

7/1/70 ARB

Detroit City of

IN THE MATTER OF THE ARBITRATION

between

DETROIT POLICE OFFICERS ASSOCIATION, INC.
and THE CITY OF DETROIT, MICHIGAN

Under Act No. 312
Michigan Public Acts of 1969

Arbitration Panel:

William Haber, Chairman

Richard Strichartz, Delegate representing
City of Detroit

Jack Wood, Delegate representing Detroit
Police Officers Association, Inc.

July 1, 1970

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Table of Contents

	<u>Page</u>
I. Background	3
II. Hearings and Appearances	6
III. Issues Before the Arbitration Board	10
1. The Base Salary Issue	10
a. The Position of the City	11
b. The Position of the Union	13
c. Discussion: Opinion and Award	17
2. Ability-To-Pay Issue	33
3. Remuneration for Off-Duty Court Appearances	40
4. The Issue of Shift Differentials	41
5. The Issue of Premium Pay for Overtime	42
6. Longevity	44
7. Remaining Stipulations	45
a. The Cost-of-Living Escalator	
b. Clothing Allowance for Police Officers in Plain Clothes	
c. A Specific Holiday in Place of the Present "Floating" Holiday	
d. The Right of Officers Who Retire To Receive Pay for Their Accumulated Sick Leave Without Any Limitation	
IV. Award	46
V. Summary of the Arbitration Panel's Award	47

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In the matter of Arbitration

- between -

Detroit Police Officers Association,
Inc. (DPOA)

- and -

City of Detroit

* * * * *

Issue: Economic
provision of
Labor contract
effective July 1,
1970

I. Background

This is an arbitration pursuant to Act No. 312, Michigan Public Acts of 1969, between the Detroit Police Officers Association, Inc., (DPOA) and the City of Detroit (City).

On April 9, 1970, the parties undertook to request mediation of their differences relating to wages and other economic benefits by the Michigan Employment Relations Commission, (Joint Exhibit No. 1). In that Agreement the parties bound themselves to continue negotiations on the unresolved issues between them, and that such issues as remained which have not been resolved or settled or withdrawn within 30 days of mediation "may be submitted by either party to compulsory arbitration in accordance with Public Act No. 312 of 1969."

The parties further agreed that post-hearing briefs shall be filed "not later than June 15, 1970" and that "the arbitration panel shall issue its written decision to both parties" on July 1, 1970. The parties agreed to be bound by

the decision of the arbitration panel both "as to all matters that are in conformance with the law" and that "neither will contest the constitutionality of the Compulsory Arbitration Act as it applies to the facts and circumstances in this dispute, if the proceedings and decisions are conducted in substantial conformance to this agreement and the Act."

William Haber of Ann Arbor, Michigan, was designated as Chairman of the panel of arbitration by the Michigan Employment Relations Commission on May 15, 1970, (Joint Exhibit No. 5). Richard Strichartz, former City Controller and presently General Counsel of Wayne State University was appointed as a delegate to the Panel by the City. Jack Wood, Secretary-Treasurer of the Detroit Building Trades Council, was appointed to the Panel as delegate of the Detroit Police Officers Association.

This opinion has been written by the Chairman of the Panel. The Chairman is grateful to the other two members for their vigorous participation, not only in the hearings, but particularly the three sessions between the Chairman and the two other members of the Panel. Strong differences of opinion concerning the merit of this or that bit of evidence were expressed. The opinion of the Chairman has been refined and sharpened by the views of his colleagues. The consensus of one or both of the other members of the Panel should not be taken as indicating that they necessarily agree with the detailed formulation of this opinion, although at least one Panel member does indicate agreement in general with the disposition of the issues under submission.

The Chairman is aware of the fact that neither of the two other members of the Panel are entirely pleased with his opinion and award. The representative of the DPOA urged a more generous settlement with respect to the basic wage as well as the fringe elements submitted to arbitration. The representative of the City thought that in view of the substantial advance in the patrolman's wage in 1968 and the difficult financial position of the City, the award went somewhat further than the City's present financial capacity justified.

Public Act 312 states that in view of the fact that the right to strike in public police and fire departments is prohibited it is necessary to afford an alternative procedure for the resolution of disputes in order to protect the high morale of such employees and the efficient operation of such departments. It states further that the provisions of the Act providing for compulsory arbitration "shall be liberally construed." The arbitrator shall act as Chairman of the Panel, arrange for Hearings, receive oral or documentary evidence, and arrange for a verbatim record of proceedings. It provides that "the proceedings shall be informal;" that "technical rules of evidence shall not apply."

Of special significance is Section 9, which provides that "the Arbitration Panel shall base its findings, opinions and order on the following factors as applicable:"

"Sec. 9. Where there is no agreement between the parties, or where there is an agreement but the parties have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement, and wage rates or other conditions of employment under the proposed new or amended agreement are in dispute, the arbitration panel shall base its findings, opinions and order upon the following factors, as applicable:

- (a) The lawful authority of the employer.
- (b) Stipulations of the parties.
- (c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitra-

tion proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:

- (i) In public employment in comparable communities.
- (ii) In private employment in comparable communities.
- (e) The average consumer prices for goods and services, commonly known as the cost of living.
- (f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment."

Section 10 provides "A majority decision of the arbitration panel, if supported by competent, material and substantial evidence on the whole record, shall be final and binding upon the parties."

II. Hearings and Appearances

Hearings were held in the City-County Building, Detroit, Michigan, on May 18, 19, 20, 25, 26, 28, June 2 and 3,

1970. The parties agreed to waive the procedural requirements concerning notice of Hearings and related matters referred to in Section 6 of the Act.

The Union was represented by Mr. Winston Livingston of Livingston, Gregory, Van Lopik and Higle with the collaboration of Mrs. Van Lopik. Witnesses for the Union included the following in the order of appearance at the Hearing:

R. Kenneth Davidson, President, Pontiac Police
Officers Association
Carl Parcell, President, Detroit Police Officers
Association
Edward Dudzinski, Patrolman
Arthur Kett, Deputy Auditor General
John Brady, Patrolman on disability retirement
Herman Boritzki, Patrolman
Donald Leonard, Judge, Records Court
Robert S. Quaid, Director of Personnel,
Detroit Police Department
Charles P. Brown, Patrolman
Johannes Spreen, Former Police Commissioner,
Detroit
Jack P. Shoemaker, Commanding Officer, Record
Bureau, Detroit Police Department
Walter S. Nussbaum, Attorney

The City was represented by Mr. Nick Sacorafas, Assistant Corporation Counsel. Witnesses for the City included the following, in the order of their appearance at the Hearing:

Victor McCormick, Auditor General, City of Detroit
Robert Roselle, Controller, City of Detroit
Joseph Fremont, Senior Labor Relations Specialist

The official transcript totaled 1,487 pages. In addition, 133 exhibits were submitted, 44 by the Union, and 77 by the City. Twelve joint exhibits were also submitted.

The brief of the City of Detroit from Michael M. Glusac, Corporation Counsel, and signed by Nick Sacorafas, Assistant Corporation Counsel, was received by the Chairman

on June 15, 1970. It totals 30 pages in addition to an appendix consisting of a July 22, 1959, letter from the Wayne County Prosecuting Attorney and a copy of Opinion No. 3416, dated August 1, 1959, from the Attorney General of the State of Michigan on "Deficit budget." The brief for the Union, also received on June 15, is signed by Winston L. Livingston and Nancy Jean Van Lopik. The brief is 46 pages and contains Appendix A and B, consisting of some newspaper clippings. In addition, the Deposition of Ray Girardin, former Police Commissioner of the City of Detroit, before Messrs. Livingston and Sacorafas dated June 3rd consisting of 36 pages was also submitted.

Many of these exhibits were for informational purposes only designed to familiarize the Panel with the general organization of the City government and to indicate the financial commitments of the City for services not directly related to the issues before this arbitration panel.

However, many exhibits were directly relevant to the issue before the Arbitrators. These were concerned with comparison of salaries and fringe benefits between Detroit and other Michigan communities in the suburban area as well as other cities within the State, and with Michigan State Trooper's salary and fringe benefits (City Exhibits No. 38, 45 and 71; Union Exhibits No. 6, 18, 19, 20, 21, 22, 23, 24, 26, 27 and 28). In addition, Detroit was compared with 13 other large communities in the country (City Exhibits No. 36, 39, 40, 40A, 40B) with respect to the nine specific issues

before the Panel for its decision as well as other issues such as retirement pensions not before the Panel, but considered by the party presenting them as relevant, (Union Exhibits No. 32, 33, 34, 35, 36, 37, 38 and 39). Also significant were exhibits having to do with police department statistics, number of citizens per police officer, crime rates, police cost per capita, police turnover and recruiting statistics, and similar data (City Exhibits 49, 50, 51 and 52; Union Exhibits 5, 17 and 31).

In view of the requirement in Section 9 of Act 312 under which this Arbitration Panel is functioning that the "financial ability of the unit of government" should be among the factors to be considered, a considerable amount of testimony was presented by the Auditor General, the Assistant Auditor General and the Controller (City Exhibits 26, 27, 28, 29 and 56; Union Exhibits 14 and 15). The Panel was also presented with the "Findings and Recommendations of Unresolved Economic Issues" submitted on February 27, 1968, by a panel of distinguished Arbitrators (Union Exhibit 2) as well as testimony of specific individuals who appeared before that Panel. Exhibits having to do with cost of living (City Exhibits 30 and 37; Union Exhibits No. 3 and 3A) were also presented. The difficulty in obtaining permission from the Municipal Finance Commission to borrow sufficient funds for the City to operate until additional tax revenue is received was brought to the Panel's attention (City Exhibits 31 and 65).

The Arbitration Panel had three lengthy sessions in Ann Arbor on June 8, June 16 and June 23.

III. The Issues Before the Arbitration Panel

The parties agreed by stipulation (Joint Exhibit No. 6) that the following matters should be passed upon by the Board of Arbitration:

1. Base salary for patrolmen and patrolwomen, including remuneration to officers for carrying weapons while off duty, standing roll call, cleaning and maintaining their uniforms or plainclothes; included also was a request that step increases shall be effective on the employee's anniversary date of employment and not deferred to the beginning of the next quarterly period.
2. Clothing allowance of \$150.00 for patrolmen and patrolwomen working in plainclothes
3. Shift differentials to be paid at the rate of 5% and 10% for the afternoon and midnight shift respectively
4. Longevity pay, to begin after six years of service without any maximum limitation of the amount
5. Whether "floating" holiday should be designated as Easter Sunday
6. Premium pay for overtime to be paid in cash rather than "C" time
7. Payment for off-duty court appearances
8. Payment for accumulated sick leave at retirement
9. Cost of living escalator

(There were actually 10 items on Joint Exhibit No. 6; however, one item was withdrawn when the exhibit was presented to the Panel on May 18, 1970.)

1. THE BASE SALARY ISSUE

The salary scale prevailing in the fiscal year 1969-70 (ending on June 30, 1970), the proposal of the City

for a 6% increase effective on July 1, 1970, and the request of the Union are as follows:

	<u>Present 1969-70</u>	<u>City's Offer, 6%</u>	<u>Union's Proposal</u>
Start	\$8,000	\$8,480	\$11,715
2nd year	8,700	9,222	12,115
3rd year	9,400	9,964	12,515
4th year	10,100	10,706	12,915
5th year	10,800	11,448	13,315

The pay schedule requested by the Union includes remuneration for officers carrying their weapons while off duty, standing roll call, cleaning and maintenance of their uniforms or plainclothes.

In addition, the annual step increases, according to the Union's proposal would be effective on the employee's anniversary date of employment and would not be deferred to the beginning of the next quarterly period as is the present practice.

(a) The position of the City, briefly stated, is that the City's offer is "fair, equitable and reasonable, under all the circumstances;" (TR 398, City Exhibit 30, 74); the patrolman's "package" includes more than his salary; and, when taking into account his fringe benefits, particularly the pension system, the cost of each patrolman is, in effect, \$18,490.59 per year (City Exhibit 61); the Panel must compare cities "in the same class," and that the suburban and other Michigan communities whose salary scale was cited by the Union "were not comparable communities;" that the economic impact of a police pay raise in suburban communities is far smaller from what it is in Detroit, and such comparisons in

salary levels should not be made; that when compared with other large cities and with the cities in the Michigan group which were cited, "Detroit is a leader and is not behind the times;" (City Exhibits 36 through 40A, TR 1448-1460); that the patrolmen's salary rose 89.1% during a ten-year period in Detroit compared to general City employees whose pay in the same period has increased only 66.8%. Thus, the patrolman has fared quite well even without comparing a superior pension system and other fringe benefits. In addition, some weight must be given to the continuity and stability of employment for police in spite of the "grim economic future of the community."

Quite apart from its view about the equitable character of a 6% wage offer, the City contends that "The Arbitration Panel's jurisdiction is limited by the extent of the legal authority of the municipality;" that the Panel is not "free to render any decision it pleases;" that it is restricted not only by the Compulsory Arbitration Act, but by the Michigan Constitution, the Home Rule Act, the Michigan Taxation and Assessment Statutes, the Municipal Finance Act, the applicable Charter and Ordinance provisions, and the general body of law of this State; that the Panel is bound to take into account "the lawful authority of the employer," among other factors.

The City has a duty to produce a balanced budget; it is not given a free hand to raise money to pay its bills; the City is not in a good financial condition.

In view of all this, the jurisdiction of this Panel is limited, and "any award of the Panel which requires additional expenditures must be contingent on the City securing additional revenues other than as reflected in the existing budget." The Panel has only the power to determine the amount and extent of a wage rate or other conditions of employment: it cannot determine priorities since only elected officials can do that.

Finally, the City's fiscal picture is dismal; the non-recurring revenues in the current year will not be available in 1971-72; there will be an anticipated deficit on June 30, 1970, and a much larger one on June 30, 1972. In addition, there will be a "revenue gap" of impressive proportions in the 1971-72 budget. Moreover, Detroit's population has been decreasing, the tax base is declining, the personal property assessments are diminishing; the City cannot justify any more borrowing.

(b) The position of the Union. The Union urges the Panel not to be unduly influenced by the City's argument on the issue of ability-to-pay. It emphasizes that during negotiations the City had indicated that it was not going to rely on a claim of inability to pay. It quotes the Mayor (Union Exhibit No. 30) that he was prepared to seek a pay package that was fair to all, and will not require excuses related to inability to pay. It cites the testimony of the City Controller (pp. 1079 of TR) to the effect that it is not fair to attempt to meet budget crises by failing to make a

decent, reasonable, and equitable wage offer. In other words, states the Union, the official view of the City Administration is that the police should not have to subsidize the general taxpayer by working at a salary that is less than fair and equitable. It cites one of its witnesses to the effect that it is illogical to lean heavily on the ability-to-pay position; that no one would seriously suggest such an argument to private contractors or propose to pay them less or to seek discounts on items purchased on the ground of the local government not being able to pay the established price.

The Union's brief makes reference to the City's budget, and observes that its financial difficulties are due to its own decisions concerning priorities; that it has not made any serious effort to reduce existing positions; that it is spending funds for activities far less essential than police work; that the City's expenditures can be reduced; that the pension liabilities could be funded during a longer period than thirteen years; that the City is overstating its plea of poverty and fiscal helplessness; that the City is crying "wolf" before the wolf is on the scene.

In its plea for higher salaries, the Union calls attention to its testimony and in its brief to the hazards of the police officer's work, to the "potential dangers," "the daily tensions;" it introduces a "chilling picture" of statistics concerning the number of officers assaulted on duty, injured while making arrests, injured by gunshot and knives -- a total of 431 in the calendar year of 1968; there

were an additional 1,000 various types of accidents while in a scout car, motorcycle or otherwise. The 1969 story is somewhat similar, with 404 such assaults in addition to four officers killed. A former Commissioner testified that one out of each nine policemen could be expected to be injured in the line of duty each year.

The Union emphasizes particularly the comparison of salaries between policemen in Detroit with communities in the Detroit Metropolitan area. Detroit, it contends, is not competing with New York, Philadelphia or San Francisco: it is competing with Livonia, St. Clair Shores and Westland. It calls attention to the higher crime rate in Detroit and in the thirteen largest cities in the country. It cites Philadelphia, with a much larger population and a crime rate of 1,819 per 100,000 people, compared to Detroit ratio of 6,879. It refers to Milwaukee, with a rate of 2,517 per 100,000 people -- about one-third of the Detroit rate. It urges that such rates indicate radically different working conditions, and that it is really not appropriate to compare police salaries in these cities with those in Detroit in view of the significant difference in the crime situation -- that is to say, working conditions. Detroit police officers, the Union pleads, should be paid more than those in these communities which have been used for comparison. Moreover, it urges that the Panel should take into consideration the general level of pay of the Detroit area, which is higher than in most of the comparable communities; it should consider whether collective

bargaining prevails; whether there are traditional patterns of pay which would make mere wage comparisons inadequate. While the Union makes comparisons between police salaries and the earnings of other employees such as skilled tradesmen, it states that there are no employee groups comparable with policemen in respect to the nature of their duties and the responsibilities involved. It maintains that the 6% pay offer made by the City would leave Detroit patrolmen behind other communities in the Detroit Metropolitan area if account is taken of payments in those communities for such items as gun allowance, shift premium and uniform allowance.

In brief, in the Union's view, when compared to improvements in basic salary in several other Michigan communities and in other cities throughout the country, and when considered in relationship to the risks which accompany the policeman's work and the need to provide an adequate incentive to attract, to hold and to reward, its proposal for salaries is not unreasonable.

Moreover, according to the Union, its request for beginning wage and the annual steps over a four-year period is also designed to remunerate policemen for what is in effect "off-duty" services which are required of every policeman. While not universal throughout the country, Detroit patrolmen are required to carry their weapons when off duty, when shopping, and even when attending social affairs. It is unfair, according to the Union, to require such services without special compensation.

Similarly, patrolmen are required to "line up" for

roll call 15 minutes before their eight hour day begins and to report to headquarters for 10 minutes at the conclusion of the shift. The officer should be entitled to compensation for this period. When the request for gun pay is coupled with remuneration for these required appearances and services, the Union considers it reasonable to propose a scale which begins at \$11,715 and advances in the 5th year to \$13,315.

(c) Discussion: Opinion and Award

The central issue presented to the Arbitration Panel is concerned with the basic salary amount. During 1969-1970 the salary started at \$8,000 for the 1st year and advanced in \$700 steps to \$10,800 at the beginning of the 5th year.

The Union requests a beginning salary of \$11,715, advancing in \$400 steps to \$13,315 in the 5th year. The Union's request would represent, at the maximum, during the 5th year, an increase of \$2,515, an advance of 23%. This is clearly without justification either on the basis of comparable salaries paid to patrolmen in other large cities throughout the country or in other Michigan communities in Wayne County or elsewhere, nor is it a proposal which can be seriously considered on the basis of the factors which are outlined in Section 9, (a) through (h) of Public Act No. 312, which this Arbitration Panel is required to rely upon in basing its findings and opinion.

The City, taking into account its wage offer to other employees, its financial capacity and what it considers to be a

fair and equitable offer, proposed a straight 6% increase for police officers for each of the 5 years. Thus, the starting salary would be \$8,480 for the 1st year of employment, compared with \$8,000 at present, achieving a maximum of \$11,448 in the 5th year of employment, an increase of 6% over the \$10,800 prevailing at present.

The Arbitration Panel carefully examined the entire transcript consisting of nearly 1,500 pages and the exhibits particularly relevant to the wage and salary issue. It has taken into account those exhibits which compare Detroit's present and proposed wages with those prevailing in other large urban centers throughout the country, taking due note of the observations that not all of these cities are necessarily comparable. In Washington, D.C., for example, the wages are, in the final analysis set or largely influenced by Congressional authority; in another large city salaries are set by the state legislature; in several other cities the collective bargaining procedure does not prevail; and in some the wage and salary levels for 1970-71 have not yet been determined and the prevailing levels were not an adequate guide to the Panel in considering the scale for 1970-71. Moreover, when the general level of employee compensation in both public and private employment in a community is considerably below national levels because of historic or other influence, to use such areas as a standard of comparison of the wages of policemen in Detroit is not appropriate.

City Exhibit 36 compares Detroit with 12 other ci-

ties with respect to all or most of the issues submitted to this Panel by the stipulation between the parties. The Chairman does not find the data in the Exhibit conclusive. In Chicago, for example, the salary after 5 years is \$12,360, considerably above Detroit. The data shows a salary of \$11,280 for Los Angeles effective January 1, 1970, with a maximum of \$12,240 on July 1, 1970; the evidence, however, was not conclusive that this is the final figure. The San Francisco maximum salary was \$11,796 as of January 1, 1969; the maximum is achieved in three years. The next salary increase is scheduled for July 1, 1970; the magnitude was not known at the time of the hearing. The New York salary as of October 1, 1969, was \$10,950, which is higher than Detroit's present salary scale; a change is scheduled for January 1, 1971 -- its amount is unknown. The maximum salary with longevity is \$11,350, reached in 20 years. The St. Louis salary is indicated for October, 1969, and is lower than Detroit's. It was testified, however, that it is determined by the State legislature and not by the City. The Washington, D.C. salary is for July 1, 1968. Congressional influence on salaries in Washington, D.C., has already been referred to. Other cities' salaries are compared in City Exhibit 36, including Dallas, Houston, Milwaukee, Cleveland, Baltimore and Philadelphia. In five instances the salaries are for 1969, the contemplated changes for 1970 are either not indicated or not known.

Similarly, comparing Detroit's wage scale proposed by the City with other Michigan communities, while not en-

tirely irrelevant, is not especially helpful to the Arbitration Panel. These communities are relatively smaller; the size of the police force is nominal; the impact of any salary change is not overwhelming, the crime rates and general tensions associated with police work are of an entirely different order of magnitude than those prevailing in the City of Detroit.

City Exhibit 38 lists ten other Michigan communities and the Michigan State Police. For six of these, the City's Exhibit shows a definite question mark indicating some doubt as to what the amount of the next salary increase is or its effective date. All but Highland Park are below Detroit, but so is their population, crime rate, and presumably the general "working conditions" under which the police work. In the Panel's view, the work of the Michigan State Police is not comparable to the Detroit police officer in terms of the hazards, tensions and demanding character.

The Union made comparisons between Detroit and Westland, Southgate, Melvindale, St. Clair Shores, Roseville, Pontiac and Oak Park (Union Exhibits No. 6, 18, 19, 20, 21, 22 and 26). These are clearly smaller communities competitive with Detroit only in terms of geographical proximity. In several of these suburban communities the projected salaries, when the new rates go into effect will be higher than those now prevailing in Detroit.

In Southgate, for example, the current salary of \$10,669 is below the current Detroit salary. It is scheduled to increase on January 1, 1971, to \$11,523 plus \$150 for gun allowance, for a total of

\$11,673. In addition, there is a clothing allowance of \$250 and a cleaning allowance of \$150. In Melvindale the maximum salary after 5 years is higher than Detroit's prevailing salary, and is scheduled to increase to \$11,750 on January 1, 1971, plus \$150 for gun allowance, or \$11,900. In St. Clair Shores, on July 1, 1970, the salary is \$11,200 after five years. In Roseville, it is \$11,200 on July 1, 1970, with a two-year contract moving the maximum to \$12,300 on July 1, 1971. Similar data were presented for other cities, but, as indicated above, the size of the communities and the nature of the police work precluded too much reliance on these smaller communities as a standard of comparison. In any event, while the data are imperfect and inconclusive, the general impression is that suburban communities, when the gun allowance is included, are not substantially different from Detroit.

The Union contends that Detroit should really be compared with suburban communities and other Michigan cities. It refers to these in its brief (page 30) as the only "true comparisons" because "Detroit is actively competing with these cities." It observes that the City is constantly losing trained and experienced officers to suburban departments and cities. Both in the transcript and its brief it calls the Panel's attention to testimony of personnel turnover, to the number of patrolmen who have gone to suburban areas "in the last few years." The turnover rate, however, in the Panel's view, is definitely not alarming. In fact, it is rather modest.

There are many advantages for a patrolman in smaller suburban communities. The pressures and tensions are undoubtedly less demanding. The Union also emphasizes favorable salary differences and implies that this is the reason why some 48 patrolmen left for the smaller communities in recent years. That some have left can not be questioned, and that others will continue to do so is to be expected. Many factors account for this. Differences in the maximum salary may be an important factor. The evidence cited in the Exhibits is clearly not conclusive. The base salary at the maximum effective July 1, 1970, is higher in all six instances cited than that presently prevailing in Detroit, but below that of Detroit as proposed in this award. The higher totals of remuneration referred to in the Union's brief for all but two of these communities includes other elements than the base salary.

Salaries in private employment in Detroit are not, in the Panel's view, a useful guide in judging the adequacy or equity of salaries paid to police in Detroit. Many of these occupations have a long tradition of collective bargaining. Others have had for many years wage changes related to productivity or escalation factors based upon the Consumers Price Index. Moreover, many trades and skills in private employment do not have the continuity or stability of employment which characterizes City employment in general and police work in particular. Nor are the salary scales of most other city employees a helpful guide to the Panel. These employees are not subjected to the strains and tensions which are often (although not always) associated with police work.

X

To be told, for example, that police salaries have increased 81.9% during a ten-year period while the general City employees' salaries increased only 66.8% is, in the Panel's view, not particularly significant (City brief, p. 28). General City employees include stenographers, clerks, elevator operators, sanitation workers and a host of job classifications vital in the City's services, to be sure, but hardly comparable to the duties, responsibilities and risks of the policeman. To imply, therefore, that police have fared better than other employees (many of them included in the classifications cited above) is, in the Panel's judgment to miss the point. This is particularly true in view of the dramatic change in the policeman's duties and the policeman's image during the past ten years. None of these other employees have had to face what has at times been a hostile community and to accommodate themselves to the implications of the offensive terminology such as is associated in the minds of many with the word "pig." The Chairman of the Panel at least is not aware of any other category of employees in private or public employment who have had to endure such characterization.

The Panel did not make an exhaustive inquiry into the problem of hazards, tension and strains associated with police work. It was told that these hazards, according to casualty insurance criteria, are not any greater than for a large number of other occupations such as carpenters or other building trades, and, in fact, a considerable number of other employment classifications on the City's payroll. The Chairman of the Panel is not too impressed with these comparisons.

A carpenter may be injured or may, in fact, lose his life because of an occupational accident. A police officer, on the other hand, who is disabled or perhaps killed is often exposed not primarily because of an accident, but because of the inherent risk, especially in high crime areas. The policeman's disability or death may be and often is due to "bad police work." At times, however, and perhaps frequently it is unfortunately due to no error on his part but to the volitional conduct of someone else. The Panel is aware of the fact that hundreds of policemen, perhaps a majority, are not exposed to such risks and the injury and severity rates confirm this impression. Nevertheless, in the policeman's mind and in that of his family the mental strain of its potential is not insignificant. The record supports this impression.

A former police commissioner referred to the fact that "the sheer volume of the policeman's work has virtually doubled," in recent years. It was said that the rising tensions in the community have greatly affected his job; that he is operating in a "fish bowl;" that a wrong move can create a community problem; that resistance to arrest is more common today; that much more is expected of a police officer today than ever before; that he has become a critical figure in race relations; that he represents society at large to an angry, bitter minority; that he must conduct himself with understanding and care to avoid unnecessary conflict (cited from page 18, of the Detroit Police Dispute Panel, February 27, 1968).

The present salary scale for Detroit patrolmen can not be characterized as representing "exploitation." Substantial improvements were effected in 1968. The maximum salary

for the 5th year was increased from \$8,335 to \$10,300 on July 1, 1968, an increase of 23.6%, and to \$10,800 on July 1, 1969. The Panel is also aware of the fact that in addition to these wage levels the City of Detroit provides an especially adequate pension system, and, when taken together with other fringe benefits such as vacations, holidays, medical and hospitalization benefits, as well as with the continuity and stability of employment, these improvements in the basic salary in recent years have provided Detroit police officers with a package of remuneration substantially superior to the prevailing pattern of only two years ago.

Nevertheless, the Panel has concluded that the City's proposal for a flat 6% increase for all patrolmen is inadequate if account is taken of change in the cost of living as well as the need to provide a more adequate remuneration for the risks of police work and the need to attract the best possible candidates, hopefully with higher educational achievements, beyond high school. The proposal of the City for a 6% increase is accepted, and becomes part of this award only for police officers with four years or less. For fifth year patrolmen the award calls for an increase which takes into account not only the changes in the purchasing power of the patrolman's dollar but also provides a substantial increase in prevailing salary for officers in their fifth year and all with higher than five years seniority.

The Panel's Finding and Conclusion is for an award of the following salary scale:

1. The starting pay for the 1st year patrolman is to be a 6% increase over the prevailing rate. From \$8,000 to \$8,480. This is the City's offer.
2. For the 2nd year patrolman, a 6% increase from \$8,700 to \$9,222. This is also the City's offer.
3. For the 3rd year patrolman, a 6% increase from \$9,400 to \$9,964. The City's offer.
4. For the 4th year patrolman, a 6% increase from \$10,100 to \$10,706. The City's offer.
5. For the 5th year patrolman, an increase from \$10,800 to \$12,000 -- an advance of 11.1%.

The logic of this Finding and Award is that the salary should remain modest for the starting patrolman and during his first four years in service. Having completed four years, it is reasonable to assume that the patrolman is now an experienced officer; that he has resisted the temptation to leave and seek employment in another community or in another vocation. He should be adequately rewarded with a salary that represents some improvement over the cost of living change that is associated with with some status and dignity and will insure the commitment and devotion which the City has a right to expect from its police officers.

The 6% salary increase for the first four years barely meets the cost of living changes. It represents no real gain in purchasing power. The cost of living index is a conglomerate figure. It is a basket of prices. It includes

not only changes in the prices of those items which make up the daily expenditures for the modest or low-income family -- expenditures for food, clothing, rent and medical care -- but also includes changes in the prices of color television, automobiles, other forms of transportation, and a host of other items which, while not luxuries, represent a large percentage of the money outlay of higher income families. When considered in relation to food, clothing and shelter, for example, the 6% increase may, in fact, understate the actual price increase for the family which spends a large proportion of its income for necessities. Prevailing optimism concerning our victory against inflation being around the proverbial corner notwithstanding, there is no assurance that for the months immediately ahead the Consumers Price Index will advance more slowly or will actually begin to decline. As these lines are being composed (June 25, 1970), the U. S. Department of Labor's Bureau of Labor Statistics announces a further increase in the cost of living of 0.4 for the country as a whole, and that it is considerably higher for the Detroit area -- at a yearly rate of almost 9% for May. Clearly this is not an annual increase: it represents a projection of one month's change. It is sufficient to suggest, however, a 6% salary increase provided for patrolmen with four years or less of service hardly represents any gain in the patrolman's real income, the purchasing power of the policeman's dollar.

The 5th year patrolman with an increase of \$1,200 above his present salary of \$10,800 is provided a salary boost

of 11.1% above last year's salary. This is considerably above the cost of living increase. It may be thought of as including what used to be referred to as an "improvement factor." In other words, this is a merit increase which hopefully will lead to genuine "improvement" and an increase in the policeman's "productivity" by such measures of productivity as may be developed.

The Chairman is conscious of the fact that any award which is several percentage points above the increase in the cost of living might be criticized as being inflationary. Citizens in general are understandably sensitive to any developments which may have inflationary consequences. Public policy at all levels should seek to contain rather than contribute to the inflationary danger of the recent and current period.

It is important, therefore, that this award should be seen in proper perspective. In 1968, for example, when the inflationary issue was very much in the public mind, a panel of arbitrators recommended, and, with some modification in the date the City adopted, an increase in the maximum pay from \$8,335 to \$10,300 -- a healthy boost of over 23%. Even during World War II, when substantial controls over wages prevailed, the administrative agencies which had the authority to approve wage changes restricted such increases to amounts which represented changes in the Consumers Price Index after a certain date, unless to correct past inequities. In the Chairman's judgment, this award falls in that category.

Moreover, increases are usually considered inflationary

when wage changes exceed increases in productivity. Unfortunately, such wage boosts are not uncommon in recent collective bargaining settlements. The concept of "productivity" is difficult to define with respect to police performance. It can be measured, of course, in the number of traffic tickets issued, arrests made, specific services rendered and a few similar objective standards. On the other hand, preventive services, when the number of crimes decline, fewer tickets are issued and fewer arrests made, may be a more effective measure of the police officer's productivity than the opposite. In any event, on the basis of the present record we do not really have a standard for measuring productivity.

In the Chairman's view, the salary increase for officers with fewer than five years' service has been kept to that proposed by the City -- hardly enough to cover changes in the cost of living. For those with five or more years of service, the award is designedly higher than living cost changes and is intended to bring the officers salary to a professional level. Proper methods developed by the Police Department to measure and to stimulate "productivity" and "improvement" could in a short time convert such an added expenditure to a genuine benefit.

This salary of \$12,000 for the 5th year will make the Detroit police officer one of the best paid police officers in the United States. Even so, however, the difference between Detroit and several other cities with which it might be compared is not of substantial magnitude. As indicated above, one large city, Chicago, for example, already, as of

January 1, 1970, has a salary scale higher in the 5th year than this award. The data for several other large cities indicates prevailing salary levels as of January 1, 1970, or for 1969 with estimates for increases during 1970. These estimates are not conclusive. In any event, the Panel anticipates that when negotiations in these other cities are completed they will not be substantially different for 5th year patrolmen than our award. The Panel is aware of its responsibility to make comparisons with other urban centers. This it has done. It has not construed that responsibility as requiring it to give to this factor a rigid, inflexible or strict construction.

It is clear to the Panel that comparable large cities are beginning to approach for officers with 5 years experience salary levels which are in excess of \$11,000 or \$11,500. It is a defensible concept that if that is the national direction, a salary of \$12,000 for experienced officers with at least four years seniority is appropriate for a city like Detroit. This salary, at the maximum over four years, should make it possible for the City to consider revising its requirements for minimum qualifications for patrolmen. It should be in a position to attract to the police force men (and women) especially qualified; it should seek out candidates with educational qualifications beyond the high school diploma and possessing those personal and intelligence factors which are likely to ensure success in the delicate task of police work in a modern urban community. The higher salary provides a large opportunity and it would be unfortunate if it were not exploited.

On the basis of the data submitted to the Panel, the maximum salary of \$12,000 beginning with the 5th year, would apply to 2,421 of Detroit's police officers represented by the Detroit Police Officers Association. The Panel is aware of the fact that while the Award directly covers the members of the DPOA, the number affected is substantially larger since the Award would undoubtedly be applied to supervision. Approximately 1,397 officers, almost all DPOA members, have been on the police force for less than 5 years and would not

receive the maximum amount until after they have completed their 4th year.

The basic salary award (6% for the first four years and \$1,200 for officers with more than 4 years of service) when applied to the DPOA membership subject to this arbitration, is estimated to cost about \$1,340,000 above the City's 6% offer. The Panel is aware that this estimate will be increased by the fact that the City may have to apply increases to other police officers not covered by this arbitration.

In its testimony, the DPOA urged the Panel to include in its award \$365 per year for "gun pay." It maintained that the police officer is required to carry his gun when "off duty." Thus, when going to the supermarket, visiting friends socially, attending a party or taking a walk, his weapon is supposed to be with him and he is required to assume the role of the patrolman on duty should he witness any behavior which may threaten life or property.

The Panel's attention was called to the policeman being involved in reporting robberies and similar threats to life and property during his off duty hours. There is testimony in the record which refers to injuries, disabilities or death incurred in the performance of the policeman's role when not on duty.

The Panel is impressed with the persuasiveness of this argument. It concludes, however, that instead of making a special allowance for this specific purpose, the officer's salary should be sufficiently adequate to include remuneration for the requirement of off duty service without specifi-

cally designating an amount for this purpose.

In City Exhibit 38, only Pontiac provides a specific allowance for gun pay. It provides \$365 per year. The other nine communities and the State Police do not make any special grant for that purpose. In the suburban communities referred to at the hearings by the Union, gun pay is included as follows: Melvindale, \$150; Southgate, \$150; Westland, \$300; Pontiac, \$365, and Oak Park, \$365 -- called hazard duty pay. Were the Panel to allow a modest sum of, say, \$200 for this purpose, the maximum base salary could in fact be considered as being \$11,800 rather than \$12,000, an increase of about 11%. The Panel, however, chose not to confuse the issue by this kind of reasoning. The purpose of the gun pay request is more money. It seems more simple to include it in the basic package rather than to designate it separately. Consequently, the above salary includes gun pay.

The Union also requests payment for "roll call." The present procedure requires the officer to "line up" at the precinct 15 minutes before the time when he's supposed to go on duty, and to report to the station when his "tour of duty" is completed at the end of the shift for about 10 minutes. The Union requests that the officer should be compensated for these 25 minutes. The Panel concludes that the basic salary as provided for in this award is sufficiently adequate to cover the roll call and line up time before and after the shift.

The DPOA also requested remuneration for uniform

cleaning of approximately \$150.00. Uniforms are provided by the City and are replaced when damaged or worn out. The Panel is persuaded that no allowance should be made for weekly or less frequent dry cleaning: this is a normal expenditure for all employees whether they wear uniforms or not. The request is denied.

The Union also requests that all step increases shall be effective on the employee's anniversary date and shall not be deferred to the beginning of the next quarterly period, as at present. There is considerable merit to this proposal. The officer who is hired on July 10, for example, would not receive the step increase on July 10 of the following year, his anniversary, but on October 1, nearly three months later. The cost of making this step increase effective on the officer's anniversary date of employment is estimated at approximately \$45,000. Since the Panel has concluded to reduce to the absolute minimum financial outlays for issues other than the basic salary amount, this request is not approved.

2. THE ABILITY-TO-PAY ISSUE

The Panel has not taken lightly the legislative requirement that in making its award it take into consideration "the interest and welfare of the public and the financial ability of the unit of government to meet these costs." (Act No. 312, Public Acts of 1969, Section 9(c)). It recognizes that the Act lists "ability-to-pay" as one of many factors to be considered by the Panel. A responsible decision which

did not take this into account would be indefensible, even if the law did not require the Panel to consider it. This is true in any employment relationship, and particularly so when the employer is a unit of government which has definite constitutional and charter limitations concerning the imposition of additional taxes. A private employer may under certain circumstances, depending upon the competitive situation in the market and the demand for his product, raise prices and thus transfer all or part of the extra costs of a change in the rate of pay to his employees, to the consumers of its product. A unit of government does not have that freedom unless its legislative body authorizes additional taxes, and that it has authority to levy such additional taxes. Again, a private employer may be quite ruthless in cutting costs and in reallocating his limited funds in order to meet the requirements of a new wage agreement or award.

A unit of government, while it has some degree of freedom in reallocation of its limited funds, is much more restricted. It is simple to say that much less should be spent for recreation. To do so may merely compound the problems of delinquency and crime and complicate even further the tasks of the police department. Similarly, it is easy to suggest that less money should be spent for parks, equipment, capital improvements, the public library, new employees -- all matters cited in the Union's brief. The City has much less freedom in these matters than is assumed by the questions asked, and not analyzed, in that brief. In any event, it is not the role of this Arbitration Panel to pass upon these

matters. It has no authority nor responsibility. Only the elected representatives of the people in the City Hall or Lansing can pass upon the degree to which one type of expenditure should have a higher priority than another. Consequently, the Panel is not in any position to give weight to the Union's view as to what expenditure could be cut back or what services are less essential than others.

Similarly, the Panel has read with special care the testimony of the Auditor General, the Assistant Auditor General, the City Controller and the brief of the Corporation Counsel. This testimony and the City's brief are largely concerned with the ability-to-pay issue. The brief of the Corporation Counsel, in effect, argues that the Panel is without authority to provide any increase in salaries above its offer, and by implication it can not make any changes in the other conditions covered by the nine stipulations submitted to the Panel, if cost consequences result.

The record indicates there will be an anticipated deficit of at least \$20 million on June 30, 1970; that unless certain legislative enactments occur in Lansing there may be a deficit as large as \$43.5 million on June 30, 1971. Certain income available in 1970-71 will not be available in the following year; the property tax limit has been reached. The search for additional revenues has been unproductive. Moreover, an anticipated revenue gap in the 1971-72 budget of \$80 million is likely to develop (TR pp. 389-390-441, the testimony of the individuals referred to above and the Corporation Counsel's brief, page 21). Accordingly, in the

City's view, either directly stated or by implication, the Panel has no authority in effect to deal with the issues submitted to it since any resolution might cost money. And the City has no money!

The Chairman of the Panel, and hopefully his colleagues on the Arbitration Board, has no choice but to dismiss this argument. Act 312, Section 1, states that since it is the public policy of this state to prohibit strikes by public police, the maintenance of morale of police employees and efficient operations of such departments make it necessary "to afford an alternative, expeditious, effective and binding procedure for the resolution of disputes." To that end, provision is made for compulsory arbitration. The Panel can not comprehend why the City chose to proceed and to agree to binding arbitration (Joint Exhibit 1, III c) if, in its view, the Panel had no authority to make a finding with regard to the issues before it, unless its finding completely agreed with the City's offer.

The Panel fully recognizes that its action must be responsible; that its award must take into consideration the City's ability to pay. The legislature, however, did not indicate that this was the sole factor to be considered. This was one of the factors, although a critically important one. In fact, the very sentence referring to this factor links the "financial ability of the unit of government" with "the interest and welfare of the public." The Panel has done that.

Having taken into account the equities involved in the proposals by the DPOA, it can not conclude that it is impotent and has no authority to make any award because it costs money.

If that logic were to be persuasive and controlling, the City itself might be guilty of violating the brief which its Corporation Counsel submitted to the Panel. It proposed a basic salary increase of 6% effective July 1, 1970. The financial picture of the City outlined in its brief and inferred in the voluminous testimony and many of the 77 exhibits which were submitted, suggest that even its proposed increase might be barred by its own logic, if that were to be given a strict construction. All of the obstacles against adopting a deficit budget cited in the City's brief may very well apply even to the budget which contains the City's 6% increase.

The Panel has concluded that such logic would defeat the intent of Act 312, the interests of the police officers, and compound rather than simplify the problem of the City in its fight against crime and in the maintenance of law and order. Failure to provide proper public support for police officers in dealing with their sense of grievance concerning salaries and related matters could in fact further aggravate the City's fiscal capacity.

Having declined to accept as conclusive the thrust of the City's brief dealt with in 25 of its 29 pages, the Panel wishes to make it clear that it is not unaware of the serious fiscal problems faced by the City of Detroit. On

paper, the budget for 1970-71 appears balanced. This balance, however, is achieved by anticipating income of more than \$20 million, largely dependent upon favorable action by the Legislature on a series of items not all of which are likely to materialize. Consequently, the budget for 1970-71 may in effect contain a deficit.

These facts are not subject to serious dispute. This is, however, not an entirely new experience for the City of Detroit. The record contains some evidence to the fact that such deficits have occurred heretofore. The Chairman assumes that the issue is related to the size of the deficit and the degree to which the City officials have room to maneuver. Such deficits or serious cash shortages have faced the City time and again and challenged the ingenuity of city officials in grappling with them. They are entitled to public congratulation for their resourcefulness in overcoming one fiscal obstacle after another.

The Panel is also aware of the fact that the property tax rate is already up to the maximum allowed by law. No relief is possible from that source. It can not express a judgment with regard to services which ought to have a subordinate priority. This is not its function and it would be presumptuous for it to even express an opinion as to what services are less important to the life of the City than the protection against crime, the enforcement of City ordinances and the provisions of countless essential services made available by the Police Department. The Panel recognizes the near primacy of that service in a modern urban community deeply trou-

bled by its concern for personal security, the maintenance of order and the protection of property.

It is not the Panel's task to spell out in detail or even in general terms how the City ought to go about dealing with its complex problems. The record submitted to it indicates that its population has been declining (from 1,850,000 to 1,500,000 in a period of 20 years). Much construction which has been taking place has been of a tax exempt nature. Reference has been made to the fact that some businesses have left the City either due to the population trend, the City income tax or other factors.

These overwhelming problems are generally recognized. As with the issue of priorities, it would also be presumptuous for the Panel to suggest how the City should resolve these difficulties. Mayor Roman Gribbs in his remarks to Union representatives of City employees in March of this year was quoted in the record to the effect that the City desires to provide a fair pay package, "one that will not require excuses in the way of inability to pay." The Panel does not think that the 6% increase represents such a package for experienced officers with five or more years of service.

Mr. Robert Roselle, Controller of the City, observed in his appearance before the Panel that it would not be fair to meet budget crises through not paying employees. To be sure, in his view, the City's offer was equitable. This the Panel has not accepted except for the beginning officers with less than 5 years of service. The Controller asserted that the City has an obligation "to

try to find the money." If that is not possible, he observed that the City would have to examine the nature of its municipal services in order to minimize the deficit (TR pp. 1079-1080).

Other witnesses before the Panel observed that ability-to-pay is a criterion employed only with respect to salaries and wages of City employees. It could not be used with a private contractor by suggesting to him that he reduce his employees' wages when he has a contract with the City, nor would it make sense for the City to plead poverty in order to pay less than the market price for supplies which it purchases (TR pp. 576-577).

The Fact Finding Panel of 1968 (Union Exhibit No. 2) introduced into the record, observed that the ability-to-pay criterion rigidly applied would result in a "highly irrational pattern of employee compensation." The idea of this criterion has never been widely accepted and has been used only to postpone rather than to deny wage adjustments.

3. REMUNERATION FOR OFF-DUTY COURT APPEARANCES
(Stipulation #7)

The Union requests that an officer shall be paid, at his option, for court time a minimum of four (4) hours at time and one-half, either in cash or the equivalent compensatory time. Further, an officer may have 32 hours of compensatory time on the books at any time. All time over 32 hours must be paid in cash at the rate of time and one-half. Any compensatory time not used by officers within 90 days from the time it is earned must be paid at the rate of time and

and one-half.

There is hardly any reference in the record of the City's view concerning this issue except that it made no counter proposal.

The principle of time and one-half for off-duty appearances in court is, in the Panel's view, a reasonable proposal. "Premium pay" is widely established in all sort of employment for work done outside one's established schedule. The Panel approves the principle and it is part of this award.

The 4-hour minimum now prevailing is reduced to 2 hours at the premium rate. The first 36 hours of court time shall be "compensatory time" at the time and one-half rate; all time over 36 hours is to be paid in cash at the rate of time and one-half.

4. THE ISSUE OF SHIFT DIFFERENTIALS (Supulation No. 3)

The Union requests that a shift differential be paid at the rate of 5% for the afternoon shift and 10% for the midnight shift. It contends that the present differential is inadequate and does not properly reward patrolmen who work on the 4:00 P.M. to midnight shift or the midnight shift to 8:00 A.M., or such other variations as from 11:00 P.M. to 7:00 A.M.

Officers who do not work on the day shift are deprived of normal hours with family and friends, are exposed to extra hazards and should be rewarded in a manner more generous than the 10¢ or 15¢ per hour differential. The Union's proposal of using the 5% and 10% approach would accomplish that purpose.

Moreover, the Panel's attention has been called to the fact that the City plans to increase the differential for other employees from 10¢ to 15¢ per hour for the afternoon shift, and from 15¢ to 20¢ for the shift which begins at midnight.

The Union's proposal for a 5% and 10% shift differential for the afternoon and midnight shift respectively is not only exceptionally costly, but departs from the generally prevailing procedure which the City (and other employers) utilize in compensating for shift differential. The City's formulation, designed to increase the differential amount from 10¢ to 15¢ and from 15¢ to 20¢, has much to be said for it and simple logic and equity would suggest that since it is to be applied to City employment in general it should also be applied to the police. In not recommending it at this particular point in time, the Panel is influenced solely by cost considerations. Even the modest improvements to be introduced by the City for all other employees after July 1 would, when applied to DPOA, cost about \$170,000. As indicated elsewhere in this award, the Panel has chosen to use such limited funds as may be available primarily for basic salaries rather than many fringe issues mentioned in the stipulation. The proposal is not adopted.

5. THE ISSUE OF PREMIUM PAY FOR OVERTIME
(Stipulation No. 6)

The Union requests that payment be made in cash at the rate of time and one-half for all hours worked over 8 hours per day and 40 hours per week. Time and one-half shall also

be paid for all work performed on the sixth day and double time for the seventh day worked.

The City's offer accepted the principle of time and one-half for overtime, with the following exceptions: it excluded time for the band, court time, off-duty and standby time; it also excluded the first 14 minutes after the end of the shift and presumably the first 15 minutes or roll call prior to the shift. Moreover, the first 50 hours of overtime, while at the rate of time and one-half would be paid only on the basis of compensatory time. Cash payments would be made after 50 hours of overtime at the time and one-half rate.

The City's offer, which accepts the principle for time and one-half for overtime with certain exceptions which now becomes part of this award is hereby approved with the following proviso: that the police officer shall have the option of deciding whether within the first 50 hours of overtime he is to be paid in compensatory time -- that is, time off -- or cash. After 50 hours, as proposed by the City, he is to be paid in cash.

Experience in industry suggests that when overtime is expensive, that is, when it is paid for at a premium rate and in cash, as is usually the case, management tends to be exceedingly careful before overtime is authorized. During emergencies it cannot be avoided. However, when it is at regular rates and not paid for in cash, management can be careless and casual about approving overtime assignments. This award, which provides for cash payment at time and one-half at the option of the patrolman, should lead supervisory personnel to make certain that overtime is absolutely essential before it is authorized.

It is difficult to estimate the cost of this provision of the award. The City's estimate is that the full cash payments for overtime at the time and one-half rate might cost as much as \$180,000. There is some testimony, however, to the effect that many older officers would select the "C" time option rather than the cash payment. How widespread this would be can not be estimated. The principle of cash payment, however, is too important to be rejected and is hereby approved as indicated above.

6. LONGEVITY
(Stipulation No. 4)

The Union proposed that officers who have completed six years of service should get an automatic increase of 2% in their salary; those who have completed 11 years of service should receive an increase of 4%; officers who have completed 16 years of service should receive an increase of 6%; none of these increases should be limited by a maximum.

The present employment relationship provides an increase of 2% after 11 years of service, with a maximum of \$150, and 4% after 16 years of service with a maximum of \$300.

In the Union's view, some recognition for longevity should be provided before the completion of 11 years. Accordingly, the request that provision be made for an automatic increase after 6 years of service, and the proposal of 2% allowance for 6 years of service.

In the Panel's view, the \$150 limitation is undoubtedly restrictive. If a reward for long service is to be provided, a maximum of \$300 per year after 16 years hardly represents adequate recognition; it certainly is not generous.

Nevertheless, as in almost all other Union requests except that of the basic salary amount, the Panel has concluded to resist the logic of the proposal in order to conserve funds for the basic salary. At some other time, when the financial situation has some degree of flexibility, this issue can be revived. For the present, the Panel has concluded not to approve it. Accordingly, its award is to retain the present provisions on longevity to 2% after 11 years,

with a limit of \$150, and 4% after 16 years, with a maximum of \$300.

7. REMAINING STIPULATIONS

Among the other Union stipulations, several do not require much discussion and can be quickly resolved:

(a) The Cost of Living Escalator (Stipulation No. 9): The Union requests that 1¢ per hour increase should be provided for each 0.4 change in BLS Consumers Price Index for each quarter. Quite apart from the advantages or disadvantages associated with the introduction of an escalator clause in general, and there are many disadvantages, it is particularly difficult when utilized in public employment. The budget for the City government can not be changed quarterly; it can be modified only with the greatest difficulty. However, in the Panel's judgment, the basic wage award, especially for officers with 4 or more years service already provided for, takes appropriate consideration for this cost of living factor. A separate cost of living provision is not approved.

(b) Clothing Allowance for Police Officers in Plain Clothes (Stipulation No. 2): The Union requests that Patrolmen and Patrolwomen working in plain clothes be awarded an allowance of \$150. The Panel has reviewed this proposal, and, in view of the fact that a salary increase more generous than the City's offer of 6% has been provided, it does not seem prudent or necessary to approve this request. It is therefore denied.

(c) A Specific Holiday in Place of the Present "Floating" Holiday (Stipulation No. 5): The Union requests that Easter Sunday should formally be declared a holiday for policemen in place of the now existing "floating" holiday. In view of the cost implications resulting from holiday pay for policemen when required to be on duty during the holiday, and, in view of the amounts already awarded in salary increases and the importance of not imposing any additional financial burdens on the City at this time, this request is not approved.

(d) The Right of Officers Who Retire to Receive Pay for Their Accumulated Sick Leave Without Any Limitation (Stipulation No. 8: The Union requests that officers who retire should receive pay for their accumulated sick leave without any maximum limitation.

At present, when an officer retires he is paid for 50% of his accumulated unused sick leave up to a maximum of thirty days. This is standard procedure for all City employees. Partly because of that, but largely because of its cost at this particular juncture and the City's financial difficulties, the Panel has decided that it would be an imprudent allocation of scarce funds. The request is denied.

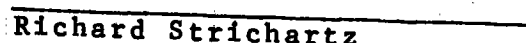
IV.

AWARD

The award of the Panel with respect to the issues submitted to it, as indicated in the preceding analysis and conclusions covering 46 pages, shall be placed in effect on July 1, 1970.


William Haber, Chairman


Jack Wood


Richard Strichartz

Dated: July 1, 1970

V. SUMMARY OF THE ARBITRATION PANEL'S AWARD

Nine stipulations agreed to by the City and the DPOA were submitted to the Panel. The Panel's award with respect to each is summarized below:

1. The basic salary

(a) The City's offer for a 6% increase is approved for beginning officers, and during their second, third and fourth year of service. Starting pay for first year patrolmen effective July 1, 1970, will increase by 6% from \$8,000 to \$8,480; salary for the second year patrolman will increase by 6% from \$8,700 to \$9,222; salary for the third year patrolman will increase by 6% from \$9,400 to \$9,964; the salary for the fourth year patrolman will increase by 6% from \$10,100 to \$10,706. Patrolmen with more than four years of service will be increased from \$10,800 to \$12,000 -- 11.1%.

(b) The requests for "gun pay," "roll call," "line up" pay and a uniform cleaning allowance have been considered and the Panel has decided that the officer's remuneration is sufficiently adequate to include these items without specifically designating any amount for this purpose.

(c) The request that all step increases be effective on the employee's anniversary date is not approved.

2. Remuneration for off-duty court appearances

The principle of time and one-half is approved. The 4-hour minimum guarantee is reduced to 2 hours. The first 36 hours remains as "compensatory time." All time over 36 hours is to be paid in cash at the premium rate.

3. Shift differentials

The request for an increase in the shift dif-

ferential is denied. It remains at 10¢ per hour for the afternoon shift, and 15¢ per hour for the midnight shift.

4. The issue of premium pay for overtime

The request for time and one-half in cash for hours worked over 8 in one day and 40 per week is approved. The officer has the option of cash or "compensatory time" for the first 50 hours. All additional hours are in cash. Excluded from payment are roll call time, line up time, band, court time (except as noted above), off-duty and standby time.

5. Longevity

No increase is granted. The present provision of 2% with a maximum of \$150.00 beginning at the 11th year and 4% with a maximum of \$300 at the 16th year is continued unchanged.

6. Cost of living escalator

A separate cost of living provision is not approved.

7. Clothing allowance of \$150 for officers in plain-clothes

Not approved.

8. A specific holiday in place of the present "floating" holiday

No change in the present arrangement.

9. The removal of the limitation on the right of officers to receive pay for all accumulated sick leave at retirement

No change in the present arrangement.