STATE OF WISCONSIN BEFORE THE ARBITRATOR

In the Matter of the Interest Arbitration Between

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

and

PROFESSIONAL STAFF ASSOCIATION -- SUPPORT STAFF LOCAL 3670, WFT, AFT, AFL-CIO

Case 24 No. 55917 INT/ARB 8365 [Dec. No. 29383-A]

APPEARANCES:

Robert W. Mulcahy, Esq., Michael Best & Friedrich, LLP, on behalf of the College

Steve Kowalsky, Representative, Wisconsin Federation of Teachers, on behalf of the Association

BACKGROUND

On December 27, 1997, the Professional Staff Association -- Support Staff Local 3670, WFT, AFT, AFL-CIO (hereafter "the Union") filed a stipulation with the Wisconsin Employment Relations Commission (WERC) alleging that an impasse existed between the Association and the Southwest Wisconsin Technical College (hereafter "the College") in their collective bargaining concerning a successor collective bargaining agreement between them and further requesting the WERC to initiate arbitration pursuant to Sec. 111.70(4)(cm)6 of the Municipal Employment Relations Act (MERA).

On May 26, 1998, following investigation and report by a member of the WERC staff, the WERC found that an impasse existed within the meaning of Sec. 111.70(4)(cm)6 of the MERA and ordered that arbitration be initiated. On June 30, 1998, after the parties notified the WERC that they had selected the undersigned, Richard B. Bilder of Madison, Wisconsin, the WERC appointed him as the arbitrator to issue a final and binding award, pursuant to Sec. 111.70(4)(cm)6 and 7 of the MERA to resolve said impasse by selecting either the total final offer of the College or of the Association. No citizens petition pursuant to Sec. 111.70(4)(cm)6b was filed with the WERC.

On September 9, 1998, the undersigned met with the parties at the College at Fennimore, Wisconsin, to arbitrate the dispute. At the arbitration hearing, which was without transcript, the parties were given a full opportunity to present evidence and oral arguments. Post-hearing briefs and reply briefs were submitted by both parties, the last being received by the Arbitrator on November 5, 1998.

This arbitration is based upon a review of the evidence, exhibits and arguments, utilizing the statutory criteria set forth in Sec. 111.74(4)(cm) of the MERA.

ISSUES

The parties are in agreement that the Agreement should have a term of three years July 1, 1996-June 30, 1999, and have reached agreement on various other matters. The issues which have not been resolved voluntarily by the parties, and which have been placed before the Arbitrator, are as follows:

1. <u>Wages</u>

The parties are in agreement on a 3.5% general wage increase for 1996-97 and propose an identical 3.0% general wage increase for 1997-98. They differ only as to the general wage increase for 1998-99, effective July 1, 1998.

The College proposes a 3.5% general wage increase for 1998-99.

The Union proposes a 3.25% general wage increase for 1998-99.

2. <u>Paid Health Insurance After Retirement</u>

The College proposes that retirees with 13 years of service to the College receive 1 year of family health insurance after retirement; those with 15 years of service receive 2 years of health insurance after retirement; and those with 17 years of service receive 3 years of health insurance after retirement.

The Union proposes that retirees with 13 years of service to the College receive 3 years of family health insurance upon retirement; those with 15 years of service receive 4 years of health insurance after retirement; and those with 17 years of service receive 5 years of health insurance after retirement.

DISCUSSION

The parties agree that the central issue here in dispute is the amount of paid family health insurance to be available upon retirement to long-term employees with 13 or more years of service to the College -- which the Arbitrator will hereafter refer to as simply "retirement health insurance". Almost all of the parties evidence and argument have been addressed to this issue. While the parties have submitted different wage offers for the 1998-99 third year of their Agreement -- the College proposes 3.5% and the Union proposes 3.25% -- contrary to the usual case in interest arbitrations such as this, the College has in fact offered a higher wage increase than the Union, and thus the issue of wages is not in itself in controversy between them. Consequently, the Arbitrator's discussion will deal almost exclusively with the retirement health insurance issue.

As indicated, both of the parties' offers provide for a period of paid health insurance coverage for employees retiring after long-term service to the College; they differ only as to the

length in number of years of coverage to be provided. The College's final offer would provide retirees 1 year of retirement health insurance after 13 years of service, 2 years after 15 years of service, and 3 years after 17 years of service. The Union's final offer would provide retirees 3 years after 13 years of service, 4 years after 15 years of service and 5 years after 17 years of service. The other language regarding Insurance After Retirement/Layoff in both final offers is identical and has been agreed upon. The parties are in agreement that the existing provisions regarding retirement health insurance for employees with less than 13 years of service, whereby such insurance is based on the conversion of unused sick leave credits, will continue in the new Agreement. Thus, the only difference between the two offers -- and in effect between the parties in this arbitration -- is that at each of the three levels of long-term period of service upon retirement (13, 15 or 17 years), the Union would increase the amount of paid retirement health insurance accorded to long-term support staff employees by two years over that proposed by the College.

It may be helpful to understanding this dispute to give some background as to the bargaining unit involved and as to the parties' prior contractual provisions and current negotiations regarding the provision of retirement health insurance. The support staff bargaining unit here involved -- hereafter "the Support Staff" -- constitutes about 73 office and clerical, maintenance, lab assistant and ancillary employees of Southwest Wisconsin Technical College. The faculty and academic staff of the College -- hereafter "the Faculty" -- constitutes a separate bargaining unit. However, somewhat unusually, the Union represents both the Support Staff and Faculty bargaining units, and there is only one local and one president for both. The other principal group of employees of the College -- the Deans, Assistant Deans and confidential administrative staff are currently nonrepresented.

Prior to the proposed Agreement here in issue, the College had a policy regarding the provision of health insurance following retirement, reflected in its collective bargaining agreements with both the Faculty and Support Staff, under which any of its employees was allowed to convert one-half of the amount of unused sick leave which that employee had accumulated at the time of retirement, at his or her daily wage or salary rate at that time, to pay for cost of premiums of continued health insurance following retirement. After the pool of money thus accumulated in an employee's "unused sick leave conversion bank" at the time of retirement was exhausted for the payment of premiums for such continued post-retirement coverage, the employee could continue in the College's health coverage program but at his or her own expense.

In the negotiations between the College and the Union leading to both the 1996-99 faculty and support staff agreements, the parties apparently agreed in principle that, as regards employees with 13 or more years of long-term service to the College at the time of retirement, the retirement health insurance benefit arrangements should be changed to relate to the term of the employee's service rather than directly to the amount of unused sick leave that employee had accumulated at the time of retirement. The testimony at the hearing indicated that the shared intention of the parties was to provide long-term employees both an increased retirement health insurance benefit and one which was not subject to vagaries of a particular employee's special circumstances -- for example a prolonged illness requiring the exhaustion of much of his or her sick leave. However, as will be indicated, there was no agreement as to what additional amount of retirement health insurance should be provided to employees in, respectively, the Faculty and the Support Staff bargaining units.

In their negotiations for the Faculty Association agreement, the Union and the College, implementing this new approach, agreed that long-term faculty retiring with 13 years service would be entitled to receive 3 years of family health insurance; those with 15 years would receive 4 years; and those with 17 years would receive 5 years. However, in their negotiations for the Support Staff here at issue, the parties have, as indicated, not been able to agree on the respective periods of extended coverage. In essence, the Union believes and proposes that there should be no distinction whatsoever between the two bargaining units and that the Support Staff should be given exactly the same benefit, in terms of number of years of extended retirement health insurance coverage at each level of long-time service, as the Faculty Association. The College believes and proposes that, while the Support Staff should receive additional extended coverage related to the length of the retiring employee's service, there is justifiable reason for making a distinction between the Faculty and the Support Staff in this respect, and that the entitlement of Support Staff retiring employees should at each level of length of service be 2 years less than what the Faculty received.

Each of the parties has presented extensive evidence and argument in favor of its contention that, under the statutory criteria set forth in Sec. 111.74(4)(cm) of the MERA, the Arbitrator should find in favor of its proposal. The College, in summary, argues that: (1) the College's offer is more reasonable and more fair and equitable in that it would represent a substantial improvement in retirement health insurance benefits for the Support Staff and would increase such retirement health insurance benefits for the Support Staff in the same proportional basis with respect to the value of the prior benefit for the Support Staff as the increased benefit given to the Faculty; (2) statutory limitations on College revenues mandate adoption of the college's final offer and the cost of the Union offer is excessive in terms of these revenue limitations and local economic conditions of the College; (3) adoption of the Union's proposal would result in allocation of more than a fair share of the College financial resources to Support Staff retiring employees; (4) no internal comparables support adoption of the Union offer; (5) the external comparables clearly support the College offer; and (6) the College's offer provides a higher wage package and on that basis alone should be adopted. The Union, in summary, argues that: (1) the Union's offer is more reasonable, fair and equitable in that the new fringe benefit is earned by career employees for their years of service rather than what one earns or accumulates as sick leave, and that there is consequently no rational basis for denying the same level of retirement health insurance to long-term support staff as to faculty; (2) the College has failed to prove that revenue limits limit its ability to meet the Union's offer; (3) internal comparability -namely the pattern set in the college's settlement with the faculty as to retirement health insurance -- strongly favors the Union's final offer; (4) the College's costing greatly inflates the actual cost of the Union's final offer; and (5) the College has in the past several years done quite well financially and can afford any additional cost the Union's offer might entail.

The principal points in contention appear to be the following:

1. <u>Statutory Limitations and Economic Conditions</u>

The Arbitrator is required by Wisconsin Statute 111.70(4)(cm)7 to give "greatest weight" to "any state law or directive lawfully issued by legislative . . . body . . . which places limitations on . . . revenues that may be collected by the municipal employer." The Arbitrator is also required to give "greater weight to the economic conditions in the jurisdiction of the municipal employer."

The College stresses the relevance of these factors, arguing that the cost of the Union offer is excessive in view of its long-standing financial difficulties, the revenue limitations and local economic conditions of Southwest Technical College and resulting precariousness of its revenue sources, and the significant financial risk that the Union's retirement health insurance proposal could pose to the College. The College has presented testimony that the Southwest Technical College area is primarily agricultural, is economically depressed and that this has been the case for some years. The College also points out that its three sources of College revenues are (1) property taxes; (2) state aids; and (3) tuition and fees from students, and that all three of these revenue sources, which together supply 80% of the College's revenues are limited by operation of the Wisconsin statutes. In support of its contention, the College presents extensive and credible evidence that, inter alia, (1) in three of the last six years the growth in the equalized value in the College district did not reach what the College considers the required 5.5% growth factor necessary to maintain a stable financial environment to support its current programs and offerings; (2) vis-a-vis other technical colleges, Southwest has had the lowest rate of growth in equalized value among its comparable districts and has considerably more difficulty maintaining the tax base which generates the largest revenue source -- property taxes; and (3) it is the only college in the technical college system levying property taxes at the 1.50 statutory mill rate. The College maintains that, as a result of the financial stringencies it faces, major program reductions and cutbacks occurred in 1994-95 and to a lesser extent in 1994-95. It points out, in addition that state aid allocations have not kept up with operational cost increases statewide and that tuition and fees cannot provide a consistent source of revenue. It urges that it has already cut all of the "fat" out of its budget and that the additional costs involved in acceptance of the Union's final offer would damage its programs and put an excessive future burden on taxpayers.

The Union argues that the College has failed to show that the revenue limits prevent the College from meeting the Union's final offer and it urges that the College in fact has the ability to do so. While the Union concedes that the College and the region have had some tough economic times in the past, it argues that in the years relevant to this case the situation has improved and in recent years the College has done quite well financially. Thus, the Union presents evidence, <u>inter alia</u>, that in 1996-97 the College was above the statewide average in receipt of state aid; that in 1997-98, the College was above the statewide average in its ability to generate funds by tax levy; that in 1997-98 its equalized property value showed a healthy improvement; and that the College's district has in recent years showed a substantial reduction in property tax burden.

The Arbitrator is persuaded by the College's evidence that it is under significant financial pressure and that, in view of the statutory limitations here relevant -- in particular, the fact that it has been levying property taxes at the maximum permissible mill rate -- its ability to meet additional costs without a possible adverse effect on its programs is questionable. While the Union may be correct that both the College's financial situation and the region's economic situations have somewhat improved in the last several years, the Arbitrator believes that the College is reasonable in its contention that these statutory limitations, economic conditions and financial constraints remain matters for concern. While as will be indicated, the exact cost of the Union's retirement health insurance offer may be somewhat uncertain it is evident that incorporation of the Union's proposal for two additional years health insurance coverage would represent at least some significant additional continuing contingent liability which the College and taxpayers would somehow have to meet. The Union contends that the College could

readjust its finances and programs so as to meet the additional costs that could result from acceptance of the Union's retirement health insurance proposal. However, in accordance with the MERA statute's mandate, the Arbitrator must take due account of these factors. Consequently, in the Arbitrator's opinion, the statutory limitations on the College's ability to obtain revenues, the generally not favorable economic conditions in the relevant jurisdiction, and the financial pressures to which the College is currently subject favor acceptance of the College's less costly, rather than the Union's more costly, retirement health insurance proposal.

2. <u>Internal Comparability -- Reasonableness and Fairness</u>

The Union maintains -- and the Arbitrator agrees -- that a central issue in this arbitration is that of internal comparability, which, in the Arbitrator's view, overlaps the broader issue of the reasonableness, fairness and equity of the two parties' respective offers.

As indicated, the College contends, first, that there is no "pattern" of internal settlement in this case, since only the Faculty unit has received the benefit here in question, and there is good reason for the difference in the greater number of years of retirement health insurance coverage given to that unit as compared with the Support Staff unit. Second, the College argues that its offer in any case meets any possibly relevant criteria of internal comparability and fairness since it will extend at least the same proportionate increase in retirement health insurance benefits to the support staff as has been extended to the faculty -- namely, at the 17 year level which will in practice be applicable to most retirees, an approximately two-year increase in retirement health insurance coverage over what they would at most have been entitled to under the prior unused sick leave conversion policy. The College argues that its proposal simply retains and continues a long-existing distinction between the faculty and support staff with respect to the absolute amount of additional retirement health insurance offered. It stresses that under the prior system, based on relative salary levels and use of sick leave, such a difference in post-retirement insurance entitlement between the two units already existed and was well-accepted; that is it was well-established that, particularly because of the faculty's typically higher daily salary rate at time of retirement for conversion of their unused sick leave to post-retirement premiums, faculty could expect a significantly longer period of post-retirement health insurance than could Support Staff employees retiring at lower wages or salaries. The College explains that it consequently reasonably based its respective offers of increased new benefits to each of the two bargaining units -- the Faculty and the Support Staff -- on giving each an equivalent proportionate increase in the retirement health insurance to which employees in such unit would previously have been entitled. In support of the comparability and fairness of its offer to the Support Staff, the College presents credible evidence that, as regards faculty retiring at the 17 years maximum (at which most employees retire), the value of accumulated sick leave available to Faculty employees for conversion to premiums would typically amount to about 3 years worth of premiums, whereas, as regards Support Staff employees retiring at the 17 years maximum, the entitlement would typically amount to about 1 year worth of premiums. Thus, the College maintains that in each case it has "sweetened" the benefit that each group of employees will enjoy by giving them an equivalent 2 more years of entitlement than they had before. Thus, the College contends that it is sufficient for it to meet any possibly relevant internal comparability and fairness requirement that its offer results in the support staff receiving at least as great a proportionate increase in this benefit -- being proportionately at least as much better off -- as the faculty has received. The College also points out that the 3, 4 and 5 year extended health insurance coverage applies only to the faculty bargaining unit and has not been extended

to other nonrepresented professional employees at the college such as the Deans, Associate Deans and confidential administrative staff, who will not receive the additional proportional increase the Faculty and Support Staff will receive.

In addition, the College has presented a detailed analysis of the potential comparative costs of the respective offers, based on the number of employees in each unit eligible to retire under the new Policy, which it argues demonstrates that the benefits provided to the support staff under its proposal would represent a significantly greater proportionate increase in benefit for the support staff than for the faculty. Thus, according to the College's calculation, the nine support staff employees it regards as currently eligible for retirement would collectively be entitled to about \$29,000 of health insurance premiums under the prior and existing sick leave conversion policy, whereas under the College's proposal they would be entitled to about \$135,000 in paid insurance, a percentage increase in 463%. In contrast, the College calculates the value of the Union's proposal for 3.4 or 5 additional years of retirement health insurance for these employees as over \$219,000, a percentage increase of 753% over their current benefit. As regards the Faculty unit, College calculates the value of the sick leave conversion of the 13 Faculty employees currently eligible to retire as about \$182,000 and the value to them of the new paid retirement health insurance benefit it has received as about \$389,000, a percentage increase of 213%. Consequently the College argues that under its offer the percentage increase in the level of benefits to the Support Staff is in fact far greater than the increase negotiated in the agreement with the Faculty -- 463% vs. 213%. Extending its analysis to a longer period covering eventual retirement of more or all of the employees in the Support Staff unit, the College projects an even more dramatic absolute and percentage difference between its offer and the Union's offer. The College strongly urges that the significantly increased contingent expense of the Union's offer would be cost prohibitive, absorb a disproportionate share of the College's financial resources, and result in a degrading of its ability to perform its educational mission.

The Union, in contrast, argues that internal comparability and fairness requires that it receive exactly the same benefit as the faculty has received in absolute terms -- that is, not simply a proportionate two-year improvement in what Support Staff employees were previously entitled to, but absolute parity in terms of entitlement to the same 3, 4 and 5 years of additional retirement health insurance the Faculty will receive. It insists that as a matter of principle, all employees working for the same employer should get exactly the same fringe benefits and that the Support Staff should get exactly what the Faculty got. In the Union's view, the parties in their current negotiations adopted an entirely new philosophy and established an entirely new fringe benefit, unrelated to the previous policy and intended to provide health insurance upon retirement based solely on years of service to the District and without regard to either salary or wages or accumulated sick leave. Moreover, it argues that the old system was inherently unfair in that it discriminated against loyal long-term employees unfortunate enough to suffer serious illnesses and that it was also gender biased against women who might have to use sick leave for maternity leave or child care. Thus, the Union contends that, since both faculty and support staff will have had the same years of long service at retirement, it would be inconsistent, inequitable and maintaining a caste system to draw a distinction between the two bargaining units in this respect. The Union also challenges the College's calculations as to the potential cost of acceptance of its offer, arguing that they would be less than the College projects, as well as the relevance to this arbitration of the consideration of potential costs extending beyond the period of the particular Agreement here proposed.

While the Union has presented its case well, in the Arbitrator's opinion, the College's position on this question is, on balance, the more persuasive.

The Union is correct -- and the College appears to concede -- that there is strong precedent and good reason supporting the principle that there should usually be relative parity in health insurance coverage for all represented employees currently working for the same employer, regardless of their bargaining unit; the Union has cited a number of arbitral opinions to this effect. However, the Union has cited little precedent applying this principle to the particular question here involved -- the provision of health insurance to former employees after their retirement, and, as the College points out, the arbitral opinions cited by the Union do not relate to this specific question. Indeed, the evidence presented suggests that, where employers have provided their employees paid health insurance for some period after retirement, the entitlement has typically been based on the conversion of unused sick leave at the daily salary or wage rate at the time of retirement -- an entitlement necessarily related to both differential salary or wage levels and prior use of sick leave. This, of course, has been the policy under the prior agreements between the College and the Union, and continues to be the policy as regards both Faculty and Support Staff employees retiring with less than 13 years service, as well as all of the Deans and other unrepresented employees. The College also presents evidence that in thirteen out of fifteen comparable other employers with both faculty and support staff, the faculty have a different insurance package after retirement than the support staff.

The Arbitrator finds reasonable the College's contention that under these circumstances there is a reasonable justification for the College to differ between its offers to the Faculty and to the Support Staff units in this respect by offering the Support Staff a proportionately equal improvement in its benefit to that given the Faculty, rather than absolute parity. As the College explains, its intent is to provide an increased benefit to all long-term retiring represented employees, both by significantly increasing the amount and period of coverage over that to which the members of either bargaining unit would typically have been entitled, and to make this entitlement independent of the vagaries of past long-term illness or sick leave utilization. As the College has shown, faculty employees, because of their higher salaries and less use of sick leave -- have typically, by the time of their retirement, accumulated a pool of unused sick leave which would entitle them to at least two more years of paid retirement health insurance than would typically be the case as regards support staff retirees, who both typically have a lower wage rate at the time of retirement and conversion of unused sick leave to retirement health insurance premium entitlement and have typically less unused sick leave to convert. It also points out that the Faculty's generally higher pay scales are not arbitrary or discriminatory but are in themselves typically related to different qualifications and responsibilities.

In the Arbitrator's opinion, as the College contends, there is some question whether the single settlement in the case between the College and the Faculty, not otherwise extended to nonrepresented employees, represent a "settlement pattern" persuasive for purposes of internal comparability. However, in any case, the Arbitrator regards the differential involved in the College's offer as having a reasonable basis in the preexisting entitlements of the different units and employees, based on their differential earnings. Moreover, the Arbitrator agrees with the College that, to the extent internal comparability is relevant, the College's offer meets this criterion in that its offer gives Support Staff retirees at least as great a proportionate improvement in their prior benefits as Faculty retirees have received. The Arbitrator notes that there is apparently no argument that, even under the College's proposal, the retirement health

insurance entitlement of almost all -- indeed, the evidence appears to indicate all -- of the Support Staff employees will be significantly improved, even if that improvement is not as extensive as the Union would prefer.

Consequently, as regards the statutory criterion of internal comparability, the Arbitrator believes that the College's offer is the more reasonable.

3. External Comparability

The College argues that comparable information from area municipal employers and other comparable technical colleges strongly support adoption of the College's offer.

The College has selected comparables within the borders of Southwest Wisconsin Technical College based primarily on size and geographic proximity. It contends, and the Arbitrator agrees, that geographic proximity, residence in the same or similar labor pools and similarity in social, economic and local political factors are important indicators in establishing comparability in interest arbitrations for support staff bargaining units such as here involved. The College supports this by pointing out that almost all of the members of the bargaining unit reside within a 30-35 mile radius of the College, as have applicants for open positions. Based on the relevance of local government employers within the same labor market as the College, the College proposes the following as comparables: (1) K-12 School Districts -- Dodgeville, Lancaster, Platteville, Prairie du Chien, Richland Center, Boscobel, Fennimore, Iowa Grant, Riverdale, River Ridge; (2) Counties within the Geographic Borders of the College -- Richland, Crawford, Grant, Lafayette and Iowa; (3) Largest Cities Within the Geographic Borders of the College -- Dodgeville, Fennimore, Platteville, Prairie du Chien, Richland Center. In addition, the College urges as comparable, for purposes of the issue of the reasonableness of its retirement health insurance offer, but not for comparison of wages, the following technical colleges contiguous to Southwest and of relatively similar size: Blackhawk, Chippewa, Mid-State, Indianhead and Western. The Union has not significantly challenged or presented an alternative list of external comparable, and the Arbitrator regards the College's list as generally acceptable.

With respect to these comparables, the College presents credible evidence that: (1) <u>K-12</u> <u>School Districts</u> -- out of ten districts surveyed, eight districts provide no benefit for paid insurance at retirement and neither of the other two appear to provide a benefit as favorable as that contained in the College's offer; (2) <u>Counties</u> -- three of four responding counties provide no benefit in terms of paid insurance at retirement and the fourth offers only conversion of sick leave benefits; (3) <u>Cities</u> -- within the five larger comparable cities, three cities offer no paid insurance at retirement and two offer only sick leave conversion up to a maximum number of days. As regard the technical colleges regarded as comparables, Blackhawk offers no paid benefit for support staff and all the other colleges have a minimum age requirement for retiree insurance benefits. Only one college, Chippewa Valley, affords the same level of benefit to both long-term retiring support staff and faculty, but that benefit ceases at age 65 and consequently is used by only the few employees who retire before age 65. The benefits at Indianhead, Mid-State and Western are all premised on conversion of sick leave accumulation and in several of these colleges cease at age 65. Again, the Union has not significantly challenged the College's evidence in this respect.

The Arbitrator considers the College's evidence in this respect persuasive that the

College's offer regarding retirement health insurance for the Support Staff employees involved in this arbitration is at least as favorable, and in most cases more favorable, than the retirement health insurance benefits at comparable K-12 school districts, counties, cities or technical colleges. Consequently, the Arbitrator finds that, as regards the criterion of external comparability, the College's offer is preferable.

4. <u>Other Factors</u>

The parties have offered little evidence or argument concerning other factors such as comparability regarding private employment, cost of living or changes in various circumstances.

5. <u>The Wage Offer</u>

The evidence indicates that the College's wage offer of a 3.5% general increase for the 1998-99 year equals or exceeds the wage offers at most other comparable technical colleges and it is obviously more favorable to the Support Staff employees here concerned than is the Union's own lower 3.25% wage offer for that year. Consequently, in the Arbitrator's opinion, this factor also favors selection of the College's final offer.

6. <u>Conclusion</u>

As indicated in the above analysis of the parties' proposals in relation to the relevant statutory criteria, the Arbitrator is of the opinion that the statutory factors preponderantly favor selection of the College's rather than the Union's proposals. Consequently, the Arbitrator concludes that, for the above reasons, the College's final offer is the more reasonable and should be selected.

AWARD

Based upon the statutory criteria contained in Section 111.70(4)(cm)7, the evidence and arguments of the parties, and for the reasons discussed above, the Arbitrator selects the final offer of the Southwest Wisconsin Technical College, and directs that if, along with all already agreed upon items, be incorporated into the parties 1996-1999 collective bargaining agreement.

Madison, Wisconsin August 9, 1999 Richard B. Bilder Arbitrator