

racketeering prosecutions in 2003 resulted in prison terms for most of the leadership and led to the appointment of a corruption monitor, George Stambolidis, in 2009. His actions have led to the expulsion of two members and he has moved against several others.

The developers and union contractors want to eliminate the requirement for one master mechanic on construction sites where four or more operating engineers work. The mechanics earn \$65 an hour (crane operators earn \$64), with another \$30 an hour in benefits, to be on site to repair cranes; they get double wages after eight hours and on Saturdays.

But the tower cranes are not owned by the contractor the engineers work for. They are rented from crane companies, which usually prohibit anyone but their own engineers from fixing the equipment, leaving the contractor's engineers with relatively little to do.

The contractors also want to do away with "relief crane operators," a second operator required to stand by for every crane on buildings constructed of concrete, rather than steel, as well as "oilers," whose only task is to fire up the crane every morning, which, contractors say, takes less than an hour.

The oiler and the relief operator jobs are vestiges of when the equipment required a higher degree of maintenance and the act of operating a steam crane was more physically demanding.

"They've become what we know in the industry as glorified timekeepers," said one veteran crane operator, who declined to be identified so as not to anger members of his union, especially the master mechanics and oilers. Still, he said, it would be foolish to assume that getting rid of those jobs would make buildings significantly cheaper through labor savings. "They're going to put it in their pocket," he said of contractors.

At a meeting last month, Stephen M. Ross of Related Companies and other members of the Real Estate Board pressed Mr. Goldsmith to adopt a national licensing requirement for tower crane operators

and to do away with the city license that they must now carry. That could open the ranks of crane operators to more people, and it could also weaken the union's grip on the licensing process. City licenses require three years' experience working under a city-licensed crane operator, virtually all of whom belong to the union.

Mr. Goldsmith said the city favored national licensing out of a concern for safety, a critical concern after nine people died in two crane accidents in 2008. National standards, he said, tend to evolve more quickly with changes in technology. He said the [Bloomberg administration](#) would be talking to contractors, the [City Council](#) and union officials over the next couple of weeks about how to make it happen.

Jessica Lappin, the city councilwoman from the Upper East Side, where both crane collapses occurred, said the issue was not so simple. "I don't want someone from Kansas coming here with a national certificate and operating a crane on 51st Street," she said, referring to the site of one of the accidents. "We want to make sure our licensing regs are specific to New York," a very dense urban environment with little room for mistakes.

Mr. Goldsmith said the city would consider adding provisions that would require nationally licensed operators to receive training in an urban setting before being allowed to run a crane in the city.

The real estate board also unveiled an 11-page PowerPoint presentation at City Hall claiming that doing away with 56 "non-working" mechanics and oilers at the World Trade Center site could save \$67 million over the next three years. The analysis assumed that the mechanics cost their employers as much as \$700,000 apiece in wages, benefits and taxes, working 15 hours a day, six days a week.

One real estate executive conceded that there were "unnecessary exaggerations" in the numbers. He put the potential annual cost of

a master mechanic at \$400,000, a figure that some in the industry still view with incredulity.

But the operating engineers are unlikely to get much sympathy from their fellow construction workers. Over the last three years, union plumbers, iron workers, carpenters and electricians have made concessions to their employers, but the relatively smaller group of operating engineers' locals have not.

"A few years ago, I might've gone with these guys," Robert Walsh, business manager of Iron Workers Local 40, said. "But those guys don't want to work with anybody else. They don't get it. Something has to be done."

William K. Rashbaum contributed reporting.