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FF 12/11/69

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STATE OF MICHIGAN
BEFORE THE DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

LABOR AND EMPLOYMENT
RELATIONS LIBRARY

IN RE:

CITY OF STERLING HEIGHTS

and

TEAMSTERS LOCAL 214

William Ellman 12-11-69

FACT FINDING RECOMMENDATIONS

A number of hearings were held at 1800 Penobscot Building, Detroit, Michigan, between the City of Sterling Heights and Teamsters Local 214.

Present and participating in the hearings from time to time were:

For the City of Sterling Heights:

Frank Blake, Director of Administration
Paul O'Reilley, Counsel for the City

For the Teamsters Local 214:

Joseph Valenti, President
Paul Gully, Assistant to the President
Roy Brown, Chief Steward
Peter Connors, Committeeman

The original issues were in excess of eleven in number. The bargaining unit covers some fifty members. The first contract was signed approximately three years ago covering seventeen men in just minimal classification under a township setup. Now, Sterling Heights is a city and the Union and City negotiations

Sterling Heights, City of

have covered approximately seventeen classifications. Needless to say this is a complex problem. It is to the credit of the able representatives of both sides that conscientious efforts have been made at resolution. Documentary evidence including the following were submitted by both sides and the fact finder has reviewed them.

City Exhibits:

- A. Attachment No. 7, Statement on Classification of Equipment Operator.
- B. Letter to Mr. Frank Blake, Director of Administration City of Sterling Heights, October 21, 1969, re: pay rate for Equipment Operators C, B and A.
- C. Teamsters Demand - June 20, 1969, re: Class Title, Pay Range/Wage Steps.
- D. Contract between: City of Sterling Heights and Teamsters Local 214, presently in effect, July 1, 1969 - June 30, 1973.
- E. Wage, Salary and Fringe Benefit Survey and Analysis June, 1969.

Union Exhibits:

- 1. Agreement of January 3, 1967, between City of Sterling Heights and Teamsters Local 214.
- 2. Letter to Paul J. O'Reilly, July 25, 1969, re: offer submitted to Teamsters Local 214, covering all of the Maintenance Division Employees for the City of Sterling Heights.
- 3. Letter to Paul J. O'Reilly dated August 20, 1969, re: Teamsters final position on covering all Maintenance Division Employees for the City of Sterling Heights.

A request for fact finding was made on September 9, 1969 by the Union.

Among the issues remaining with the fact finder are the following:

1. Hours of Work
2. Length of Contract
3. Work Rules
4. Working out of Grade
5. Doctor Slip
6. Bereavement Leave
7. Shift Differential
8. Vacations
9. Wages
10. Hydrant Repairs
11. Cost of Living

1. Hours of Work

After reviewing testimony, the fact finder believes that the City should guarantee forty hours of work per week to all regular full-time permanent employees. This of course does not deprive the City of its right to layoff under appropriate circumstances.

2. Length of Contract

It would appear for the stability of the relationship between the parties that the contract should cover a three year period with wages and benefits set for two years with a third year reopener on each.

3. Work Rules

Work Rules are to be the prerogative of management. However, this should not deprive the Union of a right to question the type and fairness and reasonableness through informal means before the formal rights of grievance would be explored. It is the suggestion of the fact finder that both acknowledge the other's existence and act appropriately.

although there is no reason on the record to think that either does not so acknowledge.

4. Working out of Grade

The City has taken the position that the first year of contract, a man must be two days out of grade before he is entitled to the higher rate of pay. In the second year commencing July, 1971, the City suggests that the period be reduced to one day. The Union takes the position that pay should be effective immediately on working out of grade. It is the recommendation of the fact finder that one day be the present rule and that commencing in July, 1970, four hours be the rule. However, if the person is assigned out of grade for purposes of replacement for any reason whatsoever (i.e. vacation) the new pay should be effective immediately.

5. Doctor Slip

It is the recommendation of the fact finder that a doctor's slip be submitted after two days if City Manager requests it.

6. Bereavement Leave

It is the feeling of the fact finder that this is an extremely personal problem and that it is important that one related to the deceased be given three days leave regardless of the relationship with pay. If unrelated, these matters should be worked out between the parties, with particular notice being taken if the party is a pallbearer.

7. Shift Differential

It is the recommendation of the fact finder that the present shift differential of .10 and .15 remain in effect. This shift differential may not be adequate at the time the matter may reopen.

8. Vacations

The present Union request is five years and three weeks effectively next year. The City desires three weeks at seven years. It is recommended that the Union request of three weeks at five years be granted.

9. Wages

Note the attached proposal of fact finder designated as fact finder Exhibit X.

10. Hydrant Repairs

The City feels that Hydrant repairs are covered by another designation. The Union argues apparently that it is a separate and distinct class. The fact finder believes that the parties should resolve this promptly between them but if unable to do so that the appropriate City Civil Service Unit should review the matter and make a decision.

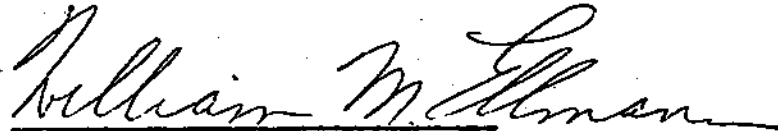
11. Cost of Living

Cities must seek to pay personnel adequately so that increases will not be dissipated in the rise of the cost of

living. A recent article in the New York Times, attached hereto and made part hereof, indicates that the rise in the cost of living in Detroit through September is approximately 6.1%. The Union request for wages as of July, 1970, should be in addition to a factor for cost of living increase in the light of the devastating rise in costs affecting all employees and their income. Note fact finder Exhibit X.

Respectfully submitted,

WILLIAM M. ELLMANN

A handwritten signature in cursive script, reading "William M. Ellmann", written in dark ink.

1800 Penobscot Building
Detroit, Michigan 48226
961-7400

Dated December 11, 1969

FACT FINDER EXHIBIT X

Wages affirmed as of the date of
fact finder's decision

12/11/69

Wages 1/1/70

7/1/70 fact

Rate but finder re-
commends cost of
living increase in
addition

| | | | |
|---------------------|--------|--------|--------|
| Water Serviceman | \$3.80 | \$3.90 | \$4.15 |
| Meter Repair | \$3.80 | \$3.90 | \$4.15 |
| Inspector | \$3.90 | \$3.95 | \$4.20 |
| Sewer Service | \$3.80 | \$4.00 | \$4.29 |
| Equipment Oper- C | \$3.80 | \$3.90 | \$4.05 |
| Equip-oper - B | \$3.90 | \$4.15 | \$4.55 |
| Equip-oper- A | \$4.52 | \$4.62 | \$4.90 |
| Laborer | \$3.36 | \$3.80 | \$3.90 |
| Lab Technician | \$4.09 | \$4.19 | \$4.60 |
| Plant Operator/mech | \$4.09 | \$4.20 | \$4.55 |
| Mechanistic II | \$4.52 | \$4.60 | \$4.90 |
| Mechanic II | \$4.09 | \$4.20 | \$4.50 |
| Vehicle Service | \$3.36 | \$3.80 | \$3.90 |
| Storekeeper | \$3.80 | \$4.00 | \$4.10 |
| Clerk Disp. | \$3.80 | \$4.00 | \$4.10 |
| Parks/Ground Main | \$3.80 | \$4.00 | \$4.05 |
| Meter Reader | \$3.62 | \$3.80 | \$4.09 |

Note Hydrant Repairer reference elsewhere

LIVING COSTS HERE INCREASE SHARPLY OUTPACING NATION

September Rise in City Area
Reflects Higher Prices in
All but Transportation

5% GAIN SINCE JANUARY

Wages Are Also Going Up,
but Are Expected to Lose
Purchasing Power

By PETER MALONES

The cost of living in the New York City area rose a sharp 0.8 per cent in September as higher prices for everything except transportation here kept a city an inflationary step ahead of the nation.

The increase, which was 0.3 per cent higher than the national September average reported yesterday by the United States Bureau of Labor Statistics, means that consumer prices have risen 5 per cent in the metropolitan area since the beginning of the year.

For those workers with cost-of-living escalator clauses in their labor contracts, the monthly increase will mean higher wages. But many people will be in the same category as the average factory worker here, who now earns \$127 a week, but according to Government statistics, has about a 2-a-week less in real purchasing power than a year ago.

"You might say he's earning more but enjoying it less," said Herbert Bienstock, regional director of the Bureau of Labor Statistics, who noted that the average worker's gross pay had

Some Costs Unchanged

Despite the big August-September price increases, Mr. Bienstock said he saw at least two "notes of comfort." One, he said, was the fact that price increases in the third quarter (July-August-September) showed a lower rate of increase over the second quarter and the second quarter showed a lower rate of increase over the first.

In addition, he noted that some items, such as medical care and utility costs, had remained unchanged last month while a few others, such as cereals and bakery products and fruits and vegetables, had declined slightly in price.

Mr. Bienstock said that these factors were rarely present in previous months and if they mean some price stabilization is taking effect, it could be more apparent in the over-all index in the coming months.

The main reasons for the 0.8 per cent increase here, and the fact that it was greater than the national average, were a huge increase in the cost of women's and girls' apparel — 6.9 per cent, and a 1.9 per cent increase in the cost of maintaining and repairing homes.

Mr. Bienstock said that the apparel increase was apparently due to the introduction of women's fall fashions, which were planned and produced months ago when the inflationary spiral was even

Continued on Page 53, Col. 1

Cost of Living in City Area Rises, Outpacing the National Average

Continued From Page 1, Col. 1

worse than it is now.

No explanation was offered for the rise in home repairs.

Although Mr. Bienstock was cautiously hopeful for lower price increases in the immediate future, he also noted that the August to September increase was the largest for that period since 1951, a Korean War year.

Since September, 1953, con-

sumer prices in the New York-Northeastern New Jersey area have risen six per cent. Elsewhere, the over-the-year increase has been 6.2 per cent in Chicago, 6.1 per cent in Detroit, 5.8 per cent in Philadelphia, and 5.5 per cent in Los Angeles.

Consumer Price Index

U.S. DEPARTMENT OF LABOR
BUREAU OF LABOR STATISTICS
(BASED ON 1927-29 AVERAGE: 100%)

UNITED STATES

| | Index | Percentage Change from | Index |
|--------------------|-------|------------------------|-------|
| | 1957 | 1957 | 1957 |
| All items | 127.3 | +0.8 | 127.3 |
| Food 1) | 127.5 | +0.1 | 127.5 |
| Housing 2) | 128.6 | +0.6 | 128.6 |
| Apparel, upkeep 3) | 122.7 | +1.7 | 122.7 |
| Transportation | 122.4 | -1.5 | 122.4 |
| Health, recreation | 123.4 | +0.5 | 123.4 |
| Medical care | 127.6 | +0.5 | 127.6 |
| Personal care | 127.3 | +0.4 | 127.3 |
| Reading, rec'n | 131.6 | +0.3 | 131.6 |
| Other goods, serv. | 121.3 | +0.9 | 121.3 |

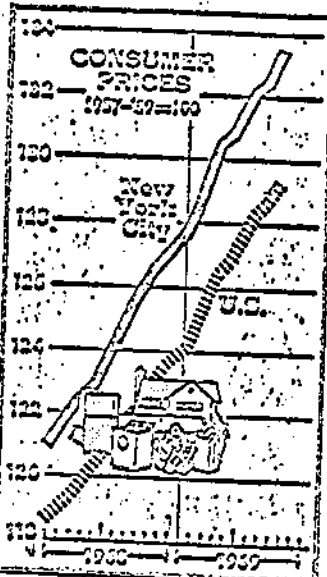
NEW YORK

| | Index | Percentage Change from | Index |
|--------------------|-------|------------------------|-------|
| | 1957 | 1957 | 1957 |
| All items | 131.5 | +0.8 | 131.5 |
| Food 1) | 127.1 | +0.3 | 127.1 |
| Housing 2) | 132.6 | +0.9 | 132.6 |
| Apparel, upkeep 3) | 126.6 | +3.1 | 126.6 |
| Transportation | 126.4 | -1.5 | 126.4 |
| Health, recreation | 123.2 | +0.3 | 123.2 |
| Medical care | 124.1 | 0.0 | 124.1 |
| Personal care | 120.6 | 0.0 | 120.6 |
| Reading, rec'n | 144.1 | +0.6 | 144.1 |
| Other goods, serv. | 140.5 | +0.4 | 140.5 |

1) Includes restaurant meals.
2) Includes hotel and motel rates, home purchase and other home-owner costs not shown separately.

3) Includes infants' wear, sewing materials, jewelry and apparel upkeep not shown separately.

*Indicates the personal care index, revised quarterly, is shown for Aug. 1959. The quarterly change is for that month.



The New York Times, October 23, 1959

October 23, 1959