State of the Union Report

January 17, 1983

As many of you are aware, the Local 1650 Constitution calls for a yearly report by the Local President regarding the State of the Union. Such a report affords an opportunity to review the Union's response to the challenges of the preceding year and to consider those upcoming. This marks the sixth such report I have made. Unfortunately, each year's report proves bleaker than the preceding, and this year's is no exception. I can only conclude from my recent reelection to the Union Presidency that you have not, as yet, decided to terminate the messenger because of the message. I understand that you reserve the option.

During 1982, the major issues confronting Local 1650 were in the bargaining and political arenas. Contract negotiations were prolonged and frustrated by a Board of Trustees severely split on most issues, including labor-management relations. While some Board members fixed upon the term "concessions," as popularized by the Ford Motor Company - United Auto Workers settlement, and others fixed on a minimal wage gesture to avoid a bad faith bargaining charge, neither camp was willing to consider breaking the ground necessary to <u>gain</u>, for the District's teachers, the Ford "<u>concessions</u>" - cost-of-living protection, ongoing early retirement incentive, retraining provisions, guaranteed income, and the list goes on.

The College settlement, achieved after six and one-half months of negotiations, amounted, in the Board's estimation, to a 3.5% package. Even with that minimal percentage, two Board members voted against settlement, and a third nearly did likewise. Only the experience and understanding of the collective bargaining process evidenced by Ms. Sample, Ms. Dobronski, Ms. Foerch, and Mr. MacKenzie averted a rejected settlement and a bad faith bargaining strike.

Even now three Board members, Ms. Bugeia, Ms. McIlhiny, and Ms. Walsh, and other factions in the community protest the "3.5% settlement." A moment, however, should be spent reviewing the exact dimensions of the 1982-83 settlement at the College. While a 3.1% adjustment was, indeed, made to the contract's <u>salary schedule</u>, several other changes in contract were also made. Although invariably and conveniently ignored by anti-labor elements in the community, those changes virtually offset the salary schedule adjustment of the 1982-83 settlement. Given the new contract's revision of Summer Session compensation, teachers at Master's maximum salary and above, teaching six to eight hours in the Summer Session, will earn approximately $1000 less than afforded under the Summer Session provisions of the 1981-82 contract. Such a reduction in extra-contractual earnings, and thus gross earnings, virtually negates the "3.1% contractual salary increase" for most teachers at maximum salary, and it dramatically reduces it for the 35% of the membership below maximum. Couple this reduction in Summer Session compensation with the increased flexibility afforded administration regarding class size limits, and it should be obvious to all that in the last round of negotiations HFCC teachers addressed the fiscal problems of the District and College and that, in terms of gross salary, HFCC teachers did, in fact, endure a wage freeze.

While such observations regarding the 1982-83 settlement are difficult for a Union Chief Negotiator to recall, much less recite, the achievement of a settlement in light of the Board's attacks on contract, its refusal for six months to bargain in good faith, the reactionary and juvenile posturing of its chief negotiator, not to mention the political and economic climate of the community and State, the achievement of a settlement under such circumstances, and without recourse to a strike, stands as a tribute to the team this Union sent to the negotiating table. In the 1982-83 contract negotiations, any and every innovative approach and compromise, any and every piece of pertinent and supportive data and analysis, any and every meaningful step toward settlement was generated or initiated by the Union's negotiating team. Such has become the pattern over the last few years. Despite the $90 to $120 per hour lawyers the Board brings in and the entire administrative resources of the College and District, the Board can formulate no better strategy than amateurish surface bargaining.

With respect to the political arena, organized labor in this State, and teachers in particular, responded to the need for renewed political involvement and a renewal in Lansing. Mr. Blanchard's victory, supported by the vast majority of Michigan teachers, brings to Lansing an Administration intent on putting the State's finances in order following years of budgetary shell games. We have in Mr. Blanchard a Governor willing to develop a strategy whereby the State's institutions can be saved.

While the headlines now cite deferred payments to the State's municipalities and educational institutions, let us not forget that Mr. Blanchard confronts a State deficit at least twice the $500 million estimate of the Milliken Administration. A deficit of over $1 billion can not be managed by Mr. Headlee's simplistic solutions of cutting "fat" in the State budget. If every State employee were summarily dismissed, payroll savings would not begin to offset the State's deficit. Clearly, Mr. Blanchard's strategy is to impress upon the public the severity of Michigan's problems and the need for increased State revenue - namely an increase in the State income tax. Without such, the $1.7 million of HFCC State aid, now deferred, will undoubtedly be cancelled. The implications of such a loss and its impact on a College budget, 85% of which is employee payroll, should be obvious.

The dire State picture aside, HFCC teachers face equally unsettling prospects on the local level. Once again the District's entire millage is up for renewal. Once again the Board, at the insistence of the Superintendent of Schools, has established a Citizens' Committee to assess and, in effect, box the Board with respect to budgetary decisions and, in turn, millage levy. Ironically and perhaps understandably, the Superintendent who sought this committee has chosen not to remain with the District and contend with the consequences of said committee.

No District employee who appeared before the Citizens Committee's Subcommittee on Finance is in any suspense regarding the Subcommittee's recommendations. Given the factions which dominate the Subcommittee, it was clear from the outset that, following obligatory sessions with all affected parties, the Subcommittee would seek the wage freeze that a number of its members demanded months before the Subcommittee first convened. A wage freeze was a foregone conclusion; it will be demanded and defended in terms of Dearborn's much ballyhooed tax reassessment. The Subcommittee is aware that Dearborn, while having one of the very best school systems in the State, ranks 36 out of 36 Wayne County communities with respect to residential taxes supporting schools. Nevertheless, the Subcommittee will call for a freeze. The Subcommittee is aware that a wage freeze of only one year's duration would drop the contractual salary standing of Dearborn teachers from fifth to at least fifteenth in Wayne County. Nevertheless, the Subcommittee will demand a freeze.

Moreover, the Subcommittee's recommendations, if approved by the Committee of the whole, will be made public in February just as the Board prepares to seek a millage renewal. The call for a freeze on wages will be interpreted as a call to freeze millage by at least three Board members and other anti-labor factions in the community. Should the Board succumb and merely seek renewal of the current millage levy, District and College employees would face wage freezes for the duration of the millage - two or three years at least!

The challenges facing this Union in 1983 are, then, several and severe. The livelihoods of HFCC teachers depend upon improving the revenue flow from both the State and local levels. That means political involvement. The Local's Political Action Fund is sound. 156 teachers, 73% of the membership, have thus far responded to the Local's call for a $20 contribution. Nearly each of those 156 contributed $20 or more. In support of an Income Tax increase, 1650 members will need to commit personal effort, as well as funds, to telephone campaigns, literature distributions, mailings, and the like. We have never had a 73% response to such efforts, but that and more will be needed. The Spring Millage renewal must be passed, and again the Union will need personal efforts, physical commitment, as well as funds. The November Board election will determine who fills four positions, two being those of Ms. Foerch and Mr. MacKenzie who have been most supportive of the educational system and equitable treatment of its employees. In this election as well, the Union intends to make its presence felt.

With respect to millage, the Board of Trustees must not relinquish its authority to ad hoc citizens' committees but must, rather, fulfill the mandate given it by the entire citizenry in Board elections and millage elections - a mandate to run the District and set its own policies. The Spring millage election must seek a renewal of the current authorized millage, not simply the current millage levy. Failure to do so is to commit this District to ongoing fiscal crisis and its incumbent program cuts and reductions in force for the duration of the millage period.

This Board and its employee Unions have demonstrated fiscal responsibility throughout the now concluding five year millage period and prior to it as well. At some point all Board members and the P-12 Administration must join the employees of this District and the College Administration in dramatically impressing upon Dearborn citizens that they are in the enviable position of paying the lowest taxes in Wayne County for one of the very best School Systems in the State. The citizens must come to know that renewal of the current authorized millage will not change either of these facts. With renewal of the authorized millage, Dearborn will still have an outstanding system, and its citizens will, in all likelihood, still have the lowest school taxes in Wayne County.

Employees in this District deserve better than an inadequate millage renewal frought with ongoing fiscal crisis and program cuts. Employees in this District deserve better than policy recommendations emanating from a subcommittee with some members completely unaware of any significant number of teacher layoffs in Dearborn over the last ten years, with some members of the opinion that teachers conceivably laid off because of their recommendations would be under fifty years of age and thus better able to "bounce back" better than FOMOCO executives forced to take early retirement and the company benefits attached thereto, with some members who observe that teachers will have no option but to take a wage freeze since they are too old to find jobs elsewhere, with some members who want to subcontract education and support services regardless of impact on program integrity and employees, with some members who state we want "cooperation" from Unions and that means "concessions."

Lastly, employees in this District deserve better than public statements by a Board member who equates the District Superintendent with a warden and teachers with convicts. Employees in this District deserve better, we have earned the right to expect better, and we will have it.

John McDonald, President
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