

Inland Lakes

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STATE OF MICHIGAN

REPORT AND RECOMMENDATIONS OF FACT FINDER

In the Matter of the Arbitration
Between:

INTERNATIONAL UNION OF OPERATING
ENGINEERS

Case No.
G-81 C-350

and

INLAND LAKES SCHOOL DISTRICT

Inland Lakes School District

William J. McBrearty, Arbitrator
349 Merriweather Road
Grosse Pointe Farms, MI 48236

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STATE OF MICHIGAN

In the Matter of Fact Finding Between,

THE INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL #547, AFL-CIO

Petitioner,

RE: Case No. G81 C350

BEFORE WILLIAM J. MCBREARTY,
FACT FINDER

and

THE INLAND LAKES SCHOOL DISTRICT

Respondent,

Report & Recommendations of Fact Finder

The undersigned, William J. McBrearty, having been appointed by the Michigan Employment Relations Commission "as its Fact Finder and agent", in the above case in accordance with the parties labor agreement and pursuant to Section 25 of Act 176 of Public Acts of 1939, as amended, and having held a hearing at Indian River on September 22, 1981 and having read the briefs filed October 21, 1981 by the parties, makes the following report and recommendations with respect to the various matters in disagreement.

Appearances

For International Union, Local 547:

Robert H. Inman - Business Representative
I.U.O.E. Local 547
Ralph L. Smith - Chief Negotiator
Paul Jacobs - Steward
Harold Rounds - Chief Steward

For Inland Lakes Schools:

Thomas L. Wiencek - Chief Negotiator Labor Relations Consultant
Thomas O. Makela - Superintendent
William Schroederus - School Auditor
Sue Burrus - Business Manager
John Wallace - School President

Statement of Facts

The International Union of Operating Engineers, Local 547, A. B. and C., AFL-CIO entered into a 1978-1981, collective bargaining contract with the Inland Lakes School District of Indian River, Michigan.

The contract expired June 30, 1981. Prior to its expiration, Union Local 547, representing bus drivers, cooks, custodial employees, etc., etc. but, excluding teachers, central office personnel, etc., etc. (represented by another union) and employer, Inland Lakes School District were unable to resolve certain union demands by both bargaining and mediation.

Having exhausted sincere efforts to settle their differences, both sides submitted all of the disputed questions to a fact finder to render a recommendation to the Michigan Employment Relations Commission on the disputed and unresolved issues. It should be understood that the disputants are not required by law to accept the fact finder's recommendations, suggestions or the conclusions which he drew from the nine hour presentation of proofs and oral arguments on September 22, 1981.

The issues, which good faith bargaining was not able to resolve, were hospitalization, insurance premiums, overtime and holiday pay, a grievance procedural change, a proposal making the "most senior custodian" a twelve months employee, extra compensation for certain bus drivers, a one year labor contract, and wage increases.

Both sides recognize that these are difficult times, for worker and employer alike. These are recession days, and this fact finder is "between

a rock and a hard piece" in this particular labor dispute in these rough times when throughout the state, schools are threatened with closing unless more funds are available (from tax payers) and these workers see other Inland Lakes School District employees gaining wage increases and fringe benefits denied them.

There are 150-200 pages of exhibits and briefs filed by the parties studied by the fact finder before he could suggest solutions to the arguments given him by skilled union and employer representatives. (Briefs alone constitute 35-40 pages of fact and argument.)

And, the fact is, both sides are right.

The employer argues, certainly, we'd like to grant the benefits here sought but this isn't a private dispute. This is in the "public sector" where local tax payers (aided by State and Federal grants) would be required to subsidize the higher costs which would ensue were the employer to consent to the union's demands. Says the district, if we grant union demands we'd be required to reduce employee services. Whatever we do is wrong. But, the employer adds, we are not unwilling to maintain fair benefit levels (emphasis added).

And the union answers, that's all we seek, fair wages and maintenance of some of our present fringe benefits. Our employees are just as important and necessary to the Inland Lakes School District as its teachers. Over the years their union has successfully negotiated and obtained much greater benefits the year round, than we have been able to obtain. These benefits are guaranteed by their collective bargaining contract. The least we should obtain is not to have our present minimal fringe benefits reduced. But, says the union, that's what the employer asks the fact finder to do. The union says, our exhibits demonstrate that the teachers are

guaranteed full premium insurance payments twelve months of the year, although they don't work twelve months of the year. Now the board wants us to accept responsibility for paying insurance premiums for the two or three months we are not working. That is a reduction in our former contract. We ask the fact finder to maintain the status quo.

We aren't paid, says the union, as the teachers are, for twelve months work. One of the provisions of our former contract (Joint Exhibit 2, page 21) gives us time and one half (1 1/2) "for hours worked in addition to (our) regular holiday pay". Now we are asked to accept straight time plus holiday pay. The employer says, we are not unwilling to maintain fair benefit levels. This is not maintenance but an actual reduction in our benefit levels.

Conclusion

1) The fact finder "suggests" that in these recession days, particularly in Michigan where the unemployment rate is second highest in the country, a state where many union employees in industry are voluntarily taking wage cuts rather than have their different employers close their plants, that the yet unsigned 1981-82 collective bargaining agreement of the district and local 547, should not require wage increases even though local 547 employees traditionally have received less pay, less fringe benefits from the school district than the district's teacher's union has gained.

2) It is suggested however, that fringe benefits agreed upon in the 1978-81 contract should be maintained. This suggestion merely agrees with the tacit consent of the employer "to continue fair benefit levels for employees" (emphasis added).

3) The fact finder, although requested by union petitioner to make recommendations on all unresolved issues, declines to do so. He believes

that the judgement of skilled and experienced labor dispute negotiators, union and employer, is better than the judgement of a Johnny come lately fact finder who attempts to settle and decide in hours' time what able negotiators have been unable to decide and settle in time running into week's work. (And, this observation includes the inability of a state mediator, one Robert M. Rombouts, who was also unsuccessful in ironing out the many problems in this school district dispute.)

4) The fact finder suggests and recommends that whatever collective bargaining representatives of union and district, agree in the near future should be in the 1981-82 agreement, that any provision in that contract relative to the issues in this fact finding case (hospitalization, etc., etc.) shall be retroactive to July 1, 1981.

5) This fact finder also suggests that the term of the contract shall be a 1981-82 agreement, that is to say, of one year duration rather than two years, suggested by the district. The fact finder believes that the present recession maybe ended by June 30, 1982, and if so, the difficulties facing employer and employees today, as this report discussed, will permit both to view their respective problems in a more favorable economic time, when a future 1982 contract will be discussed.

To conclude, the fact finder formally in this report commends the very able representatives of employer and union, not only for their non-abrasive attitude during the hearing on September 22, 1981 but on their carefully prepared, non-abrasive and persuasive written briefs.

November 14, 1981

W, Jm = Brearty
William J. McBrearty
Fact Finder