

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

SEP 21 1981

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

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In the Matter of the Petition of :
:
ST. CROIX COUNTY (DEPARTMENT OF :
SOCIAL SERVICES) :
:
To Initiate Mediation-Arbitration :
Between Said Petitioner and :
:
GENERAL TEAMSTERS UNION LOCAL 662 :
:
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Case LI
No. 27430
MED/ARB-1019
Decision No. 18491-A

APPEARANCES:

Thomas E. Koop, on behalf of the County
Merle Baker, on behalf of the Union

On April 2, 1981 the Wisconsin Employment Relations Commission appointed the undersigned as Mediator-Arbitrator, pursuant to Section 111.70(4)(cm) 6.b. of the Municipal Employment Relations Act in the matter of a dispute existing between St. Croix County (Department of Social Services), hereafter the County, and General Teamsters Union Local 662, hereafter the Union. Pursuant to statutory responsibilities, the undersigned conducted mediation proceedings between the County and the Union on May 14, 1981. Said mediation effort failed to result in voluntary resolution of the dispute. The matter was thereafter presented to the undersigned in an arbitration hearing conducted on the same date for final and binding determination. Post hearing exhibits and briefs were filed by both parties by July 17, 1981. Based upon a review of the evidence and arguments and utilizing the criteria set forth in Section 111.70(4)(cm), Wis. Stats., the undersigned renders the following award.

The collective bargaining agreement between the parties expired on December 31, 1980. Negotiations resulted in agreement on all but two issues; 1981 salary rates and the amount of salary increase an employee will receive when promoted to a higher salary classification.

The parties also disagree on what constitutes comparable counties in this proceeding. Since this latter issue has a significant impact on the substantive issues in dispute, it will be discussed first. The undersigned will thereafter discuss the individual issues in dispute, and then, the relative merit of the total final offers of both parties.

COMPARABLE COUNTIES

Issue

The Union has proposed as comparable counties the four counties with collective bargaining agreements covering social services employees which are contiguous to St. Croix County, which are Dunn, Pierce, and Polk Counties in Wisconsin and Washington County, Minnesota.

The County has proposed as comparable counties the following 14 Wisconsin Counties: Claumet, Columbia, Dodge, Door, Eau Claire, Fond du Lac, Green Lake, Jefferson, LaCrosse, Manitowoc, Marathon, Sauk, Walworth, and Wood, plus the three Wisconsin counties which are contiguous to St. Croix County and which are also proposed by the Union.

Position of the Parties

County's Position

The Union's selection of only four contiguous counties as comparables is illogical and arbitrary.

One of its selections, Dunn County, pays social service employees

salary rates that are in no way comparable with the salary rates paid social service employees in contiguous counties. It is one of a few counties in the entire state having a COLA clause in its collective bargaining agreements, which may account in part for its high rates of pay.

Because Dunn County's salaries are so unusual, it should only be utilized as a comparable county if a larger sampling is used, in which case Dunn County's rates would not distort the average, as it would if it were used only with the Union's four proposed counties.

Because Washington County, Minnesota is not in the state, the proposed utilization of said county as a comparable is without merit.

In proposing a list of comparable counties, the County proposes a list of Wisconsin counties which have a per capita adjusted gross income of plus or minus 5% of the County's. This criterion indicates spendable income, which is an indication of ability to pay and the prosperity of such counties. In addition to 14 counties meeting the aforementioned criterion, the contiguous counties of Dunn, Pierce, and Polk are also included.

The populations of all 17 counties were tabulated and analyzed; 10 of the 17 counties had populations in excess of the County's.

Equalized valuation in each of the proposed comparable counties was also determined. Only six had equalized valuations less than the County's. The average of all 17 counties was 29% in excess of the County's.

Ten of the counties are located in the high population areas of southeastern and eastern Wisconsin. Four surround Dane County, a major Wisconsin population area. All but one have cities with populations in excess of the County's largest city.

. Union's Position

Surrounding counties are the most logical and accepted basis for comparisons.

Discussion

The County's argument that the four counties proposed by the Union are not sufficiently representative for purposes of comparison is persuasive, particularly since one of said counties is not located in the State, one has a rather unique cost of living formula in its salary plan, and the data regarding said counties' promotion plans is inadequate, in and of itself, to enable one to determine what if any patterns exist on the issue which both parties concede is most significant in this dispute.

On the other hand, the County's proposed comparables, though not geographically proximate, do provide a fair and more complete basis for analyzing the comparability of the parties' final offers. Said counties are comparable in terms of their populations, financial resources, services provided, and types of positions covered. Furthermore, sufficient data has been provided with respect to the salaries paid to social services employees in said counties and the promotion plans affecting said employees to allow for a fair comparison of the final offers of the parties against the practices and procedures in effect in said counties.

Although alternative comparables clearly might be appropriately used by the parties, absent evidence which would allow for the formulation of an alternative set of comparable counties more geographically homogeneous, the County's proposed set of comparable counties will be utilized herein.

Said list of comparable counties should not be disadvantageous to the Union in that a majority of said counties are larger and wealthier than St. Croix County. In addition, most of these counties include or are close to urban areas which are normally wage leaders and pattern setters with respect to benefits for public employees.

Perhaps it should be noted that all of the proposed 17 counties were not utilized in all of the comparisons made herein, since reliable data was not available on each issue for all counties. Accordingly, where comparisons have been made, said comparisons are based only upon the counties where reliable and complete data has been introduced into the record.

WAGES

Issue

County Final Offer

Eight and three-fourths (8 3/4%) percent across the board in all steps of the salary schedule.

Union Final Offer

Increase all rates and all steps and classifications by 8% effective 1/1/81 and 2% effective 7/1/81.

Position of the Parties

County's Position

Utilizing 1980 salaries paid in comparable counties, in only six instances did the County pay less than the average, and in all six instances said difference occurred at the starting rate to which a new employee advances after six months. The County paid in excess of the average in 14 instances on the other hand.

Utilizing 12 comparable counties where 1981 salary data was available the County pays in excess of the average in 14 instances and pays less than the average in 10 instances. However, in the latter regard, seven of the ten instances are at the starting rates which are occupied by incumbent employees for only six months. The remaining three instances where the County would pay less than the average are only 1¢, 2¢, and 4¢ per hour less at the maximum rate.

These differences are small when compared to the excessive rates paid in some of the major classifications. For instance, the Income Maintenance Worker would receive a substantial 59¢ per hour in excess of the average, even under the County's final offer, whereas in 1980 this classification was paid 58¢ per hour over the average.

The percentage base salary settlements granted by the County to employees of four other collective bargaining units, including roll up costs and total costs, range from 10.35% to 10.69%. The County's offer of 10.51% is well in the range granted other represented employees in the County.

The Union limits its evidence on 1981 settlements to percentages applied to base salaries alone, it has not presented evidence showing the total cost of the contiguous county settlements. One must analyze the total costs of comparable settlements in order to fairly evaluate their comparability. Thus, although the County's salary offer is 8 3/4%, the value of the basic salary final offer is 10.51%, including roll ups, and 12.8%, including salary step increases within the 1981 year.

The Union's final offer of 8% and 2% in 1981 calculates to be 9.08% for 1981 and 13.16% including incremental step increases. However, the continuing cost to the County commencing in 1981 is a 10.16% base increase, and 14.21% including incremental step increases.

Although the total increase for non-represented employees of the County was 10.9%, the Union has not shown how the salaries of non-represented employees compared to equivalent positions in comparable counties. Historically, non-represented employees have received smaller percentage increases than represented positions. With reference to the aforementioned information, comparisons with the increases received by non-represented employees should have no probative value.

While social services employees do have an increased work load, there

is nothing in the record to indicate that their work load is in excess of the work load of other social services employees in other comparable counties. It would be logical to conclude that the work loads of all social services employees in all counties has increased due to the current recession. Austerity programs in government spending have also had the resulting effect of increased work loads for all public employees. Thus, the County's social services employees may be working no harder than their counterparts in other counties.

The CPI is at best a crude measurement of inflation which cannot be totally depended upon in evaluating the fairness of the parties' final offers. It gives unwarranted weight to high interest and mortgage costs, when in fact most individuals are not purchasing housing, but have fixed mortgage rates. In addition, health care costs have been one of the largest increases reported in the index, whereas most employers pay the cost of health care, at least in part.

Many settlements with represented employees throughout the U.S. have been well below the CPI. Most unions and employees recognize the limitations of the CPI and adjust demands accordingly.

There is a distinct departure from the use of the CPI as an absolute factor in determining a fair and equitable salary increase. It is evident that employees cannot be absolutely indemnified against the inflationary spiral.

Furthermore, inflation is in a sharp decline in 1981, and from every indication available, will continue to recede for the remaining months of 1981.

Union's Position

The real wage issue is the increase of the base rate during the last half of 1981. This increase is necessary to partially catch up with surrounding counties.

The monthly salary of the County's social services employees is less than those of the surrounding counties in practically every classification at the top attainable step. This is the wage the employee receives each month. The hourly rates are not as misaligned as the monthly salaries, but in a majority of instances, they too, are lesser.

All contiguous counties except Washington County, Minnesota have increased wages by ten percent or more.

An additional comparison that should be made is a comparison of the 1981 rates for County Courthouse clerical personnel. At best, the lowest clerical classification in the Courthouse has a potential of more income than the highest paid Social Service clerical employee using the Union's final offer.

There is a wide variation in wage adjustment percentages among the County's non-represented employees, but the average, including roll ups, was 10.9%, still higher than the 1981 cost of the Union's proposal.

There is no dispute over the fact that the employees involved herein have been increasing their productivity and work loads.

The Union's final offer is nearest, yet below, the CPI, utilizing the national average, the Milwaukee average, or the Minneapolis-St. Paul average.

Discussion

The parties' final offers on wages are extremely close. In fact, it was all but admitted by the parties that this dispute is essentially over the promotion policy, and that but for said disagreement, the wage dispute probably could be voluntarily resolved by the parties.

Because the parties' positions are so close, it cannot fairly be said that either party's final offer is substantially more reasonable than the other's. However, in order to fairly and completely resolve this dispute, a choice between the final offers on wages must be made.

In order to make that choice, the undersigned has selected and compared the salaries of four representative positions in the bargaining unit with the salaries of identical positions in comparable counties for which data was available for both 1980 and 1981. Tables reflecting this data follow:

Social Worker I

County	1980		1981		% Increase	
	Hourly Rate Min	Hourly Rate Max	Hourly Rate Min	Hourly Rate Max	Min	Max
Calumet	6.76	7.43	7.63	8.39	12.9	12.9
Columbia	5.95	6.95	6.49	7.38	9.1	6.2
Eau Claire	6.14	6.71	6.70	7.33	9.1	9.2
Green Lake	6.69	7.26	7.33	7.89	9.6	8.7
Jefferson	6.19	7.49	6.75	8.16	9.	9.
LaCrosse	6.47	7.09	7.14	7.76	10.4	9.4
Manitowoc	6.55	7.26	7.21	8.00	10.1	10.2
Walworth	6.14	7.32	6.14	7.99	0	9.2
Wood	5.72	8.92	6.19	8.92	8.2	0
Dunn	6.56	8.19	7.39	9.05	12.7	10.5
Pierce	7.33	8.25	8.23	9.15	12.3	10.9
Polk	6.94	7.71	7.63	8.48	9.9	10
Average	6.45	7.55	7.07	8.21	9.4	8.6
St. Croix	6.78	7.60	County 7.37 Union 7.32-7.46	8.26 8.20-8.37	8.75 8-2	8.75 8-2
Rank	2/13	4/13	County 5/13 Union 6/13-4/13	6/13 7/13-6/13		

Income Maintenance Worker

County	1980		1981		% Increase	
	Hourly Rate Min	Hourly Rate Max	Hourly Rate Min	Hourly Rate Max	Min	Max
Calumet	4.53	4.95	5.12	5.59	11.05	12.9
Columbia	4.46	4.98	5.01	5.53	12.3	11
Eau Claire	4.54	4.76	4.96	5.20	9.3	9.2
Green Lake	4.67	5.04	4.74	5.09	1.5	.1
Manitowoc	4.79	5.53	5.27	6.09	10.	10.1
Jefferson	4.34	5.23	5.22	6.29	20.3	20.3
Sauk	4.94	5.30	5.39	5.52	9.1	4.2
Walworth	4.98	5.76	4.98	6.28	0	9.
Wood	4.84	5.70	5.31	6.24	9.7	9.5
Dunn	5.19	6.58	5.99	7.42	15.4	12.8
Polk	4.86	5.92	5.34	6.52	9.9	10.1
Average	4.74	5.43	5.26	6.03	9.87	9.9
St. Croix	4.73	6.09	County 5.14 Union 5.10-5.20	6.62 6.57-6.70	8.75 8-2	8.75 8-2
Rank	7/12	2/12	County 7/12 Union 9/12-7/12	2/12 2/12-2/12		

Homemaker II

County	1980		1981		% Increase	
	Hourly Min	Rate Max	Hourly Min	Rate Max	Min	Max
Calumet	4.20	4.62	4.74	5.21	12.9	12.8
Columbia	4.46	4.98	5.01	5.53	12.3	11.
Eau Claire	4.54	4.75	4.95	5.19	9.	9.3
Green Lake	4.66	4.79	4.85	5.43	4.	14.3
Manitowoc	4.79	5.53	5.17	5.97	7.9	8.
Sauk	4.91	5.27	5.36	5.72	9.2	8.5
Walworth	4.98	5.76	4.98	6.28	0	9.
Wood	4.84	5.70	5.31	6.24	9.7	9.5
Dunn	5.19	6.58	5.99	7.42	15.4	12.8
Polk	4.86	5.92	5.34	6.52	9.9	10.1
Average	4.74	5.39	5.17	5.95	9.	10.5
St. Croix	4.54	5.69	County 4.94	6.19	8.75	8.75
			Union 4.97-5.07	6.14-6.27	8-2	8-2
Rank	8-9/11	5/11	County 9/11	5/11		
			Union 8/11-6/11	5/11-4/11		

Clerk II

County	1980		1981		% Increase	
	Hourly Min	Rate Max	Hourly Min	Rate Max	Min	Max
Columbia	4.37	4.74	4.87	5.24	11.4	10.5
Eau Claire	4.00	4.21	4.37	4.60	9.3	9.7
Manitowoc	4.18	5.05	4.52	5.45	8.1	7.9
Sauk	4.66	4.98	5.11	5.44	9.7	9.2
Walworth	4.43	5.10	4.43	5.56	0	9.
Wood	4.31	5.06	4.71	5.54	9.3	9.5
Dunn	4.73	6.13	5.53	6.95	16.9	13.4
Polk	4.64	4.99	5.10	5.54	9.9	10.
Average	4.42	5.03	4.83	5.54	9.3	9.9
St. Croix	4.02	5.04	County 4.36	5.49	8.75	8.75
			Union 4.34-4.42	5.44-5.56	8-2	8-2
Rank	8/9	5/9	County 9/9	4-5/9		
			Union 9/9-8/9	6-7/9-2-3/9		

The above tables indicate that the County's salaries for social services employees are generally at the lower end of the range among comparable counties at the minimum rates and are at the mid or upper part of the range at the maximums. Neither party's final offer on wages substantially changes the ranking of the County in this regard. Although the County's relative ranking would shift slightly on specific positions under both parties' final offer, the overall relative impact would be negligible.

Because the evidence indicates that this is not a situation where the Union is seeking an agreement which will allow the employees to catch up with those in comparable counties, and because the County's social services salaries appear to be in the mainstream among comparable counties, the criterion which can most reasonably be applied to determine the fairness of the parties' final offers is the size of the increases that have been granted to comparable employees in the 1981 calendar year. In that regard, the data indicates that a pattern appears to have been established wherein the value of wage increases has generally been between nine and ten percent, with of course, some exceptions both higher and lower. Utilization of said pattern is in the undersigned's opinion the fairest basis for determining the reasonableness of the parties' salary proposals, particularly since it must be conceded that the CPI is an imperfect measure of the cost of living, the PCE has not been proven to be a reliable and fair measure of same, and in light of the proven inability of the majority of American workers to keep up with the cost of living, utilizing either measure, during periods of high inflation.

Because the value of the Union's proposed wage increases more approximates the pattern of wage increases discussed above, in terms of percentage value, and because no major inequities would result therefrom, it is deemed to be the more reasonable of the two final offers in this regard.

PROMOTIONS

Issue

County Final Offer

An employee promoted from one classification to a higher classification shall be granted a five percent (5%) increase based on his/her last salary in the lowest classification.

Union Final Offer

In the event there is a promotion or reclassification the employee shall move to the step in the wage Appendix that provides for 4% or more increase in wages.

Position of the Parties

County's Position

The County's current salary schedule for social services employees has a starting rate, an after six months rate, and an after eighteen months rate.

The schedule has no orderly structure in that there is no consistency in the spread between minimum and maximum rates within range, which results in substantial differences between ranges, both at the minimum, within range, and maximum rates.

This type of salary schedule renders a fair and equitable administration of a promotion policy virtually impossible without utilizing a specific percentage increase upon promotion.

Comparable county collective bargaining agreements covering the promotion of social services employees mostly have promotion clauses where the amount of salary increase an employee receives upon promotion is definite.

If the Union's promotion proposal were applied to the parties' current salary schedule, individuals being promoted from the maximum rate of their range to a higher classification would receive increases ranging from 4.4% in one example only to 12.8% in two cases. Such large increases in some cases and average increases in others under the same salary schedule is excessive and arbitrary and not conducive to amicable employee relations. In addition, administrative problems compound as percentage increases are bargained each year.

Under comparable county agreements, promotions from the maximum of a range to a higher classification would result in increases ranging from .33% to 5.7%. The average increase resulting from such promotions ranges from 2.29% to 3.84%, which range does not closely approach the Union's final offer. Thus, the County's offer of a 5% increase is not only logical and workable, but is generous when compared to comparable counties.

Under the Union's final offer, a promotion from the maximum of a lower classification to a higher classification, in five instances, results in vertical movement of an employee to a maximum of the higher classification. In such cases the employee would be at the maximum of the classification without having worked a single minute in said classification, either to gain further experience or to prove his/her ability to perform the work in the higher classification. An employee promoted to a higher position should be required to prove ability to perform the higher classification work and gain experience in the higher classification before he/she is granted the maximum rate of the classification.

In response to the Union's argument that employees should be moved to specific wage steps of the higher classification, lest confusion reign in the employee's mind as to the amount of increase to be received, the County's final offer of 5% of the employee's current salary is definite and readily understandable.

A number of comparable counties have essentially the same percentage or step increase as proposed by the County, without slotting employees into specific step levels.

In summation, the County's offer of a 5% increase in pay based upon the employee's current salary is uniform, fair, reasonable, and easily administered under the present unstructured salary schedule. The Union's final offer on the other hand results in excessive increases; it lacks uniformity in application and violates the basic tenets of sound wage and salary administration.

Union's Position

Utilizing the County's comparable data, eight counties promote to a printed wage rate on a salary schedule. One county allows for the payment of an unprinted rate during the six-month probation period only, then the employee moves to a printed rate.

In the past, except for a recent instance, the County has always promoted to the same "length of service" step.

The Union's final offer is lesser than this past practice and conforms with the Wisconsin Administrative Code. Therefore, the Union's position, which conforms with nearly all of the other counties' procedures, should be adopted.

Discussion

It is because of this issue that the instant dispute exists.

Although there is a significant variety in the promotional systems in existence in comparable counties, the majority of the promotional plans assure at the minimum that a promoted employee will receive a pay increase and that the employee will be slotted into a salary "cell" on the schedule, where such schedules exist, which is the case in most counties.

In the latter respect the Union's final offer on this issue is more in accord with the practice in comparable counties than is the County's final offer.

Both final offers assure a promoted employee a salary increase, which is also in accord with the practice in comparable counties. However, this dispute has arisen over the size of the increases to which said employees are entitled.

This dispute has arisen primarily because the parties' salary schedule is structured in such a manner that movement to the next higher step on the schedule as a result of promotion in some cases results in increases substantially in excess of the normal range of such increases in comparable counties. To remedy this problem, rather than by correcting the salary schedule to prevent such inequities, the County proposes a flat percentage increase which would result in salaries which are not in accord with the schedule, while the Union proposes, in effect, that the inequities resulting from implementation of its proposal be corrected in subsequent rounds of negotiations wherein the parties can re-negotiate the structure of the salary schedule.

In the undersigned's opinion, neither party's proposal is particularly meritorious since the County's would negate the integrity of the schedule the parties have agreed upon and the Union's would result in significant discrepancies in the size and value of increases employees would receive upon promotion and would furthermore result in increases which in some cases are clearly out of line with those received by the majority of employees in comparable counties.

The undersigned is therefore confronted with the choice between two

relatively unsatisfactory proposals. The selection of either proposal will result in a situation requiring the immediate attention of the parties in their next round of negotiations.

Although reference to promotion policies in comparable counties supports the Union's position to the extent that said position maintains the integrity of the party's salary schedule, in the undersigned's opinion, the more important comparable is the value of increases received upon promotion, and in that regard, the County's proposal of a flat 5% is more in line with promotion policies in comparable counties than is the Union's proposal, which would result in promotional increases for employees at the maximum of their ranges in excess of 12%. There is also some merit to the County's argument that employees should be required to gain some experience in their new classification before they are entitled to the maximum rate in said classifications, although concededly, vertical promotions to the maximum of a new classification do exist in comparable counties.

For the aforementioned reasons, the undersigned has selected the County's final offer in this regard as the least unreasonable of two relatively unsatisfactory proposals.

Having concluded for the reasons discussed above that the Union's position on wages is slightly more reasonable than the County's, that the County's proposal on promotions is slightly less unreasonable than the Union's, and that the promotion issue is the critical issue in dispute herein, the undersigned believes that the County's total final offer should be deemed the more acceptable of the two, and accordingly, said final offer should be incorporated into the parties' agreement.

For the aforementioned reasons, the undersigned renders the following

AWARD

The County's final offer submitted herein shall be incorporated into the parties' 1981 collective bargaining agreement.

Dated this 15th day of September, 1981, at Madison, Wisconsin.

BY Byron Yaffe
Byron Yaffe, Arbitrator