

WARREN CONSOLIDATED SCHOOLS  
and

WARREN EDUCATION ASSOCIATION

September 6, 1966

FACT FINDING REPORT

Issued by James R. McCormick, Trial Examiner

Case submitted on choice between two alternatives arrived at through mediation efforts of MLMB. Hearing held September 6, 1966 pursuant to Section 25 of Labor Mediation Act.

A. (Board of Education proposal)

\$5850. plus fully paid insurance excluding income protection insurance, but with a middle range bulge.

B. (Education Association proposal)

\$5900. plus fully paid insurance, including income protection insurance, but with no revision of middle range of schedule.

Regarding the income protection insurance and the bulge at the middle years of the salary schedule, the hearing revealed that the best estimates of the 1966-67 costs of these proposals are approximately \$37,000. and \$35,000. respectively, although they each could conceivably be higher or lower. While the Board of Education has a legitimate interest in the distribution of the available funds among the teachers at different levels, the fact finder concludes that the teachers themselves, speaking through their chosen spokesmen, have a much greater interest in the allocation of the funds among the teachers. The Board's interest and concern for beefing up the median years on the pay scale is somewhat peripheral, its basic concern being the overall cost of the operation of the schools. Therefore, since the income protection insurance and the bulge in the pay schedule are estimated to cost about the same amount of money, I recommend that the Board concede on this point and agree to the income protection insurance.

The beginning wage disagreement presents a much more difficult problem, since it tends to reduce itself, for a

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fact finder, into a policy decision which does not lend itself to resolution by a third party, no matter how neutral and unbiased he be.

In the typical case of arbitration concerning a fair wage settlement, the determinative factors are ability to pay and comparability of the suggested wage figures to others performing like services in the surrounding area. Here, however, the Board of Education forthrightly concedes that it does not deny its present ability to pay the \$5900. figure sought by the teachers. Rather, it calls attention to the projected increase in student enrollment (with the resultant possibility of large future deficits) and the comparability of its \$5850. offer to settlements reached in surrounding districts.

The data submitted by the parties does not fully reveal the comparability of fringe benefits between Warren's proposed agreement and the agreements in other districts. Therefore, it is only possible to make a general conclusion that the \$5850. and \$5900. figures are both within the range of recent settlements in other school districts. Thus, looking to the pay scales in other districts is non-conclusive as far as leading to a result here in Warren.

The State equalized valuation per child in Warren is \$16,200. This is neither one of the highest districts nor one of the lowest districts. How Warren accumulated over \$1,000,000 in surplus over the years is not known. However, this surplus is more persuasive to the undersigned than the projected future deficits, which are by their very nature somewhat speculative.

The Warren Education Association has substantiated the obvious, namely that teachers in Warren, as elsewhere in Michigan and in the Nation, have not, and are not receiving salaries reflective of their skills and responsibilities, as compared with occupations which have possessed and exercised greater bargaining power in the economy. Figures revealing starting wages of Warren firefighters and members of the various skilled crafts document this obvious economic disparity and injustice. However, it does not follow that this school district must here and now atone for years of national neglect of the needs and rights of teachers.

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To recapitulate the above, neither party's position in Warren can be called unreasonable or outrageous. Both are responsible proposals. Faced with this situation, the undersigned fact finder is moved to recommend to the parties the \$5900. figure, since there is no real question of the Board's present ability to meet it and there is no question of the teachers' right to it. With the recent legislative increase in state aid to the schools, the District should be able to pay the \$5900. figure.

In summary, the fact finder strongly urges the parties to accept the proposal for a \$5900. starting salary including income protection insurance rather than the proposal for a \$5850. starting salary including a "bulge" in the salaries at the middle years on the schedule.

**MICHIGAN LABOR MEDIATION BOARD**

**James R. McCormick,**  
**Trial Examiner**

**cc: Mr. Erwin Ellmann**  
**Mr. Charles Earl**