

CIVILIAN MARINE PERSONNEL INSTRUCTION

CMPI 531

COVER SHEET - 329

Wage Administration

Date: 4 September 1998

Attached revised CMPI 531. This revision replaces old CMPI 531 in its entirety. The "Record of CMPI Cover Sheets Received" should be initialed and this cover sheet filed as appropriate.

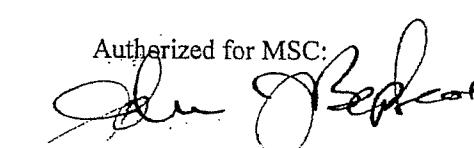
Reason for Revision

CMPI 531 has been revised to reflect the current administrative organization of Military Sealift Command. Additionally, clarification of some areas has been accomplished with no change to original intent of the respective sections.

Effective Date

The above revision is effective upon receipt. Collective bargaining obligations with recognized labor organizations must be satisfied.

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INSTRUCTION 531

WAGE ADMINISTRATION

- Section 1. General Statement
2. Definitions
3. Pay Rates
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SECTION 1. GENERAL STATEMENT

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1-1. SCOPE AND COVERAGE. This Civilian Marine Personnel Instruction states COMSC policy regarding the establishment, maintenance and application of marine pay rates and practices for MSC civil service mariners. It applies to all marine positions authorized in CMPI 512, whether they are established on a permanent or temporary basis, or are held by U.S. or non-U.S. citizens. The subjects of subsistence and quarters, marine positions and hours of work and premium pay relating to this CMPI are discussed in separate instructions.

1-2. LEGAL BASIS. The provisions of this Instruction are based upon Title 5, United States Code, Section 5348a, which provides that the compensation of officers and crews of vessels shall be fixed and adjusted from time to time, as nearly as is consistent with the public interest, in accordance with prevailing rates and practices in the maritime industry.

1-3. POLICY ON PREVAILING RATES AND PRACTICES

a. Determination. Prevailing rates and practices in the maritime industry are ascertained by the analysis of:

(1) administrative practices concerning marine personnel employed by commercial maritime companies.

(2) agreements and contracts between commercial maritime companies and maritime labor unions.

(3) current maritime positions throughout the maritime industry. Specific commercial industry rates and practices are not always directly applicable to MSC marine positions because of variations among pay rates and practices in the maritime industry; however, it is the policy of MSC to follow prevailing rates and practices as closely as is consistent with the public interest.

b. Application of benefits. Where fringe benefits exist in the maritime industry, a determination of their application to MSC positions shall be based upon:

(1) whether the benefits are industry-wide.

(2) whether their incorporation is in the public interest.

(3) whether exclusion of a particular benefit is required by application of privileges and benefits accorded civil service employees.

(4) whether the benefits are fair and reasonable

c. Maintaining currency of pay rates. As prevailing rates in the maritime industry change, such changes, when deemed consistent with the public interest, shall be reflected in the wage schedules applicable to MSC marine positions. To facilitate the determination of prevailing rates and practices, in accordance with Sections 1-3 a and b above, COMSC must be furnished with current and advance information regarding wage developments in the maritime industry. Accordingly, the following reports and published material shall be submitted to COMSC by the Director of the Afloat Personnel Management Center (APMC) or his/her designee:

(1) A narrative summary of conditions depicting the status of collective bargaining negotiations, applications of basic and premium pay rates, interpretations of working agreements, and other factors determining "prevailing rates and practices," as significant developments occur in the wage and manning practices of the maritime industry.

(2) A copy of each of new contracts or of addenda, supplements, arbitration awards, or published interpretations relating to existing collective bargaining agreements issued by maritime unions or by employer associations, such as the Pacific Maritime Association or the Maritime Service Committee, Inc..

d. Authorization. Marine pay rates and practices, as finally derived in accordance with Sections 1-3a and b above, are applied consistent with the public interest, upon establishment of the fact that they are prevailing in the industry. The Department of Defense Wage Setting Authority (DODWSA), acting upon recommendation by COMSC, will authorize new pay rates to become effective concurrent with corresponding changes in the industry within the constraints of existing legislation. No application of industry pay rates shall be made prior to specific authorization by DODWSA, or in the case of pay practices, by approval of the Office of Civilian Personnel Management (OCPM), in accordance with CMPI 1.2-2.

SECTION 2. DEFINITIONS

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2-1. **MEANING OF TERMS USED.** This list of terms used is not all inclusive, but contains those most frequently used in the Instruction. When used in connection with marine pay administration, the terms listed below carry the meanings indicated.

- a. **Base Pay.** The authorized minimum cash compensation without special benefits, of a particular position, expressed on a daily basis.
- b. **Design.** When used in connection with wage schedules, it refers to whether the ship is dry cargo, tanker (oiler), conventional, automated, etc..
- c. **Local National Pay Rate.** The rate of pay applicable to non-U.S. marine employees serving aboard MSC ships, located in the employee's native country.
- d. **Naval Fleet Auxiliary Ship.** A ship assigned to a mission in support of U.S. Naval Fleet units.
- e. **Non-workday.** A day on which work is neither required nor performed for any portion of the day. For base pay purposes, all days at sea are considered workdays.
- f. **Pay.** Any compensation in money received for the performance of duties and/or discharge of responsibilities of a marine position.
- g. **Power Tonnage.** The arithmetic sum of a ship's horsepower plus the gross tonnage. This figure is used for the purpose of classifying ships for pay purposes.
- h. **Wage Schedules.** A series of pay rates for civil service mariners, which are based upon prevailing rates and practices in the maritime industry, in the area to which the schedule applies.

SECTION 3. PAY RATES

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3-1. BASIC ASPECTS OF PAY RATES

a. Workweek. Although the number of hours worked per week by marine personnel varies depending upon the position held, whether the ship is at sea or in port, and whether an individual is assigned on an east coast or a west coast ship, base rates of pay apply over the full seven-day workweek (see CMPI 610 for provisions on hours of work and premium pay).

b. Wage schedules. Wage schedules are used to promulgate the base rate of pay for all of MSC's marine positions. The only the pay rates authorized for particular positions are those that have been authorized and published on the applicable wage schedule, e.g., the 10,000 GT and over pay rate for a Boatswain cannot be authorized for a Boatswain on a 10,000 GT and under class ship.

c. Geographic coverage. Wage schedules are applicable worldwide. Regardless of geographic location, each position covered by a particular wage schedule has a single associated rate of base pay. Local pay rate variations are not authorized.

d. Rates of pay. The base rate of pay for mariner positions is provided in the wage schedules. Each position has a single, unique rate of base pay. Pay ranges or steps are not authorized.

3-2. AUTHORIZATION OF PAY RATES

a. New pay rates. Pay rates are authorized concurrently with the establishment of new marine positions. The authorization for the APMC to utilize a new marine position carries with it the authorization to use only the specified wage rate. The use of new positions and wage rates is not authorized before approval is received by COMSC and the APMC notified.

b. Revised pay rates. Revised wage rates for existing marine positions are authorized by DODWSA upon recommendation by COMSC.

c. Promulgation of pay rates. New or revised wage rates are published in Atlantic or Pacific Schedules of Wages for MSC Mariners. COMSC prepares and distributes these schedules to the APMC. COMSC letters of instruction for the application of revised wage schedules by the APMC will accompany the schedules. Upon receipt, the new wage schedules shall be binding.

3-3. REQUESTS FOR AUTHORIZATION OF PAY RATES

a. Necessary data. Requests from the APMC for the authorization of new or revised pay rates shall include the following data:

(1) Current description of the position to which the requested pay will apply.

(2) Identification of the position (dayworker or watchstander) and reasons therefore.

(3) Information as to rates paid for similar positions aboard commercial ships of comparable power tonnage and design.

(4) Copies of collective bargaining agreements, where appropriate.

(5) Recommended pay rates including overtime, penalty pay, hazard pay or bonus provisions.

SECTION 4. APPLICATION OF PAY RATES

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4-1. COVERAGE

a. Authorized pay rates are applicable to all civilian marine positions of the following types:

- (1) Permanent positions
- (2) One-voyage only positions
- (3) Interim positions
- (4) Temporary positions

b. Authorized pay rates are not applicable to positions encumbered by local national employees whose services are provided under contract with the local government.

4-2. EFFECTIVE DATE OF NEW OR REVISED PAY RATES

a. Establishing the effective date. Unless otherwise specifically indicated in the wage schedule, or in an accompanying cover letter, new or revised pay rates shall be effective at 0001 on the date specified in the wage schedule. Any other new or revised pay rate not provided for in a schedule of wages shall become effective at 0001 on the date specified by COMSC in a letter of instruction issued to the APMC. This date will normally coincide with the approval date on which the new or revised pay rate is authorized by DODWSA.

4-3. USE OF NEW PAY TITLES AND PAY RATES

a. Determination of title. The particular marine position to which a new or revised pay rate is to be applied is determined by establishing the accuracy of the position title and applying the rate which is given for that title on the authorized schedule of wages. COMSC will provide guidance regarding the use of the new position and its corresponding pay rate.

b. Application of pay rates to individual employees. The marine employee officially assigned to an authorized position is entitled to only the corresponding wages for that position found in the appropriate schedule of wages, except as indicated in CMPI 610.1-8.c.

4-4. COMPUTATION OF PAY

a. General. Authorized pay rates are expressed on a daily basis. Pay for any period shall be computed as indicated directly below, counting any fraction of the first and last day of employment by MSC as a full day.

b. Equivalent rates. If for any reason, equivalent rates of pay to the daily rate are required, the following formulas are to be applied, counting one-half cent and over as a whole cent, and dropping all parts of a cent less than one half:

- | | |
|----------------------|---|
| (1) Hourly rate | Divide daily rate by eight (8). |
| (2) Daily rate | As published in the schedule of wages. |
| (3) Biweekly rate | Multiply daily rate by fourteen (14). |
| (4) Rate for a month | Multiply the daily rate by the number of days in the month. |

c. Computing pay changes. When pay changes are made during a pay period, the pay due an employee is to be determined by computing separately the pay at each of the applicable rates during the pay period, and adding the separate amounts to arrive at a total figure for the pay period.

d. Computing pay for non-workdays. In computing pay for non-workdays, the following shall apply:

- (1) Base pay is not authorized for periods of AWOL, embracing either workdays or non-workdays (see CMPI 630, Leave and Liberty, for authority to allow official leave retroactively in lieu of AWOL).
- (2) Base pay is not authorized for non-workdays if:
 - (a) an employee is AWOL on the last workday immediately preceding, or the first workday immediately following the non-workdays; and

(b) the facts do not conclusively establish that the employee was available and would have worked except for the sole fact that he/she was not turned-to on the non-workdays.

(3) Base pay is not authorized for non-workdays occurring within a specifically authorized period of leave without pay. However, base pay is authorized for non-workdays immediately preceding or following a specifically authorized period of leave without pay.

e. Computation of pay when crossing the International Date Line

(1) When a ship crosses the International Date Line, and a day is lost or gained, it has no effect on the computation of base pay. For any part of any pay period, base pay shall be computed on the number of calendar days worked.

(2) Bonuses, when applicable (see CMPI 610), shall be computed on the actual number of calendar days the ship is within the bonus area, any part of a day counting as a full day. When a ship crosses the 180th meridian, the change in date is reflected in the ship's official log book and the payment of bonuses, if authorized, shall begin or end according to the local standard time of the bonus area. This provision applies only to the computation of bonuses when crossing the International Date Line.

(3) Overtime and penalty time pay for Saturdays, Sundays and holidays when crossing the 180th Meridian shall be computed as follows:

(a) To determine the day of the week aboard ship for pay purposes, the meridian day shall be skipped or repeated at midnight.

(b) Saturdays, Sundays and holidays shall always be observed when the ship is traveling westward. If a Saturday, Sunday or holiday is lost when traveling westward, the following Monday of the day following a holiday shall be observed for the lost day.

(c) The second day of a double Saturday, Sunday or holiday repeated when traveling eastward, shall be considered a normal workday for overtime pay purposes. All crewmembers shall be required to perform their regular duties without overtime or penalty pay on the so called second Saturday, Sunday or holiday.

(d) No overtime or penalty time pay shall be paid for work performed in excess of a normal workweek because of the extra day which is gained when crossing the 180th meridian eastbound. Conversely, no overtime or penalty pay shall be deducted for the day lost from the normal workweek when crossing the 180th meridian westbound.

4-5. PAY PERIODS AND PAYDAYS

a. Pay periods. Pay periods are 14 days in length, beginning on Sunday and ending on Saturday. There are 26 pay periods per payroll year.

b. Paydays. Paydays are to be scheduled at biweekly intervals with a time lapse of at least 5 days between the last day of the pay period covered by the payroll and the actual disbursement of funds. Payday will normally be the Friday following the pay period.

4-6. AUDIT OF PAY RATE APPLICATION. The expenditure of funds for pay purposes is subject to audit by the APMC, the appropriate Program Manager, COMSC and the General Accounting Office. The APMC shall ensure that all authorized pay rates are properly applied and properly indicated on the personnel action forms (see CMPI 610 for premium pay audit responsibility).

4-7. QUESTIONS OF APPLICABILITY OF PAY RATE. Any questions which may arise regarding the application of pay rates (including local national pay rates) which cannot be resolved by the APMC, shall be submitted to COMSC for decision prior to the disbursement of any funds which may be affected by the decision on the question.

SECTION 5. ESTABLISHMENT OF PAY SCALES

Establishment of pay scales Paragraph No.
..... 5-1

5-1. ESTABLISHMENT OF PAY SCALES

a. Use of pay scales. Pay scales authorized for MSC marine positions may vary depending on the classification, i.e., power tonnage or design characteristics of the ships involved. MSC pay scales parallel those paid for similar positions in the maritime industry, consistent with the type and class of ship to which assigned.

b. Pay scale classification. MSC dry cargo ships are classified in the following categories for pay purposes:

SINGLE SCREW

<u>CLASS</u>	<u>POWER TONNAGE</u>
A-4	70,001 and greater
A-3	45,001 - 70,000
A-2	35,001 - 45,000
A-1	25,001 - 35,000
A	17,001 - 25,000
B	12,001 - 17,000
C	7,501 - 12,000
D	5,001 - 7,500
E	Less than 5,000

TWIN SCREW

<u>CLASS</u>	<u>POWER TONNAGE</u>
A-4	51,001 and greater
A-3	35,001 - 51,000
A-2	28,001 - 35,000
A-1	20,001 - 28,000
A	15,001 - 20,000
B	9,001 - 15,000
C	5,501 - 9,000
D	3,501 - 5,500
E	Less than 3,500

c. MSC tankers and UNREP oilers are classified by power tonnage in the following categories for pay purposes:

CLASS/POWER TONNAGE

25,001 - 38,000
12,001 - 25,000
Less than 12,000

SECTION 6. LOCAL NATIONAL PAY RATES

General	Paragraph No.6-1
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6-1. GENERAL

a. Policy. In consonance with the policy of the Department of Defense, MSC will normally pay local national marine employees equitably in relation to the pay these employees would receive if privately employed in their own country in a similar capacity. In order to apply this policy, it is necessary to determine prevailing maritime rates in the country or area involved. These rates are determined by COMSC initially, or upon recommendation (in accordance with CMPI 531.3-3) of the APMC, and submitted to DODWSA. Special instructions will be transmitted at the time action is taken on the establishment or revision of local national pay rates. Exception: In the event another government agency has the preponderance of local national civilian marine employees in the area involved, the pay rates and practices of that agency may be adopted by the APMC, subject to post audit by COMSC, provided such pay rates and practices are consistent with the operational needs of COMSC. Wage surveys and final recommendations

shall be coordinated with the agency concerned in arriving at rates and practices which will serve the best interests of all employers.

b. When local national pay rates are used. Local national pay rates are applicable to specified marine positions aboard MSC ships when all of the following circumstances exist:

- (1) The ship is permanently based in a country or area other than the United States.
- (2) Compensation paid to the marine employee is chargeable to MSC funds.
- (3) The position is properly occupied by a local national marine employee.

c. Local national positions. Local national marine employees shall be assigned to authorized positions carrying the authorized titles shown on the area schedule of wages for marine personnel.

d. Applicability of pay rates to aliens. Pay rates applicable to positions held by local national marine employees shall not be confused with rates of pay applicable to positions held by non-U.S. citizens who are not natives of the country or area in which the MSC ship concerned is based. These employees shall be referred to as "alien" employees. Authorized pay rates applicable to marine positions held by U.S. citizen employees are also applicable to alien employees unless the positions would normally be filled by local nationals.