

STATE OF MICHIGAN
DEPARTMENT OF LABOR
LABOR MEDIATION BOARD

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LABOR MEDIATION BOARD
LABOR RELATION DIV.

IN THE MATTER OF
CITY OF ST. JOSEPH,
ST. JOSEPH, MICHIGAN

and

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
LOCAL No. 1670

MICHIGAN STATE FIRE FIGHTERS UNION
LABOR RELATIONS LIBRARY

On November 4, 1968, the undersigned, LEON HERMAN, was appointed by the Labor Mediation Board as its Hearings Officer and Fact-finder to conduct a fact-finding hearing relative to the matters in disagreement between the parties, pursuant to Section 25 of Act 176 of Public Acts of 1939 as amended and the Boards' Regulations, and to issue a report with recommendations with respect to the matters in disagreement. Accordingly, and upon due notice a Hearing was held on December 3, 1968, at the City Hall in the City of St. Joseph, Michigan.

Thomas L. Combs, Attorney, and Leland L. Hill, City Manager, represented the City.

Robert Mitchell, President, Local 1670; Gary L. Thomas, Representative of the Michigan State Fire Fighters Union; Earl Kasischke, Secretary, Local 1670; Joseph Mitchell, Vice President, Local 1670, and Elmer Schadler, Fireman, appeared on behalf of the Association.

The sole issue presented for determination was the matter of salaries paid to the fire fighters of the St. Joseph Fire Department. The Local includes all of the employees of the

St. Joseph City

Department except the Chief. The testimony was based solely upon the salaries paid to first class fire fighters with the understanding that fire fighters of lesser experience and captains and lieutenants would be paid proportionately. While the Association requested a number of fringe benefits, such as full paid hospitalization, increased life insurance, fully paid pensions and food allowances, it was their proposal that these matters be left to later discussion and that the total amount of increase be the only matter argued.

A first class fire fighter today receives \$7140.64 per year in base pay. The latest request of the Association is an increase to \$7500.00 as base pay.

In 1966, by action of the State Legislature, the hours of fire fighters were reduced from 63 to 56 hours per week. This was an 11% decrease in the number of hours which firemen were required to work. The City treated this 11% decrease as the equivalent of a salary increase when in July, 1966 it raised all City employees except the fire fighters 5%. In July, 1967 the City granted all City employees a 5% increase; in November, 1967 an additional 5% increase; and in September, 1968, during the pendency of the negotiations between these parties, an additional 6%. This latter raise gave the first class fire fighters an increase of \$404.00 in base pay, which brought them to their current figure.

In seeking to establish the right of its membership to an increase, the Association presented evidence to establish that the City has the ability to pay higher salaries. The assessed valuation of the City has increased 11% over the

past year because of new industry. The City has \$400,000.00 in cash invested in six month bonds with a \$14,000.00 net return, and for the last fiscal year the City had a surplus of \$63,000.00. Patrolmen in the City got \$7566.00 a year, as against the firemen's \$7140.64. Of 34 cities which the Association surveyed, St. Joseph ranks 21st in fire fighter's salaries, and \$442.00 below the average of the salaries paid in those municipalities. Under these circumstances, the Association believes that the City is not only well able to pay the requested increase, but that it is out of balance with payments made in other cities and payments made to other of the City employees.

The City affirms that it has the ability to pay higher salaries. Nevertheless, it insists that its financial position is not as fine as is pictured. It did have a surplus of \$65,647.00 at the end of the audit for the last fiscal year, but the audit did not include \$23,000.00 in bills which subsequently came in for payment. The 6% raise in September further reduced the surplus. It is anticipated that the City will wind up the fiscal year 1968-69 with a deficit of \$63,000.00. The 6% increase which was given to the City employees, inclusive of the fire fighters, on September 1 of this year, was within sound fiscal planning. Anything over that, it is argued, would be contrary to the advice of the City's financial advisers and their judgment of sound financial operations.

By letter of August 28, 1968, the City Manager confirmed to the Association a "final offer" of a salary increase of \$450.00 per man per year, in confirmation of a proposal made to the Union orally on August 27. This proposal was never

instituted, and on October 29, 1968, the City Manager advised the Association by letter that by order of the City Commission all Fire Department personnel were granted a salary increase equivalent to 6% of base pay retroactive to August 30, 1968. The Association promptly wrote the City Manager that it would not refund the 6% pay increase that it was receiving, but that it wished it understood that by retaining the additional amounts it was still insisting upon its original demands for wage increases and adjustments.

It is a fact, upon which the City itself insists, that while the Fire Department hours were reduced from 63 to 56 in 1966, nevertheless the Firemen are on call and must keep themselves available for duty 24 hours a day and 7 days a week. In effect, therefore, the reduction in hours only reduced the time that the fire fighter must spend personally in the fire house under direct supervision.

It is also a fact, which the City similarly emphasizes, that the City must and should retain the proportionate ratio of salaries between the fire fighters and employees in other departments of the City. With this I fully agree. However, I further find it to be a fact that this consideration for a balanced ratio of salaries was disregarded in 1966, when the fire fighters were bypassed in the granting of a 5% increase. Under the circumstances, it was neither realistic nor equitable to treat the reduction in hours of the fire fighters as the equivalent of a pay increase. This might have been so were the fire fighters subject to duty 56 hours a week and free thereafter. But it is a fact, as the City stresses, that a fire fighter off duty continues subject to call, and must report immediately at any time of the day or week, whether off duty or not, when his services are required.

For practical purposes, the City correctly states that a fireman's hours are 24 hours a day and 7 days a week. The only reduction in working hours is in the time spent under immediate supervision of his superiors. It would therefore appear both unfair and inequitable that the 1966 increase to other City employees should not have been paid as well to the fire fighters.

The City also presented figures showing that, in addition to the base salary paid to the fire fighters, they receive 72 hours a year in holiday pay, although they do not receive holidays as such; that they receive overtime of 18 to 40 hours per year; that longevity payments increase the total income. The three firemen listed in the City Exhibit receive salaries ranging from \$7600.69 to \$8707.38.

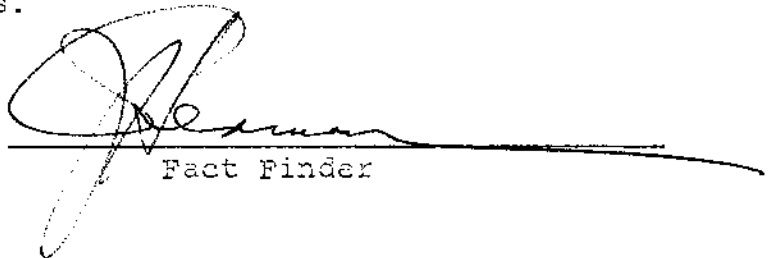
I do not consider that holiday, overtime and longevity pay have any relevance to the issue of what a fire fighter's base pay should be, nor do they affect the relationship between the base pay of fire fighters and the base pay of other City employees. These emoluments are no different, except perhaps in dollar amounts, than those which other City employees receive, and are hardly the basis for a comparison of salaries.

I believe that the salaries of the fire fighters should be increased by the 5% increase which was given to other employees in July of 1966. Working back from the \$7140.64 paid since September, 1968, I find that in July, 1966, a fireman was receiving \$6110.16. Increasing this figure successively by 5% as of July, 1967, 5% as of November 1967 and 6% as of September, 1968,

I find that a first class fire fighter today should be receiving \$7497.66. I am of the opinion that payment of this salary is proper, if only to bring the fire fighters in line with other employees of the City and in direct correlation and proportion to the salaries which are currently being paid these other employees. To my mind, this is not so much an increase as a restoration of the proportion in salaries between first class fire fighters and patrolmen and other employees in the employment of the City. By making this increase the City would effectuate the ratio of salaries between employees which it disrupted in 1966.

I therefore recommend that first class fire fighters be paid a salary of \$7497.66, retroactive to September 1, 1968, and that other Fire Department employees, exclusive of the Chief, be given proportionate increases.

Detroit, Michigan
December 13, 1968



Fact Finder