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MONROE COUNTY ROAD COMMISSION —

MICHIGAN EMPLOYMENT RELATIONS
COMMISSION

In the Matter of the Fact-Finding Between:

MONROE COUNTY ROAD COMMISSION

No. D75 G-1540

and

MONROE COUNTY ROAD WORKERS UNION

Hearing held November 11, 1975

Before John B. Kiefer, Esq., Fact-Finder
Appointed by the Michigan Employment
Relations Commission

Appearances:

For the Union:

Thomas D. Ready, Esq.
Ready, Sullivan and Ready

Wheeler Longworth, President
Leeford Evans, Vice President
Jake Beeker, Secretary
Raymond Coss, Chief Steward
Laverne Curley, Treasurer

For the Board of Commissioners:

William J. Braunlich, Jr., Esq.
David P. Wood, Esq.

Eugene Blackman, Clerk/Secretary

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MICHIGAN EMPLOYMENT RELATIONS COMMISSION

Monroe County Road Commission

FINDINGS OF FACT AND RECOMMENDATIONS

A prior collective bargaining agreement between these parties having expired on June 30, 1975, and a petition for fact-finding having been submitted by the Board of Commissioners on September 24, 1975, the undersigned was appointed by the Michigan Employment Relations Commission pursuant to Section 25 of Act 176 of Public Acts of 1939, as amended, and the Commission's regulations to issue recommendations with respect to the matters in disagreement. At the formal hearing both testimony and numerous exhibits were ably presented by both sides. The unresolved issues in dispute are as follows:

A. ECONOMIC ITEMS:

1. Wages and Cost of Living Allowance:

The existing contract which expired on June 30, 1975 provided a fixed wage scale based on job classifications with an increase of \$.05 per hour on July 1, 1972; \$.15 per hour on July 1, 1973 and \$.20 per hour on July 1, 1974. It also provided for a cost-of-living allowance of \$.01 per hour increase or decrease for each 0.4 point change in the Consumer Price Index.

The Board has offered an across-the-board increase of \$.20 per hour for the first year of the new contract and an additional \$.20 in the second year, with a complete removal of the cost-of-living allowance.

The Union has countered with a \$.45 per hour wage increase plus a change in the cost-of-living formula to provide for a \$.01 per hour change in pay for each 0.3 change in the Index.

The Board estimates that the Board's offer will cost it \$53,000.00 additionally in the first year and \$106,000.00 additionally in the second year, while the Union's proposal would cost it \$120,000.00 additionally in wages each year. The cost-of-living allowance would cost an additional \$40,000.00 to \$50,000.00 in the first year of the contract. This latter estimate was an "educated guess" based on the historical movement of the Consumer Price Index.

The Board introduced Exhibits (C-2 and C-3) showing comparable wage scales for various county road commissions throughout the State as well as for Monroe County Deputies and for the City of Monroe employees. The Board also introduced Exhibits C-7 and C-8 reflecting the Commissioners' Budget for 1976 and 1975 respectively. Testimony revealed that the only income in the Budget which gives the Board any discretion in the application of its use, is the Motor Vehicle Highway Fund. All other income shown in the Budget is offset by a corresponding disbursement. The Commissioners

have no taxing power and they have experienced a decrease in income from the Motor Vehicle Highway Fund of \$61,849.00 in 1975 as compared to 1974 and they estimate a further decrease of \$57,097.00 in 1976. In spite of this, their Budget for 1976 is \$655,000 larger than 1975.

On the other hand, the Union contends that the wage and cost-of-living increases of their members over the last two years has not kept pace with their actual increases in living expenses. The Union also attacked the Budget increases, claiming that the Board is deliberately "overloading" the County jobs with equipment and personnel in order to outprice independent contractors and thus find an excuse to "farm-out" its work to such contractors and eventually eliminate its own work staff. No exhibits were introduced to support nor rebut this contention and there was a paucity of testimony introduced by the Union to develop this charge.

The Fact-Finder is impressed by the Exhibits introduced by the Board with respect to the Union's already high pay scale in comparison with other counties and to the limited and diminishing income and its lack of taxing power. Although it is true that the employees' wage increases during the past few years have hardly managed to keep pace with the cost-of-living escalation, the Board is handicapped in trying to meet all of the legitimate demands of labor because of its lack of funds. In view of these factors, the Fact-Finder is compelled to recommend that the Board's offer of a wage increase of \$.20 per hour for the first year and an additional \$.20 per hour for the second year of the contract, be adopted. These increases will aid the employees in "catching up" with disparities which now exist between the inflationary pressures of the economy and their real wages.

However, the Fact-Finder believes that the cost-of-living formula in the contract just expired should be maintained at the present level of \$.01 per hour change in pay for each 0.4 change

in the Index, in spite of the Board's desire to eliminate it all together and the Union's request that it be increased to \$.01 per hour change in pay for each 0.3 change in the Index. To eliminate the formula entirely would be to deprive the Union members of any hedge against inflation, and the Board from the ability of decreasing its costs in the event that the Index reverses its historical pattern. The cost-of-living formula has been included in each contract between the parties for over ten years and presumptively should be continued; absent some compelling proof by either party that it has been grossly inequitable. The Fact-Finder heard no such proof.

Both of these provisions should be retroactive to the expiration date of the last contract.

2. Holidays and Insurance:

The Union seeks two additional paid holidays for its members, as well as, the payment by the Board of Blue Cross-Blue Shield insurance premiums for its retirees in the second year of the contract. The Board wishes the provisions of the expired contract to be continued.

The Fact-Finder heard no testimony from the Union in support of its request for two additional holidays. There was no showing of hardship under the terms of the past contract nor a comparison with other employees similarly engaged. On the other hand, the Board's Exhibit C-4 shows that the Union already is at the top of the scale in comparison with neighboring counties. The health insurance request for retirees was presented by the Union as a desirable benefit for its members with no back-up evidence as to expected costs to the employer nor statistics in comparable Road Commissions. Because the Union has failed to meet its burden of proof in these two matters and also because the Board's Budget is already taxed by the recommendations heretofore made, the Fact-Finder recommends that these issues be resolved in favor of the Board.

3. Funeral Leave:

The Union has requested that the leave of pallbearers at the funeral of a fellow employee be extended from the present four hours to include the entire day. Testimony was elicited showing the difficulties currently encountered and the inadequacy of the restricted period. The Fact-Finder agrees with the Union position and recommends that it be adopted.

4. Vacations:

The present contract, which the Board seeks to continue, provides for twelve vacation days for employees up to ten years of service and seventeen days thereafter. The Union seeks to increase these days to seventeen days after five years of service and to twenty-two days after ten years of service. The Board estimates that these additional vacation days will increase its costs by \$10,000.00. The Union gave no estimate nor did it offer any evidence as to vacation days in comparable Road Commissions. However, the Board's Exhibit C-4 shows that in nearly all the counties that were surveyed, the employees were entitled to a maximum of twenty days of vacation in the upper levels of seniority. In view of this comparison, the Fact-Finder recommends that the provisions of the expired contract be continued, except that the maximum number of vacation days be increased from seventeen to twenty days in order to achieve parity with Washtenaw, Calhoun, Branch and Hillsdale Counties.

5. Longevity:

The expired contract provides for annual longevity compensation starting at \$25.00 for an employee with six months seniority, up to \$300.00 in the 25th year of employment. The Board seeks to continue the schedule but the Union wants a substantial increase - but at the hearing failed to offer any evidence to support its demand. The Board's Exhibit C-4 discloses that Monroe is the only County surveyed which is offering such compensation. Accordingly, the Fact-Finder must conclude that the Union

has failed to meet its burden of proof and recommends that the Board's position be adopted.

6. Overtime:

The Union seeks to change the expired contract by increasing the rate of pay from time-and-a-half to double time for overtime worked on Sundays and holidays. Currently, all comparable Road Commissions pay the lower rate. The Union introduced no testimony nor offered any exhibits in support of its position, except that its President testified that it would be a desirable fringe benefit. The Fact-Finder must recommend against this increase in view of the comparisons, as well as, the Board's lack of ability to pay.

7. Accumulation of Sick Days:

Historically the Board has accumulated unused sick days and has paid the employee a severance allowance, a sum equal to one-third of those unused days. The Union seeks to get paid for all of the unused days but the Board wishes to continue the same program. Once again, the Union has failed to provide the Fact-Finder with any comparison figures nor estimates of increased cost to the Board if the change were to be adopted. Because of the Board's financial pinch, the Fact-Finder recommends against such an increase.

8. Working Hours:

The Board seeks to change the traditional working hours of 7:30 A.M. until 4:00 P.M. and substitute a flexible schedule which could be adjusted upon one week's notice. No evidence was elicited from the Board's witness which might provide a factual basis for this change. Absent such evidence, the Fact-Finder must support the Union's position against such a change.

9. Call In Pay:

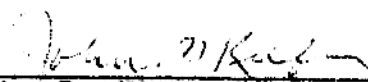
The expired contract provides for four hours call in pay and the Board desires to reduce it to two hours. None of the

Board's exhibits addresses itself to this issue and there was no showing that the present provision is excessive or works a hardship on the Board. The Fact-Finder was presented no statistical comparisons with other counties and, therefore, recommends that the four hour call in pay be continued.

10. Scheduling of Vacations:

The Board seeks to change the scheduling of vacations but the Fact-Finder heard no evidence in support of such change. Indeed, the particulars of any scheduling problems were never supplied and so he must recommend against any changes.

Respectfully submitted,



John B. Kiefer, Esq.
1565 City National Bank Building
Detroit, Michigan 48226
Woodward 1-8080

Dated: December 8, 1975.