

# Hourly Wages vs Monthly Wages Irregular Wages vs Regular Wages

GEORGE W. KORONSKI

Superintendent and Engineer, Gogebic County Road Commission  
Bessemer, Michigan

Would it not be better for all of us to work for a little less and be sure we are working at the end of the month rather than with time-and-a-half for overtime and double-time for Sunday? I believe that every man employed in this great University is employed by the month or year, and I am sure that if the University paid Professor Ben time-and-a-half for overtime and double-time on Sundays that he could retire immediately on double his pay. Then, what prompts one man to be satisfied to work hours and hours overtime without extra cash remuneration and another man to watch the clock, to shirk, and to actually avoid the work for which he has hired himself?

This is my twenty-ninth year as Engineer for Gogebic County. Five years previous to that were spent underground as a mining engineer. The first week I was employed my Superintendent came in my office, and I asked him what my hours were. He said, "From eight to five, six days a week." I said, "I don't like those hours." He said, "What do you mean?" I said, "I want to work when there is work to do and take it easy now and then if I feel that my work is caught up." He said, "Are you that kind of man?" I said, "Yes." "Let's try it," he said. That was in 1916, gentlemen, and I have worked that way ever since. I have never missed a monthly check since that time. I have never worked for an hourly wage; and if my county would pay me bricklayers wages for all the overtime hours I have put in, I also could retire on double pay.

So I again ask, "What prompts one man to be satisfied to work on a monthly or yearly wage with no thought of extra pay for overtime, while another man demands time-and-a-half for overtime and double-time on Sunday?"

It is the mental attitude, the disposition, the inclination, the endowment of that faculty of governing your mind so that you can look at your work from a broad and generous viewpoint rather than tire your mind and use up your nervous energy worrying over the fact that you worked a few hours overtime without extra pay.

Having the welfare of my men at heart, I often wondered how their families reacted and what heartaches they must have endured and how they could pay their bills when it rained for three days, two or three times a month perhaps, and they were sent home with the full dinner pail which had been so much trouble for their wives to pack. Or when they stayed up all night to fight a snowstorm, only to be sent home when the storm abated and was cleaned up. Or what they did years ago when they were sent home for the entire winter. Knowing how desperately I struggled to pay all the bills for my family on my regular income, I felt that if I could get the right kind of crew, or break in the crew to the right way of thinking, the salary plan would work. All the strife in the world would soon be in the background and we would have the much sought Peace if everyone could be assured of a regular salary. I believe every American citizen knows and feels that if he works he should produce and that a profit must be included in the selling price of the commodity which he produces. He knows that it is only by competition and the hopes of a profit that we provide the incentive which has enabled us in this great country to rise above the rest of the world.

With that kind of thinking I approached the salary plan in 1936—again in 1939—again in 1941, but each time I was told by my Commissioners that it would not work. My friends, the engineers, said it would not work. It was not until 1943, when a new Commissioner was appointed who had had experience in handling labor as a member of his city commission, that I was given the green light, the go-ahead signal to try out the plan.

It is not the mechanics of the wage system which is difficult but the fact that it deals with the complexities of human life. When we operate a truck or grader, we deal with a known expense; but when we deal with the complexities of human nature we deal with that profound unknown which is the barrier to the peace of the world today. Hopes and ambitions, likes and dislikes, hatreds and jealousies which are pyramided on frustrations, disappointments, and defeats—all of these, as the night follows the day, move in on the children and become a detriment to the next generation.

I have often had my friends say to my wife, "How can you live with such a crabby old fossil?", but I know, gentlemen, that the size of the pay check which went into my home helped to balance the vagaries of human nature.

I saw my men cheating day after day and saw the shirkers shirking (they will always be with us). I saw the hatred and jealousies which

flared up because one man was getting in a few extra hours or the dishonest man was stealing more time than that allowed to the honest fellow. I thought that if they worked as I have done during my thirty-four years, receiving a regular salary every month, many of these hatreds and jealousies would be eliminated in spite of the fact that our work is solely controlled by the weather and the limitations of the budgets, both of which, many of you have learned in the past few years, can be serious problems.

Therefore, why not face the factual evidence which the limitations of the budgets present? Since in our work we must employ men and are responsible for as many as our budgets will provide, why then try to chisel on the hours of the men to make the budget balance?

You can think of our work as a triangle with approximately equal sides. The bottom of the triangle is supported by labor, the side on the left is machinery, and the side on the right is supplies to run the machinery and provide other tools for labor.

Therefore, as we set up our triangle of business, let us be sure that the base of the triangle, which is labor, rests on a firm foundation. It is on this basis that we set up our salary plan.

We in the United States also work for the common cause. In my particular case, more than two months' salary out of the year must go in some form of tax for the common cause of the people as a whole. On top of that, many more of my earned dollars are taken away from me in form of hidden taxes over which I have no control. Wages, whether in one form or another, are solely for the purpose of keeping our bodies and souls together and to provide shelter from the inclemencies of the weather and from the attacks of all outward agencies which are ready to destroy us. Regular wages, if they are sufficient in amount, produce contentment—a regularity in living, a regularity in spending, a regularity in the peaceful thoughts of the world. Irregular wages, even though they be greatly in excess of the regular monthly wages, produce just the opposite. They produce unbalanced living and unbalanced thought, because for a short time the receiver of the irregular wage rides on the crest of a wave of success which breaks every now and then and leaves him stranded high and dry for one, two, three, or four months, or even perhaps a year, with no means of subsistence other than public welfare. The mentality of this individual is naturally warped against all the rest of us who work for a regular wage; and this warped feeling is detrimental to the peace of the individual, his family and children, as well as to the peace of the world.

## RESULTS FROM REGULAR SALARY PLAN

In my own organization we now have worked under the salary plan for six years. It took three years to stop all the bickering and grumbling and to erase the feelings of jealousy which had sprung up between fellow workers. The organization has now leveled off with a fine friendly feeling throughout; and even the shirkers, who are always with us, are realizing that they are doing a better job than they had done before. It is the shirker who drags back and is detrimental to the average laboring man in any organization. The good fellows must carry the shirkers; and for the labor unions to immediately take up the battle of the shirkers in the big organizations, instead of reprimanding them for shirking their work, is one of the greatest detrimental factors in organized labor today.

You can readily see that time-keeping in six different garages became quite a problem and that the wages a man received were not under my control but the control of six different straw bosses, some of whom were too lenient in giving hours and others too strict, and this produced hard feelings among the workmen. A punch clock was not the answer because I have checked on other counties that use the punch-clock system and they say it is not satisfactory. So I was sure, in my mind, that much of these difficulties would be eliminated if we paid each man a monthly wage.

How did we go about arriving at what salary we were to pay our men? We added up all their hours from three complete years, which included all their overtime (stolen or otherwise) and then struck an average wage—five or ten dollars more than they had received.

We then sent out an order to all our men to attend a meeting with the Road Commission present. I told the men that they were all fired but if they would agree to work for a regular monthly salary instead of the irregular hourly wages, we would hire them all back on one condition—that they all must understand that they were hired primarily as maintenance men on a yearly basis and not as equipment operators and that they all were expected to be ready and willing to get on the working end of a No. 2 shovel should emergencies exist.

I believe that the following letter written by the President of the Workers Organization explains our set-up as well as anything I can say. This letter was written in answer to an inquiry from another county.

December 2, 1947.

Mr. Emil Heikkinen  
Box 51  
Alston, Michigan.

RE: Your letter of October 28th to the Gogebic County Employees Association.

Dear Sir:

At the regular meeting of the Safety Club, which is the employees organization, your letter was read and I was authorized to answer it.

We do not have any contract but just a gentlemen's agreement, and the money which we would pay to the union goes into our Emergency Hospitalization plan which we started last May, a copy of which is enclosed and which deserves your attention.

So, briefly, we work on a basis of 40 hours a week or 2,080 hours a year. Then we have six holidays with pay—Christmas, New Year's, Memorial Day, Fourth of July, Labor Day and Thanksgiving. Then if the weather is right we get Little Christmas—the day after Christmas. But we understand that even on these days if the weather calls, we must work.

The management never attends the meetings of the Club although they are members. Mr. Koronski says the reason he doesn't attend is to allow the men to express their own opinions which they probably would not do if Mr. Koronski attended. However, where important decisions are made affecting the men and organization, then the entire Board of County Road Commissioners meets with the men.

Our only crab now is that due to the rising cost of living, we are not paid enough and we feel that we should receive \$20-\$25 more a month as a cost of living adjustment, but I understand that the Board of County Road Commissioners have put their compensation reserve of \$12,000.00 into the general fund in order to pay our wages this month.

We feel sure and have that assurance from Mr. Koronski that our wages will be raised as soon as possible.

We have a timekeeper who keeps a record of our entire year's work, when we work, when we are off, for what reason we are off, and what extra time we work. We are then given that time off when weather permits.

The first week of deer season is like a holiday around here. Many fellows save their vacation for deer season and then everyone perhaps has an extra day coming due to overtime but we all go with the understanding that if it snows we will return to our route.

Each man is assigned to one specific route for the winter and he is responsible for the condition of that route. I may mention here that so far when a man has been sick, really sick, and the two weeks' sick leave expired, the management has extended his sick leave. This is what it means to have a friendly and understanding Superintendent.

In all, I think we have the finest organization of any Road Commission in the State and our only present crab, as I stated before, is that we need \$20 to \$25 a month raise in wages.

Our wage scale is as follows for 160 hours a month:

		Now—1949
Truck Driver—light and heavy.....	\$175.00	\$200.00
Heavy grader operators and.....		215.00
shovel operators .....	186.00	220.00
Mechanics .....	197.00	220.00
Labor .....	155.00	175.00

Yours very truly,

FRANK DRAKOWSKI, President,

Gogebic-County Road Commission Safety Club.

### GOGEBIC COUNTY ROAD MAINTENANCE BY DISTRICTS

<i>WATERSMEET District</i>		<i>Miles</i>
State Roads		43.0
County Roads		
Class B		51.1
Class C		47.1
(6 men—23.5 miles per man)	Total	141.2
<i>MARENISCO District</i>		
State Roads		51.6
County Roads		
Class B		31.1
Class C		44.6
(6 men—21.2 miles per man)	Total	127.3
<i>WAKEFIELD District</i>		
State (Give Bessemer Credit for 28-1)		
County Roads		
Class B		14.9
Class B in Wakefield City		2.2
Class C		53.1
(4 men—27.5 miles per man)	Total	70.2
<i>ERWIN District</i>		
State—None		
County Roads		
Class B		14.5
Class C		46.6
(3 men—20.0 miles per man)	Total	61.1

*LAKE SUPERIOR District*

Class B		
Lake Superior Road to Apt. Road		19.8
Class C		21.2
(3 men—13 miles per man)	Total	41.0

*BESSEMER District*

State—		
US 2-4		9.8
M 28-1		12.0
	Total	21.8
County—		
Class B		59.8
Class C		125.8
(42 men—4.9 miles per man)	Total	207.4

Total All Roads—648.0 miles

I believe that those of us who work on controlled budgets should so govern our business that we hire a regular crew of men who will know that they will be gainfully employed throughout the year. In that way, throughout the United States, the example set by such organizations will permeate into small businesses and from there into larger businesses until all of the laboring class of the United States is thus gainfully employed.