



New York City Comptroller
John C. Liu

NEWS RELEASE

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LIU HAILS VICTORY ON PREVAILING WAGE

Court Affirms Comptroller’s Determination in Temco Suit

NEW YORK, N.Y. — City Comptroller John C. Liu today hailed a court judgment upholding his determination that cleaners employed by a private contractor in New York City public schools should earn the same wages and benefits as cleaners of private office buildings, schools, and other commercial buildings in the City.

“This judgment, affirming the Comptroller’s role in and methods of setting the prevailing wage, is a victory for all private-sector workers toiling on City property,” Comptroller Liu said.

In the June 14 judgment, Justice Manuel Mendez of the Supreme Court of the State of New York, New York County slapped down a lawsuit by Temco Service Industries, Inc. challenging Comptroller Liu’s determination that Temco’s employees working in public schools must be paid the prevailing wage for private-sector building cleaners.

Mendez dismissed the company’s arguments that the Comptroller’s determination was irrational, arbitrary, and capricious, and endorsed the Comptroller’s reasoning and methodology for determining the prevailing wage in this case. The company argued that its employees working in public schools should be remunerated at the lower rates paid to cleaners employed by civil-service custodians working in the schools. The judge, however, found that the Comptroller had relied on appropriate criteria, including U.S. Department of Labor classifications, the actual work of the cleaners, and collective bargaining agreements, in making his prevailing wage determination.

The court’s judgment is a blow to Mayor Bloomberg and the editorial boards of the New York Daily News and the New York Post, who have tried vigorously to undermine the authority of the Comptroller to set prevailing wage rates for work performed by private contractors on City property. The Comptroller’s office by law has set the prevailing wage for such work for more than a century.

The ruling affects some 750 Temco cleaners working in City public schools. About 10 percent of City public schools employ the private contractor for cleaning work.

Comptroller Liu thanked Deputy Comptroller for Legal Affairs Valerie Budzik, Labor Law Bureau Chief Constantine Kokkoris, and outside counsel Gibson, Dunn & Crutcher LLP for their work on the suit.

Background

Judgment of Justice Manuel Mendez in Temco Service Industries, Inc. v. John C. Liu:

<http://comptroller.nyc.gov/press/pdfs/Decision-6-14-13.pdf>

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