

1045

STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS COMMISSION

3/5/78 FF

Birmingham Public Schools

In The Fact Finding Between the:

BIRMINGHAM PUBLIC SCHOOLS

- and -

No. D76-1494

BIRMINGHAM ASSOCIATION OF EDUCATIONAL  
SECRETARIES UNION

Elaine Frost 3/5/78 //

FACT FINDER'S REPORT

Appearances

For the Board: Joseph F. Griffin, Director of Personnel  
Relations

For the Union: B.C. Grable, Business Representative, State,  
County & Municipal Workers, Teamsters, L. 214  
Janet M. Shoemaker, Association President  
Virginia DiFazio, Association Vice President  
Kaye Munce, Member, Association Negotiating Team

LABOR AND EMPLOYMENT  
RELATIONS LIBRARY  
Michigan State University

INTRODUCTION

Wages and conditions of secretaries in the Birmingham Public Schools have been governed by collective bargaining agreements between the Birmingham Board of Education (the "Board") and the Birmingham Association of Educational Secretaries Union (the "Union"). The current 1977-1978 Agreement provides a salary schedule effective as of September 1, 1976 (Schedule A) and a reopener provision (Article IV A). Pursuant to the latter both parties agreed to reopen negotiations on wages and the terminal pay provisions of Article VII. Despite continuing negotiations commencing in July, 1977, and several sessions with the assistance of State Mediator Leo R. Cadwell last Fall, the parties were unable to reach accord. In October the Union applied for factfinding and the Michigan Employment Relations Commission appointed the undersigned. At the request of both parties these proceedings were held in abeyance while the parties pursued further efforts to

reach agreement. In December, 1977 the factfinder was advised that the parties remained at impasse and a pre-hearing conference was subsequently held on January 7, 1978 to clarify the issues in dispute. A hearing was conducted on January 21, 1978 in Detroit, Michigan. An extension having thereafter been allowed, this Report is issued as of March 5, 1978.

#### SALARY SCHEDULE

The Board proposes to raise all steps and levels of the salary schedule by 6% with the following result for 1977-78:

Level	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step8A	Step8B*
I	\$3.63	\$3.74	\$4.14	\$4.30	\$4.47	\$4.62	\$4.92	\$4.92	\$4.95
II	3.81	3.92	4.34	4.49	4.65	4.81	5.04	5.11	5.15
III	4.04	4.18	4.55	4.72	4.87	5.02	5.26	5.32	5.36
IV	4.13	4.28	4.69	4.85	5.02	5.18	5.41	5.47	5.50
V	4.22	4.37	4.80	4.98	5.15	5.31	5.53	5.62	5.65
VI	4.42	4.65	5.19	5.	5.	6.01	6.34	6.39	6.42

\* Step 8B applies only to employees on Step 8A on 6/30/77

I-----Clerk I  
 II-----Clerk II; Bookkeeper II; Secretary II  
 III-----Clerk III; Data Processing III; Bookkeeper III; Secretary III  
 IV-----Bookkeeper IV; Secretary IV; Data Processing IV  
 V-----Clerk V; Secretary V  
 VI-----Printer

In support of its offer the Board provided comparative wage data at the hearing for the communities of Bloomfield Hills, Farmington, Rochester, Royal Oak, Troy and Waterford. For the 1977-78 school year these exhibits reveal that the Board's offer would provide between 19 cents and 40 cents more per hour at the maximum pay rates for the classifications of clerk, elementary, senior high school and director's secretaries than the average maximum rates of the other districts. Comparative annual earnings figures at the maximum rates for various skill levels were also presented. They reveal that a 6% increase would grant Birmingham secretaries at the clerk/typist level \$661 more per year than the average paid by the other Districts. For elementary, senior high school and director's secretaries the annual excess earnings of the Birmingham secretaries over the other Districts' average would be \$342, \$517 and \$830. Board exhibits also reveal that the

negotiated wage increases for 1977-78 in these Districts for secretarial and clerical employees averaged 6.17%. Finally, the Board contends that the true cost and actual benefit of its proposal can only be evaluated by adding 5% to each hourly rate, which additional amount the Board pays to the Michigan Public School Employees' Retirement Fund for all unit employees.

The Union urges the factfinder to disregard the statistical information based on the selected communities, and indicates its position that the selection is incomplete and that Birmingham and the other Districts do not require the same skills and responsibilities of employees given similar job classifications. Indeed the Board offers no background facts or analysis as to why it considers the six districts comparable, but instead merely indicates the belief that they are "representative". However, the Association provides no wage data whatsoever as to wages of any other employees, in public or private employment, who perform services similar to those performed by its members. Consequently I have analyzed the Board's data and have taken it into account, but am unable to conclude that it is entitled to the weight customarily afforded by factfinders to "comparable" communities.

In support of its demand for an 8.5% across-the-board increase the Union presented data on wage increases negotiated by the Board with other employee units in Birmingham for the period of July 1, 1977 to June 30, 1978. Thus the cafeteria workers won a 10.2% increase; the bus drivers, laundry workers, custodians, and maintenance workers received 8.48%; the Sr. high school principals received 9.5% and the remaining members of the Administrative and Supervisory Personnel unit, and the teachers, all received a 7.0% increase. From this data, which also included improvements in fringe benefits in various cases, the Union argues that the Board's 6% wage offer discriminates against its unit members and falls far short on an equitable settlement. The Board counters that the other settlements are irrelevant because none of the other employees perform similar work and, therefore, their contracts have no logical bearing on the wages and working conditions of the secretaries. Initially I note agreement with the Board that the wages and conditions for the secretaries cannot be compared to those of the custodians, high school principals, teachers, busdrivers, etc., and, further, that one cannot analogize between such different professions, careers and skills without ignoring the economic realities of the job market. However,

I conclude that these settlements should, to a limited extent, be considered. They bear upon the financial ability of the Board to meet certain wages increases and they reflect, at least indirectly, the increase in the cost of living that affects all Board employees. As a matter of limitation I find that the actual wage levels in the other agreements are irrelevant to this factfinding, as are the fringe benefits or benefit improvements this year, because the current dispute is confined to a reopening on wages only.

The Union also provided documentation at the hearing on the economic effect of inflation. Although I find much of this data derived from the private, industrial sector to be unpersuasive, and some even irrelevant, I am of the view that consideration of the average consumer prices for goods and services, commonly known as the cost of living, is an essential ingredient in this factfinding. In particular I note that the evidence shows the consumer price index for Detroit rose 7.7% between June, 1976 and June, 1977. And I also take notice that the comparable Bureau of Labor Statistics data for September, 1976 to September, 1977 indicate a 6.7% increase for Detroit.

In light of all of the evidence I conclude that a 7.0% across-the-board increase should be adopted. This recommendation takes into account the cost of living increase, the ability of the Board to pay 7.0% or more to all its other organized employees, and it is not out-of-line with settlements reached in certain Districts deemed representative by the Board. The resulting schedule is:

Level	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8A	Step 8B
I	\$ 3.66	\$ 3.78	\$ 4.18	\$ 4.34	\$ 4.52	\$ 4.67	\$ 4.88	\$ 4.96	\$ 5.00
II	3.84	3.96	4.38	4.54	4.70	4.86	5.08	5.16	5.20
III	4.08	4.22	4.59	4.76	4.91	5.07	5.31	5.37	5.41
IV	4.17	4.32	4.73	4.90	5.07	5.23	5.46	5.52	5.55
V	4.26	4.41	4.85	5.03	5.20	5.36	5.59	5.67	5.70
VI	4.46	4.70	5.24	5.54	5.80	6.07	6.40	6.45	6.48

The Board's position on retroactivity is that the new schedule be applied, as of July 1, 1977, to all unit members actively working or on approved

leave of absence at the time of Board ratification. At the hearing the Board's representative stated that this position was a "matter of practice" between the parties. The Union neither disputed nor discussed any opposition to that comment, but merely voiced its view that retroactive application be unlimited. I therefore assume that the past, though unclarified practice, does exist and there being no reason presented to the factfinder for changing the practice, I recommend the Union accede to the Board's position.

#### TERMINAL PAY

The second issue subject to reopener is the amendment of Article VII on terminal pay. The current language provides a payment of from \$1,000 to \$3,000 to employees with 15 to 30 years of service "upon retirement, death, or resignation due to illness." The Board would amend the retirement coverage under this provision by adding the term "voluntary" throughout. The effect would exclude from coverage employees subject to involuntary retirement. Certain amendments to the Michigan Employment Security Act have recently provided involuntary retirees from the unit with the option of applying for unemployment compensation benefits. The Board argues that its added costs, passed through when former employees so apply, coupled with the fact that terminal pay for involuntary retirees was placed in the contract when they were ineligible for unemployment benefits, support its proposed amendment. In an effort to modify the effect of its proposal on long-time employees the Board proposed at the hearing that a savings clause be added to Article VII excepting involuntary retirees born in 1915 or earlier. <sup>\*/</sup>

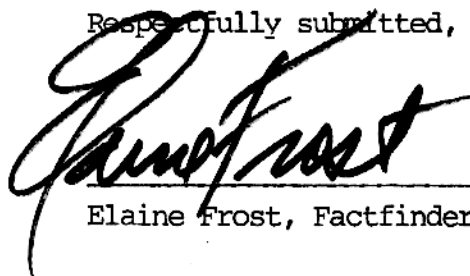
The Union counters that the existing benefit has always been in the agreement, that it has been relied upon by the secretaries, and that the Board

<sup>\*/</sup> Note should be given Board Exhibit 12 which is a written counterproposal from the Union dated August 18, 1977. It contains a statement of agreement as to the amendment of Article VII and, in the Board's view, constitutes a tentative agreement to which the Union should be bound in these proceedings. Were the undersigned confident that such agreement had been reached, my recommendation on this issue may well have been different. But the inclusion in the August memorandum of a wage demand substantially different than that presented at the hearing, coupled with the Union's vehement denial that its previous counterproposals were in any way independent, have lead me to conclude that no weight should be given to Exhibit 12 and testimony on it.

presents no justification for its proposed limitation. It stresses that all of the Board's other non-professional employees have provisions identical to the current language of Article VII and that other Board contracts which include the proposed amendment also include an early retirement supplement. Short of including such a supplement in the secretaries' contract, the Union argues that the economic impact of the proposal is so detrimental that it could not be accepted. As to the grandfather feature of the Board's proposal the Union points out that it would except only four of the approximately 97 unit members.

I appreciate the Board's concern with rising costs and I recognize that the MESC amendment has clearly altered the financial situation and prospects of involuntary retirees. However, I am unwilling to recommend amendment of Article VII, with or without a savings provision of any type, in the absence of certain data. For example, no data as to the current or projected cost of the State program has been provided. Nor does the record reveal the ages and years of service of the members of the unit. Although I therefore recommend that the current language be continued, I suggest that the parties give serious consideration in their 1978 negotiations to amendment of Article VII coupled with a savings clause carefully structured to accommodate the legitimate concerns of both sides.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Elaine Frost", written over a horizontal line.

Elaine Frost, Factfinder

Dated: March 5, 1978