STATE OF MICHIGAN DEPARTMENT OF LABOR EMPLOYMENT RELATIONS COMMISSION

In the Matter of:

MICHIGAL SCALE OFFICE TO MICHIGAL METROPOLITAN DETROIT

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and CASE NO. D78 D885

ASSOCIATION OF HEBREW TEACHERS OF METROPOLITAN DETROIT, MFT

On September 27, 1978 the undersigned Leon J. Herman, was appointed by the Employment Relations Commission as Special Mediator-Fact Finder-Hearings Officer to conduct hearings relevant to the matters in dispute between the above parties, pursuant to Section 25 of Act 176 of Public Acts of 1939 as amended, and the Commission's regulations. Accordingly, and upon due notice, hearings were scheduled and held on December 10, 1978, January 7, 29, March 13, 15, 1979 at the office of the Schools and in the office of the Special Mediator.

Albert L. Lieberman, attorney, represented the Employer, and Bernard J. Fieger, attorney, represented the Association.

The Schools were scheduled to open on Wednesday, September 6, 1978 for the first day of classes. The teachers did not report until September 24, losing 12 days of instruction. Two days have since been made up.

At the time the teachers returned to their employment the Employer and the Association were apart on 13 issues:

Increment in salary for time worked.

The teachers asked that a full year increment for each year taught be paid regardless of the number of teaching hours.

The Employer insisted that full increment be based upon a 12 hour minimum.

2. Masters increment.

The Association asked for an increase in the Masters allowance from \$675 to \$800, with an annual increase of \$75 to a maximum of \$2,000. The prior contract allowed \$675, with an increase of \$75 per year to a maximum of \$1,500 at the 12th step. The Employer offered \$725, with no change in the annual increment and a maximum of \$1,550.

3. Masters plus 30.

The Association asked that teachers holding a Masters degree plus 30 hours receive \$500 in addition to the Masters increment. The Employer rejected this on the ground that "Our philosophy has been to spread money among all teachers, not just two."

- 4. School calendar development and classroom duties of teachers (agreement reached).
 - 5. Teacher licensing.

The Association proposed that teachers be licensed by

institutions recognized by the Education Ministry of Israel or by any of the three major branches of Judaism. The Employer asked for recognition by the National Board of License of the American Association for Jewish Education.

 Temporary certification and teacher in training status.

Article XII, Section 2 of the 1975-78 collective bargaining agreement between the parties laid out the requirements for temporary certification and teachers in training status. The Association asked that temporary certification be eliminated. The Employer proposed that Section 2 be retained but that the time be reduced from three to two salary steps.

7. Tenure.

The Association asked that Article XII, Section 3,

Paragraph 3, covering tenure of teachers teaching less than six

hours per week who accept assignments of six hours or more,

should be eliminated. It was proposed that tenure be granted

after two years of teaching in United Hebrew Schools or 18 hours

of successive teaching in United Hebrew Schools, and the grand
fathering of all present teachers who have taught three years

in United Hebrew Schools. The Employer countered with a proposal

that tenure be achieved after two years of participating teaching,

plus 18 hours of successive teaching, and a six hour participat
ing teaching load at commencement of the year of tenure and there
after. Article XII, Section 3, Paragraph 3 should be retained.

Both parties agreed to remove Paragraph 4 of Article XII, Section 3, covering probationary periods.

8. Personal leave.

The prior contract allowed each teacher one-fifth of his annual sick leave allowance as personal leave. The Association proposed increasing this leave to one-third. The Employer preferred retention of the one-fifth provision. Both parties agreed that no explanation for personal leave would be needed.

Cumulative sick leave.

The Association proposed that sick leave be cumulative for six to eleven hour teachers throughout the term of the contract, with no compensation for unused leave. The Employer proposed that unused sick leave for six to eleven hour teachers be carried forward for one year, with no compensation for unused sick leave.

9. No strike - no lockout.

The Association proposed eliminating this clause.

The Employer insisted upon its retention. In the discussions thereafter held the parties agreed to retain the no strike - no lockout provision as it appeared in the previous contract.

10. Rights of the School.

Article XXII of the agreement outlines the management rights of the Employer. The Association proposed its elimination. The Employer insisted upon its retention. During

discussions the parties agreed to retain Article XXII without change.

11. Hospital insurance.

Article XVII provides for hospital insurance to all teachers "who are declared head of the household or principal wage earner and who are not otherwise covered." The Association proposed that this clause be eliminated. The Employer insisted upon retaining the language of the prior agreement.

12. Salary.

The Association proposed an increase of seven percent in each year of a three year agreement. The Employer proposed an increase of four percent in each of the first two years with an economic reopener for the third year, contingent, however, upon capping premiums for health and dental insurance at January 1, 1979 rates.

Longevity bonus.

The Association proposed a longevity bonus of \$250 per year after 15 years of service and \$350 per year after 20 years of service. The proposal is new to the parties and was deemed unacceptable by the Employer.

After I entered into the picture a series of hearings, meetings, proposals and counter proposals resulted in a reduction in the issues reparating the parties to eight items.

1. The parties have agreed upon a two year contract.

The Association assumes the term to begin as of September 1, 1978. The Employer has not concurred in the effective date in writing.

2. The Association proposes that Blue Cross-Blue Shield coverage shall be extended to those teachers who are not covered as dependents under someone else's policy, with no ceiling on the School's payment of premiums.

The Employer reported that it would provide Blue Cross-Blue Shield coverage to eligible teachers who are not otherwise covered, to avoid duplication of coverage.

3. The Association proposed that tenure shall be allowed all teachers after two years and/or 18 hours of successive teaching with the United Hebrew Schools. The Employer may at its option extend the probationary period for a third year. Participation shall not be a condition precedent to tenure.

The Employer countered that "The Teachers Association has withdrawn its demands with respect to tenure and participation."

4. The Association proposed that teachers may carry cumulative sick leave forward for one contract year.

The Employer stated that "The proposal to carry sick leave forward for one contract year was acceptable to both sides and is applicable only to teachers in the six-eleven hour group."

5. The Association asked that a full year's increment

shall be given to each teacher each year.

The Employer responded that the provisions of the expired contract should be retained.

6. The Association agreed that there shall be no longevity and no COLA. There shall be no change in the number of personal leave days.

The Employer responded that this proposal was acceptable to the United Hebrew Schools.

7. The teachers asked for a full 52-week salary for 1978-1979 with no reduction for the two weeks of work stoppage before school opened. The School may elect to add two weeks of work over the period of this contract.

The School refused this demand.

8. On the salary issue the Association asked for an increase of six and one half percent across the board for the year 1978-1979 and a seven percent increase across the board for 1979-1980. The Association asked further that 20 hour teachers holding a Masters degree receive an increase at the 12th step to \$2,000. A 12 hour teacher should receive a \$1,200 Masters bonus at the 12th step. These allowances should be prorated for lower steps.

A 20 hour teacher holding a Masters plus 30 should receive \$500 at the 12th step. A 12 hour teacher similarly qualified should receive \$300 at the 12th step prorated for lower steps.

The Employer reported that the Association proposals were not acceptable. Its last offer was a five percent salary increase for each year of the contract, with an increase in the starting Masters bonus to \$725, with \$75 annual increments to a maximum of \$1,550. No additional bonus was offered for Masters plus 30.

I recommend the following:

- The two year contract term effective as of September 1, 1978 appears to be satisfactory to both parties and is recommended.
- 2. Both parties agree that Blue Cross-Blue Shield coverage shall be extended only to those teachers who are not covered as dependents under someone else's policy. The Association asks also that there be no ceiling on the School's payment of premiums. This demand appears to have been abandoned by the Employer. Accordingly, no ceiling is recommended.
- 3. There appears to be no dispute with respect to the tenure proposal presented by the Association. Accordingly, I recommend that tenure be allowed to all teachers after two years and/or 18 hours of successive teaching with United Hebrew Schools. The Employer may at its option extend the probationary period for a third year. While the Employer does not expressly so state, it appears to have agreed that participation shall not be a condition precedent to tenure. I accordingly recommend that the Association proposal be adopted.

- 4. Both parties have agreed that cumulative sick leave may be carried forward by teachers for one contract year. The Employer has sought to restrict the applicability of this provision to teachers in the six to eleven hour group. This appears to be acceptable to the Association and is accordingly recommended.
- 5. The A sociation asks that a full year's increment be given to each teacher each year. The Employer asks that the provisions of the prior contract be retained.

Under the provisions of Article XII, Section 2, Paragraph 4 a teacher who teaches six to eleven hours per week receives one-half year of increment. Teachers teaching from four to five hours per week receive one-third increment, and teachers who teach less than four hours per week receive one-quarter of the annual increment. The teachers complain that the actual payment is far less.

In a summary of the economic costs of the proposal, at a time when it demanded an eight percent increase, the Association estimated an expenditure of \$1,053.69 to provide full increment for part time teachers. It appears to have been the intent of the parties in their last contract.

Accordingly, I recommend that increments be paid to teachers teaching 12 or more hours as shown in the 1977-78 salary scale. Teachers teaching less than 12 hours shall receive increments in the proportion the hours they work bear to 12 hours.

This recommendation is predicated upon a total increase in cost to the School not in excess of \$1,000. If the total for

the same number of affected teachers exceeds that amount, the individual items of increments shall be reduced proportionately.

- 6. Both parties have agreed and it is accordingly recommended that there be no allowance of longevity and no COLA allowance. There is to be no change in the number of personal leave days.
- 7. Annual salaries for teachers shall be as recommended in Item No. 8 herein. The teachers have asked that they be paid for the approximately two weeks they were on strike at the commencement of the 1978-1979 school year. The Employer has insistently opposed this allowance.

For reasons I have elaborated under Item No. 8 I recommend that the teachers be paid for the two weeks lost at the beginning of the 1978-1979 school year, with the express understanding that the Employer may require of the teachers that they work an additional two weeks during the period of the contract to make up the time. The two weeks may be consecutive or may be spread over any period and for such periods as the Employer shall dictate.

8. The final proposal made by the Association to the Employer called for a salary increase of six and one half percent across the board for 1978-1979 and a seven percent increase across the board for 1979-1980. The Employer responded with an offer of five percent salary increase for each year of the contract.

The Association has reported the salaries of teachers

within the County of Oakland. BA starting salaries in the public schools for 1978-1979 range from \$10,051 to \$11,781. MA salaries range from \$11,340 to \$21,205. The top salaries in these two categories are \$19,776 and \$23,533 respectively. At the top of the scale is the City of Southfield, where the United Hebrew Schools is located. In contrast the 20 hour, 12 year salary for 1977-1978 in United Hebrew Schools was \$17,562. A six hour and 12 hour teacher respectively at the 12th step received \$4,853 and \$10,072.

The Association estimated that were all its original demands granted the net cost to the School would be \$9,758.60.

The Employer has submitted its own comparative exhibits which show that the salaries paid in this sytem are higher than paid in Southfield, Birmingham, Bloomfield or Oak Park public schools and are higher than paid in Shaarey Zedek, Hillel Day School or Akiva Day School. Student enrollment has dropped from a high of 3,401 in 1961 to a school population in 1978 of 1,552.

Much of the Employer's income is subscribed by the Jewish Welfare Federation. In 1977-1978 the Employer allocated \$397,993 to teachers salaries. It actually spent \$431,021 on teachers salaries alone.

Total income for 1977-1978 was \$1,268,200. Of this \$795,000 was contributed by the Jewish Welfare Federation, \$296,000 was derived from tuition fees, and \$94,100 from various business income items.

The budget for 1978-1979 shows \$68,625 allocated for two executives, \$93,498 for six principals and assistant principals, and \$433,649 allocated to teachers salaries. When added to the salaries of other employees needed to operate the Schools, the total budgeted direct salary cost is \$872,950. Maintenance expenses and other requirements bring the total budgeted expenses to \$1,268.200. The teachers salaries listed include a proposed increase of four percent.

In addition the Employer must contemplate additional costs for pension, hospitalization insurance and other items over which it has no control.

I can well appreciate the Employer's position. The directors are hard working, unpaid individuals who make charitable contribution of their time and energy to maintain and operate an excellent and highly reputed parochial school system.

I am convinced that when they increased the salary offer to five percent they felt that they were compounding cost problems in other essential areas. They devote their time and effort unstintingly to give the Jewish children in the metropolitan Detroit area an intensive religious education. It is felt that the teachers should do their share in this respect and should consider the overall needs of the School rather than asking for excessive salary increases.

I feel this philosophy is mistaken. The Board members contribute their time and effort as a contribution to the betterment of the Jewish community in the area and in a sincere effort

to inculcate the spirit of Judaism in the children. I have no doubt that the same spirit motivates the teachers. To them, however, the School also is a source of livelihood, whether fully or in part. They cannot afford to contribute their time to the education of children without compensation which will enable them to support, or contribute to the support of their families. The teachers are not in a position to devote their time to charitable purposes. They must have an economic return.

It may well be, as the Employer has insisted, that the teachers in this system are better paid than in other educational facilities. The fact still remains that the teachers working in this School have adopted a standard of living which was predicated upon the salaries paid them. The School has no right to demand that they lower their standard of living in order to meet the stringencies of the Employer's budget.

It must not be forgotten that the teachers, like the rest of the population, have been seriously affected by the increases in cost of living. In the past year living costs have risen in excess of ten percent. The President of the United States, seeking to put a brake upon the escalating cost of living, has asked that wage increases be limited to a maximum of seven percent. This maximum has already been breached by the Teamsters, the Rubber Workers and the Detroit Police and Fire Fighters, and will no doubt be further eroded by the UAW. A continuing escalation of the cost of living is inevitable. It would

be unfair to ask that these teachers assume more than their fair share of the burden of higher living costs.

If by paying the salary increases proposed by the Association the Employer finds itself unable to meet expenses, it must reduce costs by reduction in services or in layoff of employees. It may not ask that employees who devote their labor to its service should be paid less than a fair wage.

I therefore recommend that salaries of the Association members be increased by six and one-half percent across the board for the year 1978-1979, retroactive to September 1, 1978, and that the salaries be further increased by seven percent for the year 1979-1980, effective September 1, 1979.

I recommend the Employer's proposal with respect to the Masters bonus 13 adopted. The starting Masters bonus for 20 hour teachers shall be \$725 with a \$75 yearly increment increasing to a maximum of \$1,550. Teachers with a Masters degree teaching from 12 to 20 hours shall receive proportionate Masters bonus under the formula established in Article III, Section 4 (1) of the prior agreement. No additional bonus increase shall be payable for Masters plus 30.

I note that each party has declared that its proposals constitute a package deal, to be accepted in total or not at all. I am not bound by these reservations and have disregarded them for purposes of this Opinion.

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I offer my sincere hope that the parties will give serious consideration to my proposals and will seek, based upon my recommendations, an equitable settlement of their differences.

LEON J. HERMAN

Southfield, Michigan April 26, 1979