

1046

STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

In The Fact Finding Between the:

BIRMINGHAM PUBLIC SCHOOLS

-and-

NO. D78-1072

BIRMINGHAM ASSOCIATION OF
EDUCATIONAL SECRETARIES UNION,
An Affiliate of Teamsters,
Local No. 214

Elaine Frost 10/8/78 //

FACT FINDER'S REPORT

Appearances:

For the Board: Joseph F. Griffin, Director of
Personnel Relations
Ruth Lansing, Communications Specialist

For the Union: B.C. Grable, Business Representative,
Local 214
Janet M. Shoemaker, Association President
Virginia DiFazio, Association Vice-President
Jeannette Kageff, Negotiating Team Member

INTRODUCTION

The parties most recent contract, the 1977-78 Agreement between the Birmingham Board of Education (the "Board") and the Birmingham Association of Educational Secretaries Union, an affiliate of Teamsters, Local 214 (the "Union"), expired on June 30, 1978. One month later the Union applied for fact finding and the Michigan Employment Relations Commission appointed the undersigned. A hearing was conducted on August 30, 1978 in Detroit, Michigan at which time each side presented arguments and evidence. Through mutual efforts to resolve their differences certain issues were agreed upon shortly before, or prior to the conclusion of the fact finding hearing. ^{1/} The remaining issues presented at the conclusion of the hearing were:

1. Definition of Strike
2. Length of Agreement
3. Negotiating Procedure
4. Sick Leave
5. Sick Leave (New and Part-Time Employees)

^{1/} These were: Work Days or Portion of Work Days Lost; Probationary Period; Dental Insurance; Long-Term Disability Plan; and Discontinuance of Insurance Coverage.

Birmingham Public Schools

6. Personal Business Days
7. Bereavement Leave
8. Holidays (New Employees)
9. Blue Cross/Blue Shield
10. Blue Cross/Blue Shield (Part-Time Employees)
11. Pay Step Increase (Seniority)
12. Unemployment Benefits
13. Inclement Weather
14. Wages and Cost of Living Allowance

DEFINITION OF STRIKE

The Agreement presently provides in Article II, Section B as follows:

During the term of this Agreement, the Union agrees that it or the employees shall not authorize, sanction, condone, or acquiesce in any strike as defined in the Michigan Public Act 336, as amended by Public Act No. 379.. Strikes shall also be defined to include slow-downs, stoppages, sit-ins, picketing, boycotts, or interference of any kind whatsoever with operations at any of the facilities of the Birmingham School District. ^{2/}

The Board proposes to add to the contractual list of activities defined as strikes the following: "an unusual pattern of absences and/or mass absences." In support of the change it argues that the recent Employment Relations Commission's decision in Livonia Public Schools and Teamsters State, County and Municipal Workers, Local 214 (Case No. C77E 135) supports both the need and rationale for its proposal amendment. That case refers to certain staggered absences of various categories of clerical employees in the Livonia District. Administrative Law Judge James P. Kurtz determined that the employees were engaged in "unprotected concerted activity by their alternating massive use of sick leave." The Board states that no incidents such as staggered absences have been experienced in the Birmingham district. Rather, the Board's interest in avoiding the possibility of such a problem is submitted

^{2/} There can, of course, be no dispute but that the secretaries in the Birmingham School District are subject to prohibition against strikes set forth in Section 1 of the Public Employment Relations Act, 1947 P.A. 336, as amended. It provides that the word "strike" shall mean: [T]he concerted failure to report for duty, the willful absence from one's position, the stoppage of work, or the abstinence in whole or in part from the full, faithful and proper performance of the duties of employment, for the purpose of inducing, influencing or coercing a change in the conditions, or compensation, or the rights, privileges or obligations of employment.

as the rationale for the new language. The Union opposes the new language on the basis, more-or-less, that it is indefinite and would therefore allow the Board to sanction activity that is both legal and beyond the control of the employees. It offers, as a counterproposal, to add the phrase "mass absences" to the definition of strike. However, it strenuously contends that it will not agree to include "an unusual pattern of absences" in the contract. The Union provided excerpts of other Oakland District contracts. Of these, four merely refer to PERA (Novi, Pontiac, Southfield, and Walled Lake) and six parrot the no strike language of the Act (Bloomfield Hills, Ferndale, Lamphere, Oak Park, Royal Oak and West Bloomfield). The Clawson contract provides, without reference to PERA, that no strikes of any kind shall be allowed. The four remaining contracts which I find addressed the no strike question, are those of Avondale, Rochester, Troy, and Waterford. Each of these prohibits strikes within the meaning of PERA, parrots language from the Act defining activity constituting a strike, and then sets forth language to the effect that strikes shall "also" include certain further activities. Such referenced activities are similar to provision in the Birmingham contract (Article II, Section B) except that the Avondale contract specifically adds that work stoppage includes "mass" sickness. Although the "additional" contractual definitions of strike overlap with determinations by MERC under Section 1 of PERA, the Board notes with apparent concern that the statute might be amended during the term of any given contract. Thus, if the statutory definition were limited, it reasons, during the term of the contract, Board authority to take action with respect to certain concerted conduct would remain based upon the contractual terms. In this regard it would appear that the Board is of the view that "unusual patterns of absences or mass absences" are, already unprotected concerted activity. However, to insure a separate contractual basis for such a safeguard, it prefers to have the language set forth in the contract.

In deciding as I do that the Union's conciliatory offer of adding "mass absences" to the contract should be adopted, I note my concern with the ambiguity that the remaining clause proposed by the Board would present. Certainly one can imagine an unusual pattern of absences not in any way due to concerted or other circumstances controllable by the secretaries or their Union.

LENGTH OF AGREEMENT

At various points in the negotiations one, two and three year contract terms have been proposed and discussed. At the hearing, however, the Union position was for a three-year contract with all terms provided. The Board's position was for a two-year contract with all terms provided, although a two-year contract with a re-opener as to wages in the second year would also be a possibility. In light of the way in which the wage proposals and insurance proposals of the party have been presented, it would appear that a two-year, closed contract can be recommended but that a three year provision could only be recommended with reopeners as to certain economic issues. Inasmuch as the parties would thus be required to renegotiate at least after a two-year term, I recommend that a two-year, closed contract be executed.

NEGOTIATING PROCEDURE

The Union proposes to amend Article V Section D to provide that 50% of negotiating between the parties be conducted after the employees' working hours and 50% be conducted during working hours. The language presently provides:

"An employee engaged in collective bargaining with the Board during his regular work hours will suffer no loss of his regular straight-time compensation."

In support the Union claims that the Board adamantly refuses to bargain with the secretaries during working hours but that it does negotiate with administrators and others, namely teachers, during working hours. The Board counters that with respect to salaried persons the Board's concern is obviously different, and further, that negotiations with the teachers have only occurred on one occasion during working hours. As to other hourly employees

the Board contends that both AFSCME Locals which represent certain other Board employees, negotiate after regular working hours. Excerpts from several secretarial contracts in other Oakland districts illustrate a variety of provisions on this subject. The most favorable from the secretaries' view is that of Pontiac which provides that five unit representatives shall conduct bargaining and that the Association shall be granted relief time not to exceed a total of eighty work hours to enable the committee to participate in sessions (Article VII, Section F(2)). A more typical provision is that secretaries engaged in negotiations arranged by mutual consent of the parties during the day shall be released without loss of pay (Southfield). None of the Oakland contracts provide a requirement that a given proportion of the negotiating occur during working hours. Similarly all of the release-time provisions are, unlike the Union's proposal here, limited to a given number of hours or days. For the reasons that other hourly employees of the Board appear required to conduct negotiations after working hours, and that other secretarial units in Oakland have, if any release provisions, very limited ones, and that the Union's proposal would require an unlimited amount of time to be devoted to negotiations with 50% being paid for by the Board, I conclude that the Union's proposal is unreasonable. I therefore suggest that the current language be maintained.

SICK LEAVE

Secretaries presently are entitled to a sick leave allowance as follows:

12 month employees: 1 1/12 days per month (13 per year)
11 month employees: 1 day per month (12 per year)
10 month employees: 1 day per month (10 per year)
(Article VI, Section A)

In addition to illness or injury of the employee, the allowance may be applied to absences due to serious illness or death in the immediate family, or personal business days to a maximum of three. (Article VI, Section C(3)). The Board urges continuation of the current language on the basis that it provides adequate coverage. Its exhibits reveal that the unit as a whole has accrued 3,344.59 sick days which averages 33.78 days per secretary.

The Union seeks an increase of sick leave to 1 1/3 days per month for all employees plus a separate contractual allowance for personal leave days and bereavement leave. In support it argues that three quarters of the other Oakland districts provide their secretaries with greater, combined allowances than Birmingham; that more than half receive personal and bereavement days added to sick leave; and that those districts deducting personal days from sick leave have a greater total allotment.

Contract provisions for 23 of the other 27 Oakland districts reveal that for 12 month employees only four provide less than 13 days of sick leave and personal days combined and each of these districts also provides some percentage of accrued leave paid at the time of retirement--a provision Birmingham does not have. ^{3/} Oxford provides 13 days with a payment for unused days

| | <u>Combined Sick Leave and Personal Leave Days</u> | | | | | | 17.4 or 21 days |
|----------------------|--|---|---|--------------------------------------|--------------------------|----------------|--------------------|
| | <u>10 days</u> | <u>12 days</u> | <u>13 days</u> | <u>14 days</u> | <u>15 days</u> | <u>18 days</u> | |
| 12 month employee | Bloomfield* Lake Orion* Royal Oak* Walled Lake* | Birmingham Oxford* | Avondale Clarkston Farmington* Ferndale Holly Huron Valley Madison Heights Rochester Troy* Waterford W. Bloomfield* | Novi Pontiac* | Southfield Oak Park** | | |
| 10 month employee | Birmingham Bloomfield* Lake Orion* Royal Oak* Walled Lake* | Avondale Huron Valley Madison Hts.* Rochester Farmington* Ferndale Troy* Waterford | Clarkston Novi Pontiac* W. Bloomfield* | Lamphere Southfield Oak Park** | | | |

*some provision for partial payment of accrued days at retirement.

** higher number applies to employees with 2 or more years tenure.

and the remaining 18 districts allow 14 or more days, combined. As to the 10 month employees, the four districts providing 10 days of combined leave also provide an accrual provision.

Based on a comparison with other secretarial units I agree that Birmingham secretaries receive fewer leave days than employees in other Oakland units. Moreover, in light of the absence of abuse of those leave days, as indicated by the Board, I recommend that the one day leave be added to the sick leave allowance and that the remaining provisions remain the same. Thus 10 month employees would be entitled to 11 days; 11 month employees to 12 days and 12 month employees to 14 days.

SICK LEAVE (NEW EMPLOYEES)

The Board seeks new language in Article VI to cover new hires who would (1) be required to work nine months to be eligible for sick leave days and (2) be required to work five years for the full sick leave allowance under Article VI, Section A. In the interim after probation and prior to five year's service, a new hire would be entitled to one-half of the regular sick leave allowance. The Board also seeks new language to provide that an otherwise eligible employee who "works less than the daily work hours mentioned in Article XIII" (8 hours per day, 5 days per week) would receive a sick leave allowance on a "pro-rata basis". Addressing the last proposal first, the fact finder agrees with the premise that proportionate sick leave for part-time employees is basically fair. A similar proportionate approach to vacation entitlement is already incorporated into the contract. (Art. XII, §B,2) I therefore recommend adoption of a pro-rata provision for sick leave allowance. The remaining proposal, which is urged as a cost saver by the Board is the two-fold benefit reduction eliminating sick leave for the first nine months of employment and limiting the benefit to 1/2 the regular allotment until the new hire has been employed five years. The Union responds that changes sought would discriminate against the secretaries because other Board employees are not subject to restrictions and 95% of the other secretarial contracts in Oakland districts treat new and

senior employees alike. The substantial difference this proposal would create among regular employees the divisiveness it would no doubt create, appears to me unjustifiable simply on the basis that any cut back saves money. I therefore recommend no changes in the application of the sick leave allowance as to regular employees. However, as to probationary employees as to whom the Board has the "unconditional right to terminate" up during the first ninety (90) days, (Article IX), the inherent divisiveness which could result from disparate benefits among unit employees is absent. Moreover, it would be reasonable not to require the Board to provide expensive fringe benefits until a new hire proves her or his value to the Board through successful completion of the probationary period. I therefore recommend that the Union acquiesce in the Board's proposal as to probationary employees.

PERSONAL BUSINESS DAYS

The current contract provides that three (3) days per year, deducted from the sick leave allowance may be taken for personal business day. (Article VI, Section C,3.) The Union proposes that personal business days be separate and in addition to sick days; the Board counters that allowing three days for personal business is comparative to what other districts provide. In light of the recommendation increasing sick leave by one day per year which considered the combined total of personal business and sick days, I recommend that no further change in Article VI be adopted.

BEREAVEMENT LEAVE

Similar to the preceding issue, the Union contends that contract should provide a separate provision for bereavement leave. At present the contract provides such leave is to be deducted from the sick leave allowance. (Article VI, Section C,2.) The proposal seeks a maximum of 3 days paid leave for a death in the immediate family plus 1/2 day paid leave to attend the funeral of other close relatives. The Board opposes the change on the ground that bereavement leave is already provided

as a deduction from sick leave and that cost of the new, additional proposal cannot be determined and may, therefore, be excessive. In light of the recommendation as to sick leave I am not persuaded that a separate allotment for bereavement pay is reasonably required. The present provision should therefore be maintained.

HOLIDAYS
(NEW EMPLOYEES)

The Board proposes that probationary employees be ineligible for holiday accrual under Article XII. The Union counters that employees are now eligible for full benefit holidays from the date of hire and that the proposal will foster discontent within the unit between new and senior employees. As stated as to sick leave allowance, however, the legitimate concern for equal treatment of unit members is not, in my judgment, jeopardized by disparate treatment of probationary secretaries. Nor is it unreasonable to require a probationary secretary to complete her/his ninety days probation before the entitlement to holiday day. I therefore recommend adoption of the Board proposal.

BLUE CROSS/BLUE SHEILD

Article XIV, Section A, 1 provides that the Board shall provide, for all permanent, full-time employees, the following coverage:

Blue Cross semi-private comprehensive hospitalization, Blue Shield MVF-2; Master Medical, Medicare Options: Blue Cross-2, Blue Shield-1, single subscriber, two-(2)person, or full-family coverage.

The Board proposes that this Section be amended to provide that employees hired after ratification of the new contract pay all premium increases beyond the rates that went into effect on April 1, 1978. Further, the Board seeks language allowing it to change insurance carriers providing that comparable or improved coverage results.

In support, the Board cites increases such as the one in April, 1978 of approximately 20%. Thus an anticipated premium increase of \$6,000.00 actually totalled \$12,000.00. The Union responds that the Board has always provided 100% of the Blue Cross/Blue Shield premium in the past; that no other Board employees are subject to the "cap" proposed for newly hired secretaries; and that all but one other secretarial unit in Oakland have health insurance provisions without a "cap".

In addition, the Union demands an addition to current coverage of a \$3.00 prescription rider to be paid by the Board. In support it refers to seventeen other Oakland districts which provide a \$2.00 Prescription Drug Rider.^{4/} The Board answers, it can't afford it. Moreover, the Board explained, although the teachers and administrators received drug riders, those contracts were negotiated before April, 1978. The two AFSCME locals received no riders. Finally, the Board points out that the secretarial units in certain other Oakland districts including West Bloomfield, Troy and Bloomfield provide only MVF-1 coverage.

As to the proposed premium cap I am not persuaded that the burden of rising insurance premiums can be more equitable or more realistically borne by the secretaries than by the Board. Moreover, the added value of that cost is clearly an element of negotiation and, since 100% payment has been provided in prior contracts, its value has been part of each economic package for which the sides have bargained. Further, the suggestion that the "cap" apply only to new hires does not sway the fact finder. In fact, its potentially divisive nature among unit members is a detriment rather than a positive factor in favor of its adoption.

^{4/} Clarkston, Clawson, Hazel Park, Huron Valley, Lake Orion, Lamphere, Oak Park, Pontiac, Rochester, Royal Oak, Southfield, Troy, Waterford, Avondale, Madison Heights, Farmington, and Ferndale.

As to the Board's option to change insurers one can understand an apparent, though unspecified, view that it could save money. However, the group and the individual employees have experience with this insurer and I am not persuaded, absent specifics not here present, that the Board should be allowed to change carriers without consultation or agreement with the Union.

Finally, I am impressed by the comparative data showing that most other Oakland units have at least a \$2.00 co-pay prescription rider. But, I am also mindful of the position of the Board in opposing all additional insurance premiums. In an effort to compromise the standoff, I recommend no improvement for 1978-79 and that a \$2.00 drug rider be added in 1979-80.

BLUE CROSS/BLUE SHIELD (PART-TIME
EMPLOYEES)

The Board seeks language which would pro-rate premium payments between the employee and Board as follows:

| <u>Regular Work Week</u> | <u>Board Pays</u> | <u>Employee Pays</u> |
|--------------------------|-------------------|----------------------|
| Minimum-30 hours/week | 75% | 25% |
| Minimum-20 hours/week | 50% | 50% |

The current language provides payment by the Board of 100% of all insurance premiums for employees scheduled to work more than 19 hours. In support, the Board cites prohibitive costs and the inequity of granting part-time employees full benefits. The Union counters that the cost to part-timers would be 25% to 50% reduction in current income for secretaries working 30 hours or less. These persons, it continues, are least capable of paying the benefits. Although I empathize with the Board's position and have recommended "pro-rata" treatment of part-timers as to sick leave, I am unwilling to recommend that approach as to health insurance because its substantial financial impact would in my opinion be too severe. Whether the Board must reevaluate its decision to employ part-time secretaries under the circumstances is a question only it can decide.

PAY STEP INCREASE
(SENIORITY)

The current Agreement provides a salary schedule consisting of 9 steps from 1 to 8B. In the past, an employee has moved along the schedule one step in each successive year of employment. The Board proposes that these steps or increments no longer be based on seniority. Instead, it proposes that job performance, as evaluated by the Board, be the exclusive basis for a step-advancement. In support it contends that the formulation and concept of the schedule pre-date the organization of secretaries and, therefore, collective bargaining for wages. In light of collective bargaining the steps are longer valid, and allow both increases by longevity plus bargained for increases. The Union responds that all other Oakland districts maintain a similar schedule and that the Agreement should not be changed.

Absent negotiated agreement the fact finder is convinced that the Board's proposal is unrealistic and that a contract altering the basic salary schedule would not be ratified. I recommend continuation of the existing schedule.

UNEMPLOYMENT BENEFITS

The Board proposes the following language be added to Article XVII of the Agreement:

- N. (New) An employee who is laid off at the conclusion of his work year, and who is paid unemployment compensation benefits during the summer immediately following his lay off shall have his wages reduced by the gross dollar amount of the unemployment compensation benefits he was eligible for and was paid prior to his return to work before or during his next to or immediately following employment period, provided, however, the employee's wages shall not be reduced below that amount that he would have otherwise received had he been employed for the period of time he previously worked or is assigned to work.

The apparant rationale of this section would be to "repay" the Board for unemployment compensation granted a laid-off secretary. Thus if a 10-month employee were laid off at the end of the year due to lack of work or money and subsequently she was rehired the next Fall, the Board would contend entitlement to repayment of any unemployment payments made over the summer while the secretary would not have been earning any wages from the Board.

The equity or even legality of thus shifting to the employee the financial burden that the new workers' compensation legislation places of the Board is not set forth on the record. I therefore recommend against inclusion of the Board's proposal.

INCLEMENT WEATHER

At present, inclement weather days are unpaid or taken as deductions from sick leave. The Board's position is that it must continue to decide in each case whether or not secretaries are responsible for reporting to work, following the Board's attendance policy. The Union proposes new language in the contract as follows:

Employees not specifically required to work on inclement weather days so designated by the Superintendent shall be paid at their regular rate of pay for that day. Employees specifically directed to work to receive 1 1/2 times their regular rate of pay for the day.

Thus the Union seeks a specific proposal outlining the employees' entitlement. In support it relies on other contracts for Oakland County secretaries, the great majority of which provide at least a framework if not a definition of salary entitlement on inclement days. Suffice it to say that the presentation both of the present policy and its application and the effect of the Union's proposal created more questions than were eliminated. I conclude that further negotiations are required on this issue and remand it to the parties. In so doing, however, I recommend that a specific provision be implemented to clarify the rights and responsibilities of both the Board and secretaries.

WAGES AND COST OF LIVING ALLOWANCE

Both parties recommend alternative salary proposals. The Board offers the following schedules, consisting of a 6.7% increase the first year and a 5.25% increase the second year, excluding, however, the first three steps of Level I, which are given specific new amounts. The resulting schedules are:

4/
7/1/78 through 6/30/79

| Level | Step1 | Step2 | Step3 | Step4 | Step5 | Step6 | Step7 | Step8A | 8B |
|-------|-------|-------|-------|-------|-------|-------|-------|--------|------|
| I | 3.65 | 3.85 | 4.15 | 4.63 | 4.82 | 4.98 | 5.21 | 5.29 | 5.34 |
| II | 4.10 | 4.23 | 4.67 | 4.84 | 5.01 | 5.19 | 5.42 | 5.51 | 5.55 |
| III | 4.35 | 4.50 | 4.90 | 5.08 | 5.24 | 5.41 | 5.67 | 5.73 | 5.77 |
| IV | 4.45 | 4.61 | 5.05 | 5.23 | 5.41 | 5.58 | 5.83 | 5.89 | 5.92 |
| V | 4.55 | 4.71 | 5.17 | 5.37 | 5.55 | 5.72 | 5.96 | 6.05 | 6.08 |
| VI | 4.76 | 5.01 | 5.59 | 5.91 | 6.19 | 6.48 | 6.83 | 6.88 | 6.91 |

4/
7/1/79 through 6/30/80

| Level | Step1 | Step2 | Step3 | Step4 | Step5 | Step6 | Step7 | Step8A | 8B |
|-------|-------|-------|-------|-------|-------|-------|-------|--------|------|
| I | 3.80 | 4.00 | 4.30 | 4.87 | 5.07 | 5.24 | 5.48 | 5.57 | 5.62 |
| II | 4.32 | 4.45 | 4.92 | 5.09 | 5.27 | 5.46 | 5.70 | 5.80 | 5.84 |
| III | 4.58 | 4.74 | 5.16 | 5.35 | 5.52 | 5.69 | 5.97 | 6.03 | 6.07 |
| IV | 4.68 | 4.85 | 5.32 | 5.50 | 5.69 | 5.87 | 6.14 | 6.20 | 6.23 |
| V | 4.79 | 4.96 | 5.44 | 5.65 | 5.84 | 6.02 | 6.27 | 6.37 | 6.40 |
| VI | 5.01 | 5.27 | 5.88 | 6.22 | 6.51 | 6.82 | 7.19 | 7.24 | 7.27 |

Alternatively, the Board offers the same 1978-79 schedule and a reopener as to wages in 1979-80. ^{5/}

The Union demands a 7% increase at all steps and levels in 1978-79 and a 6% increase at all steps and levels in 1979-80.

4/ As to retroactivity the Board's statement is:

"Retroactivity applies only to a person permanently and regularly assigned to a classification covered by this Agreement, full-time or less than full-time, who is actively working or on an approved leave of absence, when the above 1978-79 Compensation Schedule, as part of the total Agreement between the parties, is ratified by the Birmingham Board of Education".

5/ The reopener: under the Board's proposal would be limited to: "a maximum of four (4) articles, two (2) such articles to be selected exclusively by each party, with the exception of Article XII, Holidays and Vacations, and Article XIV, Insurance Programs, which it is agreed to by the parties shall not be subject to any further or additional negotiations during the entire term of this Agreement, provided for in Article XII, Duration of Agreement, unless otherwise mutually agreed to in writing by the parties.

Its alternative proposal is a 9% increase at all steps in 1978-79 and an increase in the second year equivalent to the cost of living increase for the previous 12 months.

In support of its first year offer the Board presented wage data comparing its 6.7% offer with sixteen other Oakland secretarial units.^{6/} At the average maximum hourly rates the offer compares favorably:

| | <u>Clerk/Typist</u> | <u>Elementary Secy.</u> | <u>Sr. H.S. Secy.</u> |
|----------------------------|---------------------|-------------------------|-----------------------|
| 6.7% offer | \$ 5.34 | \$ 5.55 | \$ 5.77 |
| Average in other districts | \$ 4.94 | \$ 5.37 | \$ 5.45 |

The Board also relies upon the fact that three other Board units of organized employees received a 6.7% increase for 1978-79.^{7/} As to its demand for a greater increase in the first year the Union presents no comparative data but does rely upon the 7.5% increase in the Cost of Living Index for Detroit Area Wage Earners and Clerical Workers from June 1977 to June 1978.^{8/}

Although I agree with the Union that the increase in the cost of living is one of the most important factors in determining equitable wage scales, it is not the exclusive one. Comparative ratings with other Oakland secretarial units and with other units of Birmingham employees as well as consideration of the Board's ability to pay and the total economic package in the contract are also essential considerations. Upon my analysis of these factors I conclude that a 6.7% increase across-the-schedule should be adopted for 1978-79. Retroactivity as stated by the Board in its offer and as applied to past contracts, should apply. Note is also made that the recommendation specifically rejects the Board's

^{6/} They are: Avondale; Bloomfield Hills; Farmington; Ferndale; Hazel Park; Holly; Huron Valley; Lake Orion; Madison Heights; Oak Park; Pontiac; Southfield; Troy; Walled Lake; Waterford and West Bloomfield.

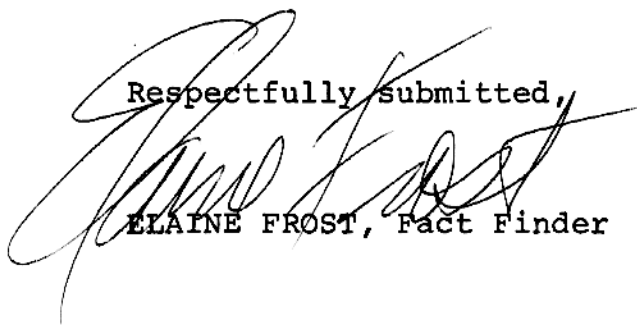
^{7/} They are: Birmingham Education Association (teachers); AFSCME, Local 1384 (non-supervisory custodians, maintenance, transportation, and cafeteria employees); AFSCME, Local 1917 (supervisory custodians, maintenance, transportation, and cafeteria employees).

^{8/} The All Urban Index for the same period was also up 7.5%.

offered increases to Steps 1, 2 and 3 of Level I. The recommended rates for these positions are: \$3.91; \$4.03; and \$4.46. Although only two full time positions out of 94.25 are effected by these rates, the rationale for depressing the entrance and lower steps of Level I is unclear. Without such rationale I am unwilling to skew the internal consistency of the existing schedule.

As to the 1979-80 school year the same economic factors are pertinent although, of course, the analysis must be prospective and therefore less exacting. In this regard the alternative wage demand of the Union offers one solution, namely the adoption of a contractual cost of living allowance. The Board opposes any such allowance based upon the inherent inability of budgeting for an unknown increase as well as its concern with the tenor of what has been termed a taxpayers' revolt and that presently effects the District, County, State and Nation as a whole. In light of the Board's position and the basis for it, I am persuaded that it would not agree to any contract including a COLA provision. I therefore recommend that the Union forego this demand and that a certain percentage increase be applied to the contract for 1979-80. It is my recommendation, based upon the record and anticipating a cost of living increase in the next year, June to June, of at least the percentage experienced last year, that the percentage increase for the second year should be 6% across-the-schedule at all steps and levels.

Respectfully submitted,



ELAINE FROST, Fact Finder

Dated: October 9, 1978.