

508

COMPULSORY LABOR ARBITRATION

Pursuant to Michigan Act 312
Public Acts 1969, as Amended.

In Matter of:

City of Marquette, Michigan)
and)
Marquette Police Chapter,)
Teamsters and Chauffeurs)
Union, Local 328)

LABOR AND INDUSTRIAL
RELATIONS LIBRARY

Michigan State University

Report of Findings, Conclusions, and Award

ARBITRATION PANEL MEMBERS:

Carmen L. DelliQuadri, Arbitrator

Mr. R. W. Jenner, for the City

Mr. Paul Parker, for the Union

Debbis Spedowske, Court Reporter

December 19, 1977

12/19/77

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CLERK OF DISTRICT COURT
EMPLOYMENT RELATIONS DIVISION
DETROIT MICHIGAN

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Marquette, City of

I

Proceedings

February 10, 1977	1st Negotiations Meeting
March 3, 17, 24, 29)	
)	
April 6, 13, 21, 28)	Negotiation Meetings
)	
May 5)
)	
June 16)
March 8	Election for Certification
March 21	Certification of Election
June 14	Letter of Request for Mediation leading to Arbitration (Paul Parker)
June 22	Mediation
July 5	Negotiation Meeting
August 3	Mediation
August 9	Request for Arbitration
August 29	MERC appointment of Arbitrator
September 22	Mediation
November 28	Arbitration Hearing convened at 10:00 A.M. Marquette City Hall.
	Mr. Tom McNabb - Represented City
	Mr. Nino Green-Esq. - Represented Union

II

Background

The arbitration hearing between the City of Marquette and Teamster Local 328, affiliated with International Brotherhood of Teamsters, Chauffers, Warehousemen, and Helpers of America, meet in the City Hall at 10 A.M., November 28, 1977. Each of the parties submitted oral and written testimony in support of their positions and furnished the panel with the final offer of settlement on ten different items which the parties stipulated were the items for consideration by the Panel. The items were judged by the panel to be classified as economic in nature. Therefore, the panel must consider without modification, each proposal and recommend the most reasonable last offer along the guidelines as set in section #9 of Act 312.

At the outset of the arbitration hearing, the employer raised some questions that the panel was to take into consideration.

- (1) The employer questioned the authority of the panel to consider and determine issues pertaining to both bargaining units in a single arbitration.
- (2) The employer questioned the jurisdiction of the panel to determine issues affecting those members of Unit I classified as meter maids, dog wardens, clerks and dispatchers. It is the employer's position that only sworn officers can be covered by this arbitration hearing.

The arbitration panel ruled on the first consideration raised by the City. Since the bargaining units were established and certified as a single unit, and because the employer had consistently engaged in collective bargaining, and mediation dealing with the units, and as the request for arbitration pertained to both units, the panel ruled that the decision of the panel in this arbitration hearing would be applicable to both units.

The second question raised by the City was to be taken under advisement by the arbitrator and to be ruled on in the final award of the panel.

The City's presentation of Michigan Employment Relation Commission decision involving Oakland County Sheriff and Council 23 AFSCME dated September 8, 1977, was well taken.

The arbitrator checked the results with MERC, and was advised that the opinion still remains as the precedence in the field, and that the findings of that opinion are sustained by the department.

The arbitrator would then rule that the City's position is valid, and that the Right to Compulsory Arbitration does not apply to the jobs in question.

III

Economic Issues

The economic issues in dispute, as determined by the arbitration panel and evidenced by the last best offer of the parties as of date of arbitration hearing on November 28, 1977, are as follows:

I. Article 31. Worker's Compensation (On-the-Job Injury)

Union: The City shall pay for work related injuries the difference between Workmen's Compensation and full salary for 90 calendar days.

City: The City shall pay for all work related injuries the difference between Workmen's Compensation and full salary for a period of 25 working days.

II. Article 38. Working Hours

Union: Proposes that during the three-year contract the shift differential be \$1.50 per shift for employees who work the first shift, and \$1.00 for employees who work the third shift.

City: Proposes to pay employees who work the first or third shift a differential of \$1.00 the first year; \$1.25 the second year; \$1.50 the third year.

III. Article 42. Holiday Provisions

Union: Proposes that the following be designated as paid holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Christmas Day, Christmas Eve (1/2 days), New Year's Eve (1/2 day), and the employee's birthday. 10 paid holidays.

City: Proposes that the holidays be the same as that listed above, minus the two 1/2 days, Christmas Eve, and New Year's Eve. 9 paid holidays.

IV. Article 45. Hospitalization Medical Coverage

Union: Proposes that "Blue Cross-Blue Shield Master Medical coverage or its equal" be provided at the expense of the employee during the first year, at the expense of City and employees, shared equally during the second year, and at the expense of the employer during the third year of the contract.

City: Retains present coverage and provides major medical in second year if it can be obtained through bidding without increasing present total costs.

V. Article 48. Uniform Maintenance Allowance

Union: Each employee covered by this agreement shall receive \$27.00 a month maintenance allowance. Detective Bureau employees will receive \$250.00 a year. (This provision would now extend to some four additional employees who are now in uniform but, in past practice, have not received the allowance.)

City: Proposes to pay a \$27.00 allowance to all employees who have received such payment in the past. No question raised with position of the detective bureau.

VI. Article 50. Wages - General Increase

Union: July 1 - 1977 - 1978 - 1979

10% 9% 8%

City: 8% 8% 8%

VII. Article 51. Cost of Living

Union: Proposes a cost of living, paid quarterly, at a rate of \$5 per month for each 1.0 change in the Consumer Price Index with a cap of 8.0 during each year of the contract.

City: Proposes the continuation of its present policy which "triggers" only after the cost of living index rises to a point in excess of the employer's proposed wage increase.

VIII. Article 52. Gun Carrying Allowance

Union: Proposes that on December 31 of each year of the contract, a gun carrying allowance of \$182.50 be paid to each police officer covered by the contract.

City: Proposes that NO gun allowance be paid.

IX. Article 54. Starting Rate for New Patrolmen

Union: 1977 - 1978 - 1979

\$800 \$850 \$900

This rate will be paid during the first six months of employment. Step increases thereafter should be at rates presently in effect, to which all wage increments under the terms and provisions of this agreement will be applied.

City:	1977	-	1978	-	1979
0-6 months	\$800		\$850		\$900
7-12 months	850		915		980
1-2 years	900		970		1,045
2-3 years	950		1,025		1,100

Also proposes that wage increments be inapplicable to new patrolmen hired during the three year period. All present employees would be exempt from these provisions.

X. Article 57. Effective Date of Contract

Union: Proposes an effective date of July 1, 1977.

City: Proposes the effective date of the contract be July 1, 1977, but contingent on the ruling of the arbitrator's findings respective to Act 312, 1969, 423.240 (effective date).

IV

Findings and Conclusions

This dispute comes before the arbitration panel as a compulsory interests arbitration pursuant to the provisions of Michigan Act 312, Public Acts of 1969, as amended.

Section 8 of the Act provides that the "arbitration panel shall identify the economic issues in dispute and direct each of the parties to submit...its best last offer of settlement on each economic issue." "Also "the" panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in Section 9."

Section 9 of the Act prescribes the statutory standards for decision by the arbitration panel dealing with economic issues. In the judgment of the arbitrator, the parties have followed the guidelines as suggested in the Act. He also wants to compliment the parties to the dispute in their excellent presentation of facts and figures in compliance with the guide lines as set in the statute. The arbitrator is especially grateful to the superior preparation and presentation of the post-hearing briefs of the other members of the panel.

I. Article 31. Workmen's Compensation

The employees represented by the union at the present time have the right to receive a Worker's Compensation differential for all work related injuries, without limit as to duration. The City seeks to impose a 25 working day limit upon the period which this differential shall be paid.

The Union proposes a limitation of 90 calendar days. The Unions justification is based on a comparative analysis of the same provisions in the City of Negaunee contract, as well as that of the City of Munising, as well as that of the Marquette County Sheriff's department. But the main thrust of the union position was an open reaction against the presentation of the City's rationale.

The City's position was in line with their presentation position in the hearing of cost control and a uniformity of treatment of all the employees workers for the City. The argument that such limitation would conform to the City's obligation under other collective bargaining agreements. The Employee's Exhibit No. 6, a contract with Marquette City Employees Union would indicate a 30-day limitation, and Exhibit No. 7 with Local No. 643 - "Fire Fighters" indicating the possibility of a 45-day limitation.

The employee's right to receive a workers compensation differential without limit is a substantial right. In light of the employer's failure to substantiate their position, and the failure of the exhibits they presented to validate their claims, as well as the comparative analysis of the union's presentation, the panel agrees that the offer of the Union is the more reasonable proposal.

II. Article 38. Working Hours

Both parties agree to premium pay for shift differentials for the first and third shift. The sole determination is the approach to be taken. The City proposes the same premium for both shifts with a gradual increment for each year of the contract. The Union proposes a variation in shift pay with the same rates applicable for the duration of the contract.

Under past arguments the Police Department has not received any pay for shift differentials. The essential difference seems to be an attempt by the City to delay full impact of the cost over the life of the agreement.

The Union's position is one of comparison with other police departments in the area as well as a reliance on the argument of common practice that shift differentials do vary, with a heavier emphasis on pay for the first shift premium.

Since there seems to be little difference in the cost of the two proposals, the panel feels that the Union's proposal would appear to be the more reasonable.

III. Article 42. Holidays

The City and the Union proposals differ only as to the paid 1/2 holidays in question, Christmas Eve and New Year's Eve.

The Union's argument runs along two lines. "Needless to say, the stress and tensions of police and police-related work is greater throughout the course of the year than that suffered by other municipal employees. Additionally,

the two, one-half holidays sought are traditionally and uniformly enjoyed by most employees in both public and private employment in the area and elsewhere throughout the State and nation."

The City's presented material that would show that the number of holidays given does fall in the pattern of other government units in the area. "Only two of the five units cited by the Union have more days allowed as holidays than proposed by the City." Further as stated by a panel member "where multiple Unions are involved with one employer, it is prudent to maintain uniformity of fringe benefits in absence of compelling reason to do otherwise."

The birthday holiday could have been substituted for the half days under question, but the City has argued to the birthday holiday, and feels the addition of these two extra half-days is unwarranted in lieu of inconvenience and cost of this particular time in the overall scheduling of the work.

The panel split on this decision so that the arbitrator votes for the City proposition as the more reasonable offer.

IV. Article 45. Hospitalization and Medical Coverage

The Union's position is quite clear. They would like to have the protection for the employees of a Master Medical plan. The Union presented evidence of the predominant pattern in the area, as well as their own willingness to bear the original cost of obtaining the essential coverage.

The employer hesitates to move in this area in terms of new cost involved, as well as the cost of extension to other workers working for the City. The City would also like more discretion in the bidding process to get the best coverage for the money available.

The panel agrees that the Union's position is more reasonable than that of the City.

V. Article 48. Uniform Maintenance Allowance

The Union would like to extend further coverage for approximately four or five employees not presently covered by this benefit. These employees are assigned to clerical tasks and the City feels that there is little exposure to the elements. The Union feels that these employees, as a condition of employment, must wear the uniforms. The question of justice and similar treatment is raised.

In the opening statement in section I of the report, Background, the arbitrator had ruled that the classification of the workers involved would be excluded from the panel's jurisdiction in this or any other judgment award.

VI. Article 50. Wages - An Overall General Increase

The arbitrator feels that the best presentation of the arguments in this crucial area, would be to have the other members of the panel speak for themselves.

Parker for the Union:

"The position of the parties as to the amount of increment appropriate to members of each bargaining unit involved in

the present arbitration differ in relation to the first two years of the contract only. The Employer proposes an eight (8%) percent increase during each of those two years, and the Union proposes a ten (10%) percent increase during the first year, followed by a nine (9%) percent increase during the second year. Both parties agree to an eight (8%) percent increase during the third year of the contract.

As a basis for comparison, the Employer asserts a top patrolman salary of \$13,164 annually, inclusive of cost of living allowance and the eight (8%) percent increment offered by the Employer. The Union, on the other hand, asserts an annual salary figure of \$12,192, which figure does not include any cost of living allowance or proposed increment.

Although there is a disparity between the annual salary figures relied upon by the Employer in its Exhibits 8 and 9, and by the Union in its Exhibits 15, 16, and 19, this disparity can be resolved when consideration is given to the disparity in the formulae used by the parties. The same is approximately true of disparities in the parties' assertions as to annual salaries paid to members of other police agencies within the area. Suffice it to say that in selecting salary figures for comparison each party has adopted a rational and fair formula with understandable and appropriate deference to the position it seeks to advance.

Rather than quibble over the appropriate formula or figures

for comparison, it may be generally stated that the comparisons offered by both parties indicate that members of the City of Marquette Police Department earn wages at a rate comparable to Police Department earn wages at a rate comparable to Police Department personnel employed by the City of Negaunee, but less favorable than the wages enjoyed by police personnel employed by the City of Negaunee, but less favorable than the wages enjoyed by police personnel employed by the City of Ishpeming, the Marquette County Sheriff's Department and the Michigan State Police.

However, measuring performance in terms of the number of arrests and number of traffic tickets issued annually, per officer, members of the City of Marquette Police Department are more intensely involved in police work than members of all other departments in the area excepting, only, the Michigan State Police; and the disparity in numbers of arrests per office per year between the City of Marquette and the Michigan State Police is not significant. (Union Exhibit No. 22)

Furthermore, those members of the City of Marquette Police Department involved in law enforcement have an average seniority with the Department of 7.7 years, have total years of police experience averaging 8.4 years and have completed, on an average, at least one year of college. Many have specialized training in a variety of police-related areas of discipline.

It should also be noted that contractually negotiated pay increases will be awarded January 1, 1978, to members of the Police Departments of the City of Ishpeming and City of Negaunee, as well as to members of the Marquette County Sheriff's Department. Although the Employer, here, has included its cost of living allowance and proposed wage increase in the yearly salary figure adopted for comparison to other agencies, it has not proposed consideration of the wage increases that these other agencies will enjoy as of January 1, 1978, at which time the City of Marquette Police Department employees will be paid at a rate substantially lower than that afforded to City of Ishpeming and Marquette County Sheriff's Department employees, even if the Union's wage proposal were accepted. As of January 1, 1978, the top rate of pay, without cost of living allowance, for a deputy sheriff employed by the Marquette County Sheriff's Department will be \$6.49 plus four (4%) percent, or \$6.75 per hour, or \$14,040 annually. (Union Exhibit No. 10, appendix C) As of January 1, 1978, the top pay for a patrolman employed by the City of Ishpeming will be \$13,782 (Union Exhibit No. 9, Article 51; Union Exhibit No. 15).

In support of its wage proposal, the Union argues equal pay for equal work, and the record demonstrates that its members have received less pay for more work, by comparison to other police agencies in the area. The Union's wage proposal seeks to achieve parity with other agencies on a gradual

basis extended over a term of three years. The Employer's proposal, on the other hand, would perpetuate disparity." (End of Parker quote.)

Jenner for Management:

"The question of ability to pay is not in dispute. Neither party has submitted an overall summary comparing salaries of various police classifications in Marquette area communities.

The Union relies for support on labor agreements for Negaunee, Ishpeming, Marquette County Sheriff Department, Marquette Branch Prison and Munising. The City relies on its Exhibit No. 8 comparing rate and cost of top patrolman in labor agreements with Northern Michigan University, Negaunee, Marquette County Sheriff Department, Ishpeming and Marquette, and its exhibits No. 9 and No. 10 showing fringe benefit costs. City further relies on labor agreements with City firemen and City general employees.

The hearing record shows that neither party has alleged that rates for various classifications within the police unit are out of balance or that the level of police department salaries and fringes is out of balance with other City employee groups. It therefore seems reasonable to use the rate and fringes of a top patrolman to evaluate the final offers made.

City has made a strong point that general wage increases must be considered together with the value to the employee

of the various fringes and has submitted exhibits 8, 9, and 10 in support thereof. Union has urged that Marquette is the largest and most active of area communities and as such is better able to pay higher wages and fringe benefits, and submitted exhibits No. 15, 17, 22 in support.

In the following comparison 8% has been added to the rate now being paid top patrolman to show relative standing when the new agreement is effective.

<u>Bargaining Unit</u>	<u>Annual Salary 1977 ex Cola</u>	
	<u>Top Patrolman</u>	
	<u>City Exhibit 8 & 10</u>	<u>Union Exhibit 15</u>
Northern Michigan University	\$ 9,523.	-
City of Negaunee	11,856.	\$12,022.
Marquette County Sheriffs	13,499.	13,499.
City of Ishpeming	14,047.	13,064.
City of Marquette	13,164.	*12,192.
Our Own Bakery	13,000.	-

*Before July 1, 1977 offered increase

Union exhibit No. 16 shows 1978 top patrolman salary without cost of living additions:

Ishpeming \$13,782; Negaunee \$13,249; Sheriffs \$14,478.

In 1978 the Marquette salary for top patrolman with two offered 8% increases will be \$14,220.

The above figures show that Marquette compares favorably with other local police department salary scales.

In the matter of fringe benefits City exhibit No. 10 shows total cost at 47% of base salary second only to Ishpeming. Neither party submitted a summary showing the pattern of recent general wage increases but press releases from time to time have indicated increases in the area of 6% to 7%

rather than 8% and 10% here under consideration. A Washington release in the Wall Street Journal December 1, 1977, states that in twelve months ended September 30, 1977, the private sector straight time pay rates increased 7.2% while the cost of living index rose 6.6%." (End Jenner quote.)

The panel is divided in terms of their recommendations, and the arbitrator has a few observations. Both sides have presented their arguments with effect. But in my choice of the best offer, I would like to make a few observations.

The Union's main thrust is in the area of comparable wages with the increased duties and responsibilities of the police department in the pace City of the Upper Peninsula. There is no doubt that the center of commerce, industry, shopping, education, and the Federal Air Force Base does reflect the Union's contention.

Primarily the Union looks on their wage increase for the next three years as bringing the wage rates in line with the surrounding area. Then this base figure would be protected by a cost-of-living formula to protect the real income of the employees.

The employer presentation looks at the total cost package of a worker, including a significant cost of fringe benefits. The wage proposal from the employer's point-of-view would be a reflection of two factors, a cost-of-living increase plus annual improvement of wages.

The employer recognizes some disparity in wage rates, but doesn't feel the need to meet the slight inequities, since the turnover rate is low, and the market is fluid for replacements.

The employer and the union look at the general increase from three valid wage criteria acceptable in the guidelines set down in section 9, Act 312.

With regard to the employer's concept of building the cost-of-living into the three year wage offer with a slight residual for wage improvement, the arbitrator would like to present some cost-of-living figures, that would lend some doubt as to its validity as a sole criteria. If you use the cost-of-living index from 1973-4-5-6-7, the average overall increase in the cost-of-living index averages would approximate an 8% increase. Using the employer's wage offer if given over this period of time would not allow for any improvement in wages, real or otherwise, and absolutely none for wage inequities compared to the surrounding governmental unit.

Using the Consumer-Price Index as reflected in 1977, presents problems of volatile movement up and down. For example if you use the index from June 1976 to June 1977, the percentage increase would be 6.9%. Using this figure the employer would leave the employees with an annual improvement of 1.1% in wages. But one month later the index from July 1, 1976 to July 1, 1977, the index reflected a 6.7% increase.

What we are asked to do now is to anticipate the future of cost-of-living for three years, and the employer's position with regard to the wage of 8% per year. If the index is less than 8% than the residual left would be an annual improvement factor, with all the risk taken out of the bargain by the employer.

The Union's position of 10% - 9% - 8% theoretically would be a responsible wage in line with importance of community and its financial position, as well as reflect a primer position in the comparable surrounding area. All which then protected by a cost-of-living added on to their wage demand. Using the consumer-index analysis in the above paragraph, the labor price or cost to the City would be, to say the least, beyond any rational approach to wage payment.

If the Union were really interested in using the cost-of-living index as part of their wage package, they should present a wage improvement package in the neighborhood of 3 to 4% increase per year instead of their present demand.

Looking at the wage increases advocated by management of 24% over the three years, and the Union position of 27% over the same period, the difference amounted to 2% in the first year, 1% in the second year.

In the analysis that would include some salary increase to accommodate wage comparison with the area, an allowance for annual improvement, and with a built-in cost-of-living, the

arbitrator would have to conclude that the Union offer is most reasonable.

Before leaving this section, the arbitrator would like to remind the readers that C.E. Wilson, and Walter Reuther, long ago pioneered the long-term contract. To insure industrial peace a formula was developed to take wages out of bargaining, and to rely solely on the cost-of-living index and to an annual improvement factor related to the annual improvement in the area of productivity. This productivity was adjusted to the national average and not to the particular industry.

This national average would then be added to the base rate of the employee wage, then this wage rate's purchasing power would be secured by relating wage adjustments to the cost-of-living index.

The analysis was based on an assumption that all the wage rates then in existence were paid their equitable rates both intra and inter plant.

The Union's wage offer does fall into the three wage criteria, of equity, annual improvement, and cost-of-living.

VII. Article 51. Cost of Living

The Union's arguments of comparable police departments in the surrounding area having cost-of-living indexes in their contracts, plus the "real income" would be more acceptable to this arbitrator, if the Union's general wage increases would fall into the general guidelines in the above discussion. The Union's wage proposal already reflected a future increase

in prices, and to add on to this package a cost-of-living provision as advocated by the Union would certainly be unrealistic and eventually the taxpayers would strongly voice objections.

The panel split on the reasonable offer, the arbitrator would rate the management offer as the most reasonable.

VIII. Article 52. Gun Carrying Analysis

The Union's position is that police work is more hazardous than most other forms of employment. Part of that hazard, to police officers arises, in a large part, from the requirement that they carry, and on occasion use firearms in the ordinary performance of their duties. The Union admits this is an innovate item, with only one reference to Negaunee Police Department.

Management's presentation is well presented by Mr. Jenner's presentation:

"It is evident from verbal testimony presented that this request is an effort by the Union to obtain additional annual income under a distinguished name without employee returning any value therefore."

The City does not require the carrying of a gun off the job, and the arbitrator hasn't had any good reason for the payment. The element of hazard is already built into the description of the job, and certainly is an important consideration of the worth of job.

The panel unable to reach agreement, the arbitrator recommends the offer of the City as most reasonable.

IX. Article 54. Starting Rate for New Patrolmen

The Union fears that the step increment approach of the employer would create two classes of employees, treated differently as to wage increments, "consisting of those hired before and those hired after the contract."

The Union would elevate a new patrolman, after completion of the probationary period, to the same status as other patrolmen under the contract, along with all the wage increments negotiated by the parties.

Management's offer is in line with good management practices, and leads to a systematic approach to wage payment along a rationale basis of understanding, and toward a future expectance of known quantity of advancement.

"There is merit to having known scheduled increases for employees performing satisfactorily during a reasonable short period of employment."

The arbitrator would like to remind the Union that one of its wage arguments was the seniority factor of long experience on the job. Its inconceivable that after 6 months on the job that a new patrolmen should get the same wages as the long experience patrolmen.

The panel unable to reach agreement, the arbitrator recommends the offer of the City as most reasonable.

X. Effective Date of Contract

The effective date of contract was raised by the City.

"The City vigorously advanced the claim that the terms of Act 312 prevent retroactive award of economic issues because arbitration proceedings were not commenced until August 9, 1977, on which date Union requested arbitration. It nevertheless appeared in the public interest to have all terms of the proposed new contract effective July 1, 1977, without resolution of this dispute. City will be free to take such action as is available to City if so desired. I recommend awarding July 1, 1977 as effective date." - R. W. Jenner.

The Union position as recommended by Paul Parker, refers to Section 10, Act 312, his letter of June 14, 1977, requesting mediation, with mediation commencing on June 22, 1977. Thus, the initiation of proceedings under Act occurred prior to the end of the employer's last fiscal year. Mr. Parker further states that "the employer's attempt to withhold increases for a period of one year is unreasonable. The Union position on retroactive to effective date July 1, 1977, is most reasonable offer." The arbitrator feels that the problem is purely one of fact, in relationship to the pertinent question, When does effective arbitration under the Act take place? If the effective date is when the arbitration is requested then management is right in its contention. If the effective date starts from the process of mediation, then the Union is correct in its position.

The arbitrator called the Chairman of MERC, for advice.

Past practice and tradition in the department have always considered the first step in the arbitration process to be the request for mediation, and then on to arbitration. If the mediation request and mediation occurred before July 1, 1977, then the provision in the statute dealing with retroactive pay would prevail. The facts in the case as listed under proceedings would indicate that the effective date of contract would be July 1, 1977.

V

Award

Pursuant to authority vested in the Arbitration Panel by the State of Michigan under the provisions of Act 312, Public Act of 1969, as amended, the Panel awards as follows:

Economic Issues:I. Article 31. Workers Compensation

The City shall pay for work related injuries the difference between workmen compensation and full salary for 90 calendar days.

Concur: Jenner and Parker

II. Article 38. Working Hours

The City shall pay during the three-year contract, the shift differential of \$1.50 for employees who work the first shift, and \$1.00 for employees who work the third shift.

Concur: Jenner and Parker

III. Article 42. Holidays

The City shall pay for the following designated holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Christmas Day, and the employee's birthday.

Concur: Jenner

IV. Article 45. Hospitalization and Medical Coverage

The City shall provide "Blue Cross-Blue Shield Master Medical coverage or its equal." The employees shall pay the expenses during the first year. The second year expenses shall be payed by the employees and the City

equally. The third year cost will be borne by the City.

Concur: Jenner and Parker

V. Article 48. Uniform Maintenance Allowance

Panel precluded from a judgment.

VI. Article 50. Wages - A General Increase

The City shall pay the following general wage increase of 10% for the year beginning July 1977, an increase of 9% for the year beginning July 1, 1978, and an increase of 8% for the year beginning July 1, 1979.

Concur: Parker

VII. Article 51. Cost-of-Living

The City shall continue its present policy which "triggers" only after the cost-of-living index rises to a point in excess of the employer's proposed wage increase (8%).

Concur: Jenner

VIII. Article 52. Gun Carrying Allowance

The City does not have to pay any gun allowance.

Concur: Jenner

IX. Article 54. Starting Rate for New Patrolmen

The City shall pay the following wage schedule for new patrolmen: (Present employees exempt)

	<u>1977</u>	<u>1978</u>	<u>1979</u>
0-6 Months	\$800	\$850	\$900
7-12 Months	850	915	980
1-2 Years	900	970	1,045
2-3 Years	950	1,025	1,100

Concur: Jenner

X. Effective Date of Contract

The effective date of the contract shall be July 1, 1977.

Concur: Jenner and Parker

Respectfully Submitted,

Carmen L. DelliQuadri
Carmen L. DelliQuadri