

10/17/75  
ARB

*Midland City of*

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

In the Matter of the Arbitration Between

\_\_\_\_\_  
THE CITY OF MIDLAND

and

THE MIDLAND FIREFIGHTERS UNION

10/17/75

Hearing Held before a Tripartite Panel:

Richard I. Bloch, Esq., Chairman  
Clayton Pringle - Association-Appointed  
Panel Member  
Clifford R. Miles - City-Appointed  
Panel Member

Appearances:

For the City

David DeWitt, Esq.  
City Attorney

For the Union

Richard Craven, Esq.

LABOR AND INDUSTRIAL  
RELATIONS LIBRARY  
Michigan State University

AUG 3 1976

AWARD

Facts

The issue in this dispute concerns the impact of potential Federal and State legislation concerning a reduction in the maximum weekly work hours of a firefighter. The parties having been able to agree upon all other aspects of a two-year contract, effective July 1, 1975, the only outstanding question is whether the compensation shall be expressed in terms of an annual salary, as requested by the Union or whether, instead,

wages should be expressed in terms of an hourly rate. The city proposes the latter course in order to incorporate within the Labor Agreement an automatic adjustment factor which would, of course, effect a pro rata wage reduction in the event hours are reduced by legislative fiat.

The interests underlying the respective positions are, in one sense, similar. Both parties, while amenable to a multi-year agreement, nevertheless wish to protect themselves against a significant change in those conditions which were the foundation of their understanding. The Association, on the one hand, would protect the wage package originally agreed upon. The city, as indicated above, seeks to provide for the possibility that services for which it was willing to pay a certain salary might, through legislative action, be reduced.

The positions of the parties are by no means unreasonable. It is nevertheless, understandable that the attempt to anticipate and accommodate such eventuality would meet with some difficulty. At the hearing, the parties were able to resolve the matter by establishing machinery to deal with the problem should it arise. That agreement is here set forth and incorporated by the Panel as its unanimous award.

#### AWARD

1. The 1975-77 Labor Agreement between the City of Midland and the Midland Firefighters Association shall include language establishing a limited re-opener on the subject of

wages only.

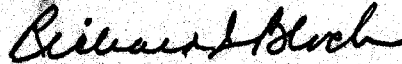
2. In the event the maximum number of hours is reduced by legislation, the parties shall attempt to agree as to whether a salary adjustment is in order and, if so, the nature and extent of the adjustment.

3. In the event the parties fail to agree, the dispute may be submitted by either party directly to binding arbitration. The arbitration shall be conducted on a "last-best-offer" basis, with each party submitting to a third party neutral the salary figure which, in its opinion, is the more reasonable. The arbitrator's jurisdiction shall be limited to selecting one of the two offers. The fees and expenses of the arbitration proceeding shall be jointly borne by the parties.


4. In the event arbitration is necessary, the parties agree that the scope of evidence to be considered by the arbitrator shall be limited. The purpose of the re-opener is, unlike normal circumstances, not for the purpose of adjusting to changing economic conditions -- one assumes these were anticipated in the original two year understanding -- but, instead, to account for a legislatively-mandated reduction in working hours. This being the case, evidence normally introduced in support of a wage adjustment, such as settlements in comparable communities, for example, and other factors set forth in Section 9 of

Act 312, are not of controlling importance.<sup>1</sup> Thus, evidence supporting the respective positions shall be limited to the question of what impact, if any, the interim reduction of hours should have on wages.

5. Until such time as the events contemplated by this contingent re-opener do, indeed, occur, it is agreed that firefighters shall remain on an annual salary as provided in the labor agreement between the parties as revised October 10, 1975.



Richard I. Bloch, Chairman



Clayton Pringle



Clifford R. Miles

October 17, 1975

---

<sup>1</sup>This is not to say that evidence concerning other responses to this particular legislation may not be in order. It is to say, however, that the purpose of re-opening is not to bring the parties back to bargaining 'from scratch' in the midst of their contract term. This is an eventuality they have successfully avoided by virtue of the two-year agreement.