

Arbitration

of

**NORTHLAND PINES SCHOOL DISTRICT**

and

**NORTHERN EDUCATIONAL SUPPORT TEAM**

re

**Arbitration Award**

WERC Case 46 No. 59174

**INT/ARB-9083**

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### **INTRODUCTION**

On September 5, 2000, the Northern Educational Support Team (NEST), hereinafter called the Union, petitioned the WERC for arbitration pursuant to Sec. 111.70(4)(cm)6 in its dispute with the Northland Pines School District, hereinafter called the Employer. The WERC, having found that an impasse existed, furnished the parties with a panel from which they selected an arbitrator. The undersigned arbitrator was then appointed arbitrator of this dispute by the WERC in an order dated March 8, 2001.

A hearing was held in Eagle River, Wisconsin on June 8, 2001. Written briefs were exchanged on July 13, 2001 and rebuttal briefs were exchanged on July 27, 2001. Appearing for the Union was Gene Degner, Director WEAC Northern Tier UniServ-Central; appearing for the Employer was John L. O'Brien, attorney of O'Brien, Anderson, Burgy, Garbowicz & Brown. At the close of the hearing, the parties agreed that briefing would be confined to the differences in offers affecting the food service employees as the differences in offers affecting the custodial employees were extremely small.

### **FINAL OFFERS**

**Union:** Custodians - Increase Class I and Class II by 3% each year.

Increase Class III and Class IV by 3.25% each year.

Food Service - Increase all classes by 3% each year.

**Employer: Custodians** - Increase by 3% each year.  
**Food Service Employees** - Increase by 2% each year.

## **DISCUSSION**

Ability to Pay and Cost of Offers: Union Exhibit 10 shows that the salary cost of the Union Final offer of \$106,968 over three years is \$5,925 greater than the Employer's salary cost of \$ 101,043. This represents less than two-hundredths of a percent of the approximately three year anticipated expenditures of about 41 million dollars. No economist in his right mind would dare say that the District had the ability to pay the lesser amount but not the infinitesimally larger amount. In this dispute the ability to pay factor that carries the greater weight under the statute cannot be the determining factor. And, it should be noted, the Employer does not claim an inability to pay, arguing instead that its wage offer to the food service employees provides salaries that are higher than the salaries paid in districts that historically have been agreed upon comparables.

Employer Exhibit 15 shows the cost of the Employer and Union offers covering food service salaries and fringes for the three years of the proposed contract. There is no difference in fringe costs. The difference in salaries is \$5,334 with \$860 falling in 2000-2001, \$ \$1,763 in 2001-2002, and \$2,711 in 2002-2003.

Salaries and Salary Increases of the Comparables: The comparables agreed upon in the past are the members of the Lumberjack Conference --- Ashland, Lakeland UHS, Medford Area, Park Falls, Phillips, Tomahawk and Northland Pines. In this arbitration, the Union also introduced as comparable the elementary schools that feed Northland Pines. These are Arbor Vitae-Woodruff (AVW), Lac du Flambeau, and Minocqua-Hazelhurst-Lake Tomahawk (MHLT). In its reply brief the Employer stated that it did not take issue with their use because they don't benefit the Union's position. (Er. Rebuttal Brf., p. 4).

There are two or three levels of Food Service classifications at Northland Pines and the various comparables running the range from food server or cook's helper, to cook

or assistant cook, to head cook or cook baker. The most heavily populated classification at Northland Pines is Food Server covering 10 of the 15 individuals in the three classifications compared by the Employer in its Exhibit 11. The arbitrator added the four elementary feeder schools to the six conference schools used by the Employer and compared Northland Pines rates in the '99-'00 year and the following two years to the rates at the other schools. The same analysis was extended to the head cook and assistant cook classifications.

**Table 1 - Food Server Wage Rates**

District:	'99-'00	'00-'01	'01-'02	'02-'03
Ashland	\$ 8.28	\$ 8.75	\$9.00	
Lakeland UHS	8.47	8.47	8.47(a)	
Medford	7.76			
Park Falls	8.38	8.83	9.23 (b)	
Phillips	8.29	8.53		
Tomahawk	9.82			
AVW	9.38			
Flambeau	9.26	9.49		
MHLT				
B.J. Lnd. Lakes etc.				
Average	\$ 8.71	\$ 8.81	\$ 8.90	
No. Pines-Employer	\$ 9.29	\$ 9.48	\$ 9.67	\$ 9.86
No. Pines-Union	9.29	9.57	9.86	10.15

Notes: Rates shown above are maximums reached in different periods of time. Ashland & Phillips =20 years, LUHS 10 yrs, Medford 8 yrs, Park Falls 6 yrs, Tomahawk = 3yrs, AVE & Flambeau=5 years, MHLT = 3 yrs, Lnd. of Lakes 7yrs.Northland Pines = 3 years.

(a) employees receive 3% increases within a schedule that is not changed. After 10 yrs. continue to receive 3% increases over the 10 year rates shown above.

(b) Figures shown are averages of split rates for first and second half of the school year.

**Table 2 - Cook Rates**

District	'99-'00	'00-'01	'01-'02	'02-'03
Ashland	\$ 9.91	\$10.48	\$ 10.78	
Lakeland UHS	9.47	9.47	9.47(a)	
Medford	8.51			
Park Falls	8.51	8.96	9.36(b)	
Phillips	9.59	9.88		
Tomahawk	10.28			
AVW	9.73			
Flambeau	9.91	10.15		
MHLT				
B.J. Ld.Lakes etc				
Average	\$ 9.49	\$ 9.79	\$ 9.87	
No. Pines - Employer	\$10.26	\$10.47	\$ 10.67	\$ 10.89
No. Pines - Union	10.26	10.57	10.88	11.21

**Table 3 - Head Cook Rates**

District	'99-'00	'00-'01	'01-'02	'02-'03
Ashland	\$ 10.35	\$ 11.04	\$ 11.36	
Medford	10.02			
Park Falls	10.51	10.88		
Phillips	9.84	10.13 (c)		
Tomahawk	10.61			
AVW	10.08			
Flambeau	10.56	10.82		
MHLT				
B.J., Ld. Lakes, etc.				
Average	\$ 10.28	\$ 10.72	\$ 11.36	
No. Pines-Employer	\$ 11.20	\$ 11.42	\$ 11.65	\$ 11.89
No. Pines-Union	11.20	11.54	11.88	12.24

Note: (c) Although Employer Exhibit 11, a compilation of rates based on rate schedules contained in Employer Exhibit 14 shows a \$11.89 rate for the Phillips Head Cook, Exhibit 14 does not support that figure. As best the arbitrator can determine, one individual has been getting a \$.25 premium for paperwork and delivery. The arbitrator has therefore added the \$.25 premium to the Cook I rate to determine a head cook rate for Phillips in '99-'00 and '00-'01.

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Comparisons of the wage rates paid to food servers in the conference and the feeder schools show that in the '99-'00 school year Northland Pines ranked second among the eight comparables for whom data were available. Its '99-'00 food server rate was 8% (\$.84) above the average of the comparables. Similarly, its cook rate was 8% (\$.77) above the average and its head cook rate was 9% (\$.92) above the average. In the '00-'01 year, it ranks second among five comparables if the Employer offer is chosen and ranks first if the Union offer is chosen. Its '00-'01 food server rate under the Employer offer is 8% (\$.67) above the average of the five comparables for whom data are available and under the Union offer is 9% (\$.76) above the five comparables. Approximately the same relationship holds true for cooks and head cooks.

In so far as wage levels are concerned, it appears that the Employer's 2% offer is sufficient to keep the Northland Pines food service personnel in line with the wages paid at the comparables. Northland Pines rates were well above the average of the comparables in the '99-'00 year and appear to have maintained their status relative to the comparables in the '00-'01 year. There are not sufficient data for the following two years to say that the relative status of the Northland Pines food service personnel will be maintained but there are also insufficient data to the contrary.

It is difficult to compute the average wage increase of the comparables for several reasons. Ashland revised its wage schedule for food service employee in the '00-'01 year raising the server salaries by different amounts depending on length of service. For example, the one year and ten year rates were raised by less than 2% (\$.13) while the twenty year rate was raised by 5.7% (\$.72). In the following year, '01-'02, Ashland rates were raised by 2.9%. Lakeland rates were not raised in either '00-'01 or '01-'02 but employees received 3% step increases in both years. Park Falls used split increases of \$.30 in the first half of the year followed by an additional \$.10 in the second half, in both years, generating increases of over 3% in the first half of each year and an additional 1% in the second half of the year. Phillips used approximately 2.9% increases for all three

food service classifications in '00-'01. Flambeau used approximately 2.5% increases for all three food service classifications in '00-'01. On the whole it appears that the Employer offer of 2% is on the low side.

The arbitrator believes that the fact that Northland Pines food service rates are substantially higher than food service rates of the comparables outweighs the fact that the wage increase under its offer is less than that of the comparables. The arbitrator recognizes that food service employees believe it unfair to offer them only 2% increases while their fellow bargaining unit members in the custodial classifications are offered 3%. The equity question involved in that comparison is addressed in the next sub-section of this opinion and award.

Other Arguments of the Employer and Union: The Union argued that the relative wage of the food service employees to custodial employees has deteriorated and that it is unfair to raise food service rates by 2% while raising custodial rates by 3%. Personally, as a widower living alone, I am sympathetic to that argument and value very good cooking over a very clean residence. However, I don't find statutory criteria making my personal preference relevant and therefore must turn to whatever evidence I can find on how the market rates for these two occupations compare. The best evidence on the relative worth of these two job families available to the arbitrator are the wages shown in the contracts of the comparables submitted by the Union and the Employer. These are summarized in Employer Exhibits 11-12.

The arbitrator compared the percentage relationship of the Northland Pines custodial rates to Northland Pines food service rates in the '99-'00 year and made the same comparisons of the average of the comparables. These are shown in the following table.

**Table 4 - Comparison of Custodial & Food Service Wages**

<u>Housekeeper/Server</u>	<u>CustodianII/CookII</u>	<u>LeadCustodian/HeadCook</u>
PinesHouseKeeper \$11.01	Pines Custo. \$ 12.12	Pines Ld.Custod. \$ 13.41
Pines Food Server 9.29	Pines Cook 10.26	Pines Head Cook 11.20
Custo. Advantage \$ 1.72	Custo.Advan.\$ 1.86	Custo. Advan. \$ 2.21
“ “ 19%	“ “ 18%	“ “ 20%
Aver. H.K. \$10.12	Aver. Custo \$ 12.44	Aver. Lead Custo.\$ 12.50
Aver. Server 8.41	Aver. Cook 9.55	Aver. Head Cook 10.52
Custo Advantage \$ 1.71	Custo. Advan \$ 2.89	Custo. Advan. \$ 1.98
“ “ 20%	“ “ 30%	“ “ 19%

Note: The \$11.01 and \$12.12 Northland Pines Housekeeper and Custodian rates are taken directly from the copy of the current Agreement, Employer Exhibit 2 and Union Exhibit 27. These differ from the figures shown in Table 3 of the Union brief (\$12.12 and \$13.41). Also they differ from the figures shown in Employer Exhibit 12 (\$11.21 & \$12.37).

As can be seen by inspection of Table 4, the custodian classifications at the comparables run 20% or more higher than the food service classifications. Approximately the same picture is found at Northland Pines where the '99-'00 rates for the custodian classifications also run about 20% higher than the food service classifications. If anything, the Northland Pines food service classifications are slightly higher relative to the custodial classifications than is true at the comparable districts. It appears to the arbitrator that market forces and collective bargaining patterns have moved the custodial positions higher than the food service positions.

The arbitrator recognizes that when one occupational group within a bargaining unit moves ahead of another, dissatisfaction emerges in the group whose relative wage has been adversely affected. However, relative wage differentials are not carved in stone and have changed in many situations despite resistance from the group that receives a smaller wage increase than others in their bargaining unit. In this dispute, although the food service employees of Northland :Pines will receive a smaller increase than the

custodial employees, their wage rates will continue to be higher than most of the food service people in the comparable districts. And the percentage by which custodial rates will exceed food service rates in the 2000-2002 period at Northland Pines will not be out of line with the percent that exists among the comparables.

**AWARD**

After full consideration of the testimony, exhibits and arguments of the Employer and the Union and their relevance to the statutory criteria in 111.70 (4)(cm)7, the arbitrator selects the final offer of the Employer for the reasons explained above.

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8/8/01

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James L. Stern  
Arbitrator