

1186

11/11/83

FF

**REPORT OF FACT FINDER**  
**APPOINTED BY THE EMPLOYMENT RELATIONS COMMISSION**  
**OF THE STATE OF MICHIGAN**

IN THE MATTER OF:

MICHIGAN AFSCME, COUNCIL 25, LOCAL 1918

AND

GENESEE COUNTY DRAIN COMMISSIONER,  
DIVISION OF WATER AND WASTE SERVICES

**DUDLEY E. WHITING - FACT FINDER**

**APPEARANCES**

**FOR THE UNION**

Joann Dickey  
Daniel J. Havener  
Richard M. DeLauter  
Frederick J. Murray  
Clayton E. Betzing

**FOR THE COUNTY AGENCY**

Wallace J. Benzie  
Stanley S. Butynski  
Arden Shafer

*Genesee County*

### BACKGROUND

There is an agreement between the parties dated January 1, 1981 effective until December 31, 1983 which provides that either party may notify the other on or about October 1, 1982 "that it desires to modify this Agreement in regards to salary, wages, cost of living and any mutually agreed upon Article".

Pursuant thereto the Union gave notice of its desire to increase salaries and wages 15%, factor 75% of the cost of living allowance into the base rates, and to increase shift premiums.

At the hearing, October 25, 1983, the Union proposals were to fold 50% of the cost of living allowance into the hourly rates and a 7% wage increase for all classifications for the 1982/83 contract year.

The final offer of the County Agency was a wage increase of 4.5% effective December 30, 1983 with the agreement to be extended 30 days if a new contract has not been agreed upon by January 1, 1984.

### DISCUSSION - COST OF LIVING

The folding of a cost of living allowance into the basic wage rates is generally considered a matter for negotiation of new contract terms rather than upon monetary openings of existing contracts. This is particularly true where the contract contains no provision for such folding

and comprehends opening only for the amendment of its wage and cost of living allowance provisions, as is the situation here.

In that respect it is noted that agreements for such folding by other bargaining units, relied upon by the Union herein, are in negotiated new agreements as distinguished from agreements upon contract openings.

Under these circumstances I am bound to recommend that this proposal be withdrawn.

#### DISCUSSION - WAGE INCREASE

There is no doubt that 1983 has been a year of restraint in wage increases negotiated in industrial as well as public employment. This is illustrated by the several 1983 agreements submitted by the Union covering bargaining units in Genesee County agencies and the City of Flint as only two of them provide any wage increase. The County Road Commission - Clerical Workers agreement provides a 50 cents per hour increase effective October 3, 1983 and the Memorial Hospital - Registered Nurses agreement provides a two per cent increase on January 1, 1983 and a three and one-half per cent increase on July 1, 1983.

The Union also presented evidence of 1982 salary differentials between this bargaining unit and the Drain Commissioner's office and other water and waste plants it considers to be comparable and contended that these differentials

constitute an inequity and are a basis for a 1983 general wage increase for this bargaining unit. The difficulty with this contention is that the 1982 rates in this Agreement were agreed upon so the Union cannot really argue that they are inequitable during the life of the agreement. Moreover the Employer has countered that showing with evidence of a salary survey of what it considers similar sized operations which shows differentials favorable to the rates under this Agreement.

The Employer contends that the bargaining unit comprehends about one-half of its employees, that in late 1982 it notified all employees it would not ask for concessions but would maintain a stable work force with status quo wages and cost of living allowance, and that this was the basis for its final offer to the Union.

It is apparent that in 1983 inflation slowed and the cost of living index is up quite moderately. There is no claim that the contractual cost of living allowance is inadequate to compensate for such increased cost of living.

As noted the only 1983 wage increases in the other County agencies agreements exhibited are 50 cents on October 3, 1983 for Road Commission - Clerical Workers and a total of 5½% for Memorial Hospital - Registered Nurses. The latter may well be deemed atypical due to the shortage of such professional personnel everywhere. It also appears that these parties will soon engage in negotiations for a new contract effective January 1, 1984.

Thus I am constrained to find that no compelling reason has been shown for a 1983 wage increase which would be mostly retroactive, particularly in view of the near contract negotiations as distinguished from an opening for amendment of contract rates, and will recommend acceptance of the Employer's final offer thereon.

RECOMMENDATIONS

1. That the Union proposal for folding fifty per cent of the Cost of Living Allowance into the hourly rates be withdrawn.
2. That the Employer's final offer on the wage increase proposal be accepted.

Dated at Southfield, Michigan this 11th day of November, 1983.

  
DUDLEY E. WHITING - FACT FINDER