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MIO-AUSABLE SCHOOLS

-and-

REGION 63, INTERNATIONAL UNION OF
DISTRICT 50, UNITED MINE WORKERS
OF AMERICA

George T. Roumell /

FACT FINDER'S REPORT
AND RECOMMENDATIONS

Appearances for the Board of Education:

Norman C. Caldwell, Board President
Jack M. Ferris, Superintendent of Schools
Gary Blaner, Elementary Principal and Bus Driver
Supervisor

Appearances for the Union:

B. B. Cieslinski, Assistant Director, Region 63,
District 50
Ted Bilger, Chairman of Negotiating Committee
Allen Nash, Negotiating Committee Member
Edward Johnson, Negotiating Committee Member

In preparation of their budget for the school year
1969-1970, the School Board of Mio-AuSable School District in
March, 1969 made an offer of an increase wage to the bus drivers

Mio - Ausable Schools

so that the bus driver wages for the school year would be eight and 24/100 (48.24) dollars a day. In the summer of 1969, the bus drivers along with the custodians and kitchen employees of the school district were organized by District 50 United Mine Workers of America. As the result of the Union being certified as the collective bargaining representative of the bus drivers, custodians and kitchen employees, the Board was faced with a new situation, namely, that it had to bargain with the Union. The parties bargained until January, 1970 with the result that they reached agreement on all contract terms except the question of wages and the duration of the contract. The fact of the matter was that until January, 1970, the Board did not change its position in that it maintained that it only could pay eight and 24/100 (\$8.24) dollars a day to bus drivers.

As a result of this impasse, the bus drivers chose to strike in January, 1970 and did so for some twenty (20) days until pursuant to a Court order and subsequently by agreement with the Court they returned to work on January 27, 1970.

As part of the agreement with the Court, both the Board and bus drivers agreed to bargain and invoke Fact Finding, if necessary, and report back to the Court within a month of the Court's order.

The parties did continue to bargain with the result that the Board offered to increase the eight and 24/100 (\$8.24) dollars to eight and 36/100 (\$8.36) dollars or an additional twelve (\$.12) cents per day increase. The bus drivers in turn filed for Fact Finding and the undersigned was appointed and conducted hearings to ascertain the relevant facts of the dispute.

Strikes by public employees generally are not favored by the public. This certainly was true with the strike involving the bus drivers in Mio. It may have been unfortunate that there was a strike without resort to Fact Finding prior to the strike. On the other hand, it was clear that the bus drivers had become frustrated with what they have considered the lack of progress in negotiations. There is no need to blame either side. It was an unfortunate situation but now the parties are back on an even footing and are attempting in good faith to resolve their dispute.

This is why Fact Finding becomes important. Mio is a good example. The idea is to discourage strikes in public employment. But if strikes are going to be discouraged, there must be something to replace it in the event the parties reach

a bargaining impasse as they did in Mio. This something is Fact Finding. Fact Finding is when the parties cannot agree and the state appoints a neutral person to make recommendations as to what the parties should settle for in arriving at a contract. Fact Finding is supposed to do what strikes normally do. In other words if there was a strike, the pressure of a strike, particularly if there was no right to get injunctions, would encourage further negotiations which ultimately would lead to an agreement. This has happened time and time again in private industry. It has happened in some cases in public employment. Thus, Fact Finding is designed to prevent strikes in public employment.

It is true that the Report and Recommendations of the Fact Finder are not binding on either side. On the other hand it would seem that it would be important to both sides to give consideration to the Fact Finder's Report and Recommendations with hopes that they could accept them. If Fact Finding reports and recommendations are not accepted, there will no doubt be more strikes.

It is important to both the Mio-AuSable School Board and the bus drivers as well as the other employees of the Board

of Education that Fact Finding be made to work in Mio-AuSable as well as throughout the state so that future strikes may be avoided. If for example the Board chooses not to follow the recommendations set forth herein, the Board is opening the door to future possible strikes not only by the bus drivers but by others. Likewise, the bus drivers if they choose not to accept the Recommendations of the Fact Finder herein and again choose to strike, they are jeopardizing future possibilities of arriving at peaceful settlements not only for the current year but for future years.

There are several criteria that this Fact Finder considers in arriving at his recommendations. He considers what the parties would have arrived at in terms of an agreement if there had been a strike and no right to obtain an injunction in Court. He considers the ability of the School District to pay, comparisons with other school districts, the wage level in the community and finally what type of recommendation could possibly be accepted by both parties even though their acceptance might be "reluctant". To put it in another way, "What is possible in this situation?" "What is fair to both parties?"

As the Fact Finder found the parties when he first conducted hearings on February 20, 1970, the bus drivers were willing to take one and no/100 (\$1.00) dollar a day increase or nine 24/100 (\$9.24) dollars, whereas the School Board was willing to go from eight and 24/100 (\$8.24) dollars to eight and 36/100 (\$8.36) dollars or an increase of twelve (\$.12) additional cents per day.

In addition from the period of the beginning of school until January, the bus drivers were getting eight and 24/100 (\$8.24) dollars a day. For a period of about twenty (20) days in January, 1970, the bus drivers were not being paid because they did not work which in effect meant that the district did not incur expenses which it anticipated. As of February 20, 1970 then, the parties were actually eighty-eight (\$.88) cents apart in their respective positions. Assuming that there are approximately give or take ninety-five more school days from February, 1970, the difference in total dollars based upon nine drivers is seven hundred fifty-two dollars and 40/100 (\$752.40) dollars. The twelve (\$.12) cents a day proposed by the Board amount to an additional one hundred two and 60/100 (\$102.60) dollars for the remaining school year. The dollar a day suggested by the bus drivers amounts to eight hundred fifty-five (\$855) dollars for the remainder of the school year. The difference between eight hundred fifty-five (\$855) and one hundred two and 60/100 (\$102.60) dollars is seven hundred fifty-two and 40/100 (\$752.40) dollars.

Even though the strike was enjoined and subsequently the injunction removed, there was pressure on the parties to bargain. As the result of the bargaining, the Board did offer twelve (\$.12) cents more per day. If there was no injunction and the bus drivers were out, it is suggested that as a matter of fact because the amount of money is not great when considered as a total package, the Board would have made an additional offer just as many business firms when faced with a continuing

strike reappraise their offers and usually make additional offers.

In regard to the ability to pay, an examination of the Board's financial statement indicates that the Board is operating on a very extremely tight budget. As things now stand, there is a definite possibility that by June 30, 1970 the Board will have a cash deficit of eight thousand two hundred sixty-nine dollars and 62/100 (\$8,269.62) dollars.

The public of the Mio-AuSable School District should know that as far as this Fact Finder is concerned, the School Board in the Mio-AuSable district is indeed very conscious of the public trust in them and does emphasize fiscal integrity.

In discussing the planning of the budget and the spending of monies, it is clear that the Board spends its money very carefully and in the past has only come to the public for additional millage when needed. It is quite clear that the Board is being faced with rising costs both because of the nature of the economy and the fact that teachers and the bus drivers and other employees have organized which results in higher wage demands. There is little question in the mind of the Fact Finder that the School Board very definitely will have to ask for additional millage. But it is equally clear that this school board

will only ask for necessary millage as they are very conscious of the responsibility to their fellow citizens not to ask for more than is necessary. The integrity of this Board and its financial responsibility is beyond reproach.

Though the Fact Finder recognizes that the Board has a very tight budget which does indicate a cash deficit for the end of the year, the Board still, either by reallocating the budget or by the fact that it did save twenty (20) days of pay for the bus drivers, can make funds available providing that they are not too great to give more of an increase to the drivers than they have offered at the bargaining table.

This brings up the comparison criteria. Both the Board and the bus drivers made numerous comparisons. At the figure of eight and 24/00 (\$8.24) dollars per day, the Mio bus drivers cannot be considered as anywhere near the best paid bus drivers in the area. For example, in the Fairview system, bus drivers are getting eight and 25/100 (\$8.25) and ten and 50/100 (\$10.50) a day. Actually the best comparison with Fairview is with the ten and 50/100 (\$10.50) dollars rate as the drivers receiving this amount in Fairview drive about the same distance as the Mio drivers. Comparing the Mio drivers with drivers in the West Branch - Rose City area schools that drive about the same mileage, the rate of those drivers vary between nine and no/100 (\$9.00) dollars and nine and 75/100 (\$9.75) dollars a day. Other comparisons are Oscoda with the rate of nine and no/100 (\$9.00) dollars a day - Tawas City, ten and no/100 (\$10.00) dollars a day - Roscommon,

nine and 50/100 (\$9.50) dollars a day. A comparison with Atlanta and Alcoma would indicate a less rate than other districts. It should however be noted that the bus drivers in Atlanta and Alcoma are not unionized. It is also interesting to note that the other nearby school district which does have a union and actually has district 50, West Branch Rose City area schools are paying between nine and no/100 (\$9.00) and nine and 75/100 (\$9.75) a day.

These comparisons plus the fact that the Board, though faced with a cash deficit could perhaps in a four hundred three thousand (\$403,000) dollars budget adjust to make some monies available to the drivers, indicates that the twelve (\$.12) cent a day offer of the Board is far below what the Board should be offering.

There is another factor. The wage scale in the Mio-AuSable area is quite low as compared to other areas. This would indicate that the Board might be justified in making a less offer in other areas but still there must be a competitive offer.

The final criteria mentioned is the possibility of acceptance by both parties. Quite obviously the Board would accept a recommendation of twelve (\$.12) cents a day. Quite obviously the bus drivers would reject such a recommendation. Vice versa, the bus drivers would accept a dollar a day but the Board would reject a dollar a day. The question remains

when one considers the strike criteria, the comparison criteria, the ability criteria and the wage level is what would the parties reasonably be expected to accept? What will they "reluctantly" accept? What is the Art of Possible?

This dispute must come to an end. Emotions must be swept aside. Understanding must creep in. It must be recognized that the union movement has come to Mio and the Board must recognize it and bargain with it. The Union has asked that certain employees that it represents be given a raise, namely, the bus drivers. The question is, "What is reasonable?"

Under all the circumstances, an increase from the eight and 24/100 (\$8.24) dollars a day to eight and 85/100 (\$8.85) or a sixty-one (\$.61) cent increase seems fair. It recognizes the limited ability that the Board has to pay. It recognizes what a strike could bring. It recognizes the wage level in the area. It recognizes what the rates are being paid in other districts. Thus, the Fact Finder hereby recommends that retroactively to January 27, 1970 the bus drivers be paid eight and 85/100 (\$8.85) dollars per day with eight and 24/100 (\$8.24) dollars being paid from September, 1969 to January 27, 1970.

Based upon the recommendations of eight and 85/100 (\$8.85) dollars a day and the ninety-five days left in the school year, the total amount that this will cost the Board is five hundred twenty-one and 55/100 (\$521.55) dollars or four hundred eighteen and 95/100 (\$418.95) dollars more than the Board was willing to offer and three hundred thirty-four and 45/100 (\$334.45) dollars less than the Union was willing to accept. The figures used here are approximate but they do give the reader some idea of how small and reasonable the amounts involved are.

As to the duration of the contract, it seems clear that only a year contract is called for. The collective bargaining relationship is a new one for the Board in terms of dealing with bus drivers, kitchen employees and custodians. Thus, the contract would be effective from the first day of school in September, 1969 through August 31, 1970. What the Fact Finder has attempted to do is establish collective bargaining basis for the parties for any further dealings they may have.

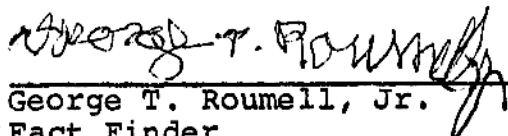
All disputes must come to an end. As already mentioned it is just as important to the School Board as to the bus drivers that this Report and its Recommendations be accepted. Rejections of reports and recommendations by either School Board or their employees only leads to chaos and strikes. Whoever may be dissatisfied with this Report and its Recommendations will have the opportunity in future contracts either via Fact Finding or by adequate negotiations to arrive at future contracts which are to their respective satisfaction.

But the main thing is since the legislature of the State of Michigan has made collective bargaining and public employment legal and has provided Fact Finding as a substitute for strikes, both parties must try to make it work. No one can say that this Report and its Recommendations disregard the facts or is irresponsible. Therefore, it would seem logical that both parties accept it and be done with this dispute.

As the Fact Finder is empowered to do, he is requesting the parties to advise him within seventy-two (72) hours of the receipt of this Report as to whether or not they respectively

will accept the Report and its Recommendations.

In the event either party rejects the Report and its Recommendations, the Fact Finder will be obliged to issue a supplemental Report placing blame as to who is responsible for the impasse being reached. He will do this solely as a guide to the Court in considering whether or not the Court if requested will be obligated under the prevailing Michigan law as interpreted by the Michigan Supreme Court to issue any injunctions.


George T. Roumell, Jr.
Fact Finder

Dated: March 5, 1970