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STATE OF WISCONSIN  
BEFORE ARBITRATOR GORDON HAFERBECKER

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

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In the Matter of Interest Arbitration -  
Between -  
PIERCE COUNTY HUMAN SERVICES EMPLOYEES -  
LOCAL 556-B -  
and -  
PIERCE COUNTY (DEPT. OF HUMAN SERVICES) -  
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Case XXXIV  
No. 27331  
MED/ARB 997  
Decision No. 18683-A

ARBITRATOR'S DECISION

August 23, 1981

BACKGROUND

Pierce County Human Services Department employees, Local 556-B, WCCME, Council 40, AFSCME, AFL-CIO represents the non-professional and para-professional employees of the Pierce County Department of Human Services. The Union has been bargaining with the Employer for a 1981 contract since November 5, 1980.

The parties met on November 5, 1980 and on three other separate occasions to resolve the issues. They were not able to reach agreement and the Union, on January 13, 1981, filed a petition for Mediation-Arbitration with the Wisconsin Employment Relations Commission. Mr. Robert McCormick, from the staff of the Commission conducted an investigation session on March 20, 1981. Following that session and by May 7, 1981, the parties submitted their final offers to Mr. McCormick.

Subsequently, Mr. McCormick advised the WERC that the parties had reached impasse on the sole issue of wages and that binding arbitration as set forth in Sec. 111.70(4) (cm) 6 Wis. Stats., should commence. Thereafter, Gordon Haferbecker of Stevens Point, Wisconsin, was selected as the mediator/arbitrator.

The mediator/arbitrator met with the parties at the Pierce County Courthouse, Ellsworth, Wisconsin, on July 13, 1981. Mediation was tried and was not successful so the parties proceeded to the arbitration hearing. The parties presented evidence in support of their positions and it was agreed that briefs be exchanged through the arbitrator by August 10, 1981. The briefs were filed as scheduled.

The Employer (Pierce County) was represented by Attorney Michael J. Burke, Mulcahy & Wherry, Eau Claire, Wisconsin. The Union was represented by David Ahrens, Rice Lake, AFSCME Representative. Until the time of the mediation/arbitration proceeding, the Union had been represented by Mr. Daniel Barrington of Rice Lake. Mr. Barrington has been transferred to another AFSCME district and Mr. Ahrens succeeds him in the Rice Lake office. Both Mr. Barrington and Mr. Ahrens were present for the hearing. Mr. Ahrens prepared the brief for the Union.

FINAL OFFERS

FINAL OFFER OF PIERCE COUNTY

		EFFECTIVE JANUARY 1, 1981		
	<u>POSITION</u>	<u>START</u>	<u>6 Months</u>	<u>18 Months</u>
Group II, Class 2	Accounting Assistant	1088	1133	1188
Group III, Class 7	Clerk 4	1023.50	1087.50	1137.50
Class 6	I.M. Worker	871.50	936.50	1015.50
	Homemaker II	868.50	-----	1011.50
Class 5	Clerk 3 (red lined)	-----	-----	1087.50
	Clerk 3	865.50	929.50	1007.50
	Senior Citizens Coordinator	-----	885.50*	973.50
	Field Assistant	-----	-----	954.50
	Van Driver	-----	-----	952.10
Class 4	Terminal Operator	855.50	886.50	944.50
Class 3	Homemaker I (vacant)	854.50	885.50	926.50
	Typist II/Clerk II	854.50	885.50	926.50
	I.M. Assistant	854.50	885.50	926.50
Class 2	Client Supervisor	784.50	815.50	856.50
	Production Supervisor	784.50	815.50	856.50
Class 1	Clerk I	696.33	763.00	838.00

Placement of employees from Unified Services:

All employees start at the start rate

Cam Quilling - Accounting Asst.

Diane Bee - Clerk II

Production Supervisor - Maryellen Berg

Client Supervisor - Charlotte Stelling

Doris Roen

Lauranne Tanberg

Beverly Beyer

Clerk I - Colleen Bock

Part-time employees

C. Kech - \$4.00/hr

W. Seifert - \$4.00/hr

D. Foshberg - \$4.00/hr

R. Raechke - \$4.00/hr

\*Yvonne Manor to be placed on 6 month step 1/1/81

## FINAL OFFER OF THE UNION

## NON-PROFESSIONAL

Group and class designations correspond to County Merit System specifications.

When classifications for which rates of pay are not established by this Agreement are put into effect after the signing of this Agreement, rates of pay covering those classifications shall be subject to negotiations between the parties. Rates agreed upon shall be effective as of the date the classifications were put into use. Upon reclassification an employee shall go to the six month's step of the higher classification and after twelve months shall go to the 18th month step.

In the event the parties cannot agree, they shall be allowed all lawful or economic recourse to support their request.

## Group, Class and Position

January 1, 1981	START	6 MONTHS	18 MONTHS
Group III,			
Class 7 Account Assistant	\$1,010.00	\$1,075.00	\$1,145.00
Clerk IV	995.50		
Class 6 Income Maintenance Worker	843.50	908.50	987.50
Homemaker II	840.50		983.50
Class 5 Clerk III (Red Lined)			1,059.50
Clerk III	837.50	901.50	979.50
Senior Citizens Coord.			974.05
Field Assistant			926.60
Van Driver (PT) 4.00/hr			924.10
Class 4 Terminal Operator I	827.50	858.50	916.50
Class 3 Homemaker I (Vacant)	826.50	857.50	898.50
Typist II	826.50	857.50	898.50
Clerk II	826.50	857.50	898.50
Income Maint. Assistant	826.50	857.50	898.50
Bookkeeper Typist	826.50	857.50	898.50
Production Supervisor	826.50	857.50	898.50
Client Supervisor	826.50	857.50	898.50
Van Driver/Food Serv. (Nutrition Site)		4.00/hr	
Nutrition Site Cook (Ruta Kullman)	750.10	780.10	820.10

ACCREDITED EMPLOYEES

- 1.) Cam Quilling will be placed at the 18 month level in the position of Account Assistant, effective January 1, 1981
- 2.) Yvonne Manore, Senior Citizen's Coordinator, shall be compensated at her present rate until July 1, 1981, when she will be compensated at the contractual rate.
- 3.) Colleen Bock, Maryellen Berg, Charlotte Stelling, Beverly Beyer, Lauranne Tanburg and Doris Roen shall be compensated as follows:  
Effective 1/1/81: \$750.00/mo.  
Effective 7/1/81: \$825.00/mo.  
Effective 10/1/81: \$902.50/mo. - at which time these employees will be compensated at the six month level commensurate with their position. For placement at the 18 month level for their classifications, January 1, 1981 shall be the starting date for computation of length of service for wage compensation purposes only.
- 4.) Part-time employees are C. Kech, W. Seifert, D. Foshberg and R. Raechke.

Group, Class and Position

July 1, 1981	START	6 MONTHS	18 MONTHS
Group III,			
Class 7 (*1) Account Assistant	\$1,055.00	\$1,120.00	\$1,190.00
Clerk IV	1,040.50		
Class 6 Income Maint. Worker	888.50	953.50	1,032.50
Homemaker II	885.50		1,028.50

Class 5	Clerk III (Red Lined)	\$		\$	\$1,104.50
	Clerk III		882.50	\$	946.50
	(*2) Senior Citizens Coord.				1,024.50
	Field Assistant				990.50
	Van Driver	\$(PT)4.00/hr.			971.60
Class 4	Terminal Operator I		872.50		969.10
Class 3	Homemaker I (Vacant)		871.50		903.50
	Typist II		871.50		902.50
	Clerk II		871.50		902.50
	Income Maint. Assistant		871.50		902.50
	Bookkeeper Typist		871.50		902.50
	(*3) Production Supervisor		871.50		902.50
	(*3) Client Supervisor		871.50		902.50
	(*4) Van Driver/Feed Serv. (Nutrition Site)			4.00/hr.	943.50
	Nutrition Site Cook		785.10		825.10
	(Ruta Kullman)				865.10

STATUTORY STANDARDS

This is an arbitration proceeding in which the arbitrator must choose the last offer of either the Union or the Employer. Section 111.70(4) (cm), Wis. Stats., enumerates the items the arbitrator must review in rendering his decision. They read as follows:

"Factors Considered." In making any decision under the arbitration procedures authorized by this subsection, the mediator/arbitrator shall give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interest and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- d. Comparison of wages, hours and conditions of employment of the municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally in public employment in the same community and in comparable communities and in private employment in the same community and in comparable communities.
- e. The average consumer prices for goods and services, commonly known as the cost-of-living.
- f. The overall compensation presently received by the municipal employees, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- h. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment through voluntary collective bargaining, mediation, fact finding, arbitration or otherwise between the parties, in the public service or in private employment.

Employer's Criteria. The criteria which the Employer considered most germane in this dispute are the following:

- 1. Comparison with wages of employees performing similar services in public employment.
- 2. The average consumer prices for goods and services.
- 3. The overall compensation received by the municipal employees including direct compensation and other benefits received.
- 4. Other factors which are normally or traditionally taken into consideration in determining wages through voluntary collective bargaining, mediation and arbitration (Employer Brief, p. 3).

Union Criteria. The Union Brief also stressed public employee wage comparisons, both within Pierce County and with other counties, and the cost-of-living (Union Brief, pp. 2, 3, 5, 10).

PRINCIPAL ISSUE

Discussion of the final offers at the hearing established that the parties were in agreement concerning the wages of part-time employees.

The principal barrier to an agreement during collective bargaining was the wage increase for newly-accreted employees. On January 1, 1981, eight full-time employees were transferred from a tri-county Unified Services unit to become employees of Pierce County. Both parties agreed that this group of employees required a catch-up increase but the disagreement concerns the extent of catch-up needed. If the parties had been able to agree on this issue, the remaining wage issues for the other employees could have been settled in collective bargaining or mediation.

I. WAGE COMPARISONS WITH OTHER COUNTIES AND STATE EMPLOYEES

Employer Position: The Employer compares wages in Pierce County to eleven other counties in west central Wisconsin. These were selected on the basis of proximity, population, and equalized property value. The Union has used only five neighboring counties in its comparisons. The Employer feels that while these counties are comparable, a larger cross-section of counties will provide a more accurate comparison. The Employer also objects to the Union's use of state employee wage rates on the grounds that state-wide labor conditions must be considered in state labor negotiations but this is not the case for counties. The state needs to pay Therapy Assistants the same rate in Chippewa Falls as in Milwaukee, but counties usually look at wage rates in the local area and neighboring counties and not at state-wide labor markets.

The Employer also points out some inaccuracies in Union Exhibits 1 and 3 concerning data from the Union's comparable counties (Employer Brief, p. 19).

The Employer in Employer Exhibits 17-23 compares the 1980 wage rates for the eleven counties for seven county positions. Maximum rates were used for comparison purposes since 14 of the 15 full-time employees, at the positions compared, are currently earning the maximum rate. Pierce County wages were higher than the average for every position except Clerk I, which was a non-bargaining unit position in 1980. Of the seven positions, Pierce County ranked second of 11 in one, third in two positions, fourth in two, fifth in one, sixth in one, and ninth in one.

Pierce County will maintain the favorable rates in 1981 under the County's offer. The Employer has projected comparisons with the other counties, using first the assumption that county final offers are accepted in counties involved in last offer arbitration and second assuming the Union offers are accepted. If all county offers are chosen, Pierce County would improve its rank in three of the seven positions. If all Union offers are chosen, the result would be the same.

Under the Union offer in Pierce County, the rank of four of the positions would be higher than in 1980, if all county final offers were chosen. If all Union final offers were chosen, five of the seven positions would be higher than in 1980.

The Employer compares the seven positions in dollar and percentage increases for 1981 in comparison to the other counties. The County's offer in dollars in all seven positions exceeds the average of the other counties, if all county offers are chosen where deadlocks exist. In percentage the County's offer meets or exceeds the other county averages except for one position. The Union offer exceeds both the dollar and percentage increases of the comparables in all seven positions (Table V, p. 17, Employer Brief).

If Union offers prevail in the two counties that are in last offer arbitration, the Pierce County offer would exceed the comparables in dollar increases in six of the seven positions and it would exceed or match the comparables in percentage in five of the seven positions. The Union offer would exceed the comparables by considerable margins (Table 6, p. 18, Employer Brief).

Union Position: Concerning the Employer's comparables, the Union questions the inclusion of Clark County and the exclusion of Jackson County. Clark County is more distant than Jackson County and is not in the local area labor market. Clark County is lower in wage rates than Pierce in five of six classifications and the same in the sixth. The County includes Rusk and Buffalo County, both half the size of Pierce. Eau Claire, with a population twice as large as Pierce, should not be included. The Union feels that the County has "loaded" its comparables with counties that should not be included.

The Union uses Pepin, Polk, Buffalo, Dunn, and St. Croix counties in its comparisons of six position classifications. Pierce County is near the mid-point in the Union's 1981 comparisons (Union Exhibit 1). The Union contends that the final offers of the parties do not change the rankings in either the Union or the Employer comparables.

Arbitrator's Comments. Concerning comparables, neither the Union nor the Employer has taken an unreasonable approach. If the Employer had omitted Clark County, his comparisons would have included the counties immediately adjacent to Pierce County and the tier of counties adjacent to the first tier. I do not find the inclusion of Eau Claire County to be unreasonable. It is important in the labor market area. The Union has selected the immediately-adjacent counties plus Buffalo and Polk. As the Employer notes a broader comparison including more counties in the area might be more useful.

The Employer's comparisons use the Union's July 1 wage request in figuring the Union offer. This overstates the actual 1981 dollar benefit to the Union.

As the Employer points out there are ~~the~~ same omissions and possible errors in the Union's comparable data. The Union also does not show how the increases in its county comparisons compare with 1980 figures.

## II. COMPARISONS WITH OTHER PIERCE COUNTY SETTLEMENTS

Employer Position: The Employer has settled contracts for 1981 with the Highway Department, Courthouse employees, and Social Services employees. These resulted in settlements in the 10 percent range, comparing year-end wage rates for 1980 and 1981 (Employer Brief, pp. 12-13). The final offer to the non-professional Human Services employees amounts to a 13.3 percent increase, wages only, and an overall increase of 15.6 percent. The Union has proposed a final offer which generates a wage increase of 16.0 percent and a total compensation increase of 18.2 percent.

The Employer argues that if the arbitrator were to select the Union offer, it would create an incentive for other units to seek more than the settlement pattern through mediation/arbitration and it would injure good faith bargaining.

Union Position: The Union argues that while the percentage increases offered by both parties to these employees are relatively large, the increases in cents per hour are not much larger than amounts received by the other bargaining units (Union Exhibit 12).

The Union contends that more significant are differences in pay for similar work in different departments. The Clerk Typist II in 1980 in this department received 36 cents per hour less than the same position in the courthouse unit. On January 1, 1981, this difference increased by 46 cents (Union Brief, p. 2, 3). The Employer does not consider these inter-departmental or intra-classification discrepancies.

Arbitrator's Comments. The Employer's own data seem to show that different bargaining units in Pierce County have fared differently in 1981. For example, if the Highway Department employee increases for 1981 are averaged, the result is a 9.5 percent increase, compared to 10.8 percent for the courthouse employees and 9.8 percent for the Social Service employees (computed from Table 2, Employer Brief, p. 12). Also, as the Employer and Union both point out the proposed increase for this bargaining unit under either offer, will exceed the average percentage increase for the other bargaining units. This is primarily due to the need for catch-up increases for the newly-accreted employees.

The Union's Exhibit 12 is deficient in that while it shows cents-per-hour increases in the other Pierce County units, it does not provide data on the cents-per-hour increases in this bargaining unit.

## III. TOTAL COST COMPARISONS

Employer Position: In 1980, employees in this unit received a split increase. The Union in its final offer for 1981 is also proposing a split increase. In comparing the offers, therefore, the Employer averages or annualizes the 1980 increase and also the 1981 increase under the Union offer. The following increases are obtained:

	<u>Wages Only</u>	<u>Total Compensation</u>
County Offer	16.3	18.5
Union Offer	17.2	19.4

(Employer Brief, p. 25)

If year-end rates are used in computing the 1980 base and the 1981 Union final offer, the results are as follows:

	<u>Wages Only</u>	<u>Total Compensation</u>
County Offer	13.3	15.6
Union Offer	16.0	18.2

(Employer Brief, p. 25)

The Employer contends its offer is more reasonable in view of the above comparisons. Employer Exhibit 7 shows that using average (annualized rates) for those employees who were in the bargaining unit in 1980, the results are as follows:

	<u>Wages Only</u>	<u>Total Compensation</u>
County Offer	14.2	15.2
Union Offer	14.0	15.0

(Employer Brief, p. 26)

If year-end rates are used, these returning employees will receive increases as shown:

	<u>Wages Only</u>	<u>Total Compensation</u>
County Offer	9.9	11.1
Union Offer	12.5	13.6

(Employer Brief, p. 26)

In the case of the newly-accreted employees, there was not a split increase in 1980 and both the Union and Employer offers provide split increases for 1981. This comparison is as follows:

	<u>Wages Only</u>	<u>Total Compensation</u>
County Offer	21.7	30.4
Union Offer	24.3	33.5

The Employer contends that the County's offer is generous but the Union's offer is "exorbitant" (Employer Brief, p. 28).

Employer Exhibits 10 and 11 compare the 1981 year-end rates for both the Union and the County's final offers. The Employer's final offer amounts to a 15.8 percent increase on year-end rates. The Union's final offer amounts to a 19.7 percent increase on year-end rates.

The Union's large year-end lift for the employees is shown in Employer Exhibit 12. This creates a significant additional cost for the Employer in 1982. If the Union offer is awarded, the employees will receive a 1982 actual increase of 6.4 percent before the parties ever begin bargaining. The Union has not demonstrated that Pierce County needs to provide a catch-up increase for most of these employees.

Union Position: The Union points out that the overall difference in the wage increase is minimal. The Employer's Exhibit 5, shows that the average increase in compensation in the County's offer is roughly \$9.00 more per individual than that offered by the Union, given average rates. The Union percentage increase is slightly higher.

The Union finds that the differences in cost between the offers is only \$912 per year, or less than \$1,000 if the roll-ins of Social Security and the W.R.F. are included (Union Brief, p. 2 and Union Exhibit 9).

The Union objects to the Employer's consideration of adverse effects of late 1981 increases on 1982 costs. The Union finds this argument "objectionable, though inventive" (Union Brief, p. 2). The Union also objects to the Employer's counting of step increases as part of the 1981 wage increase.

Arbitrator's Comments. The parties seem to be in agreement that the difference in actual 1981 total cost to the County under the two offers is relatively small. The Employer is not being "objectionable though inventive" in pointing out the 1982 cost impact of late 1981 wage increases. This impact is a legitimate concern for the parties and the Arbitrator.

In collective bargaining Unions and Employers usually recognize that split wage increases reduce the immediate financial impact of wage increases, thus helping the Employer's current budget but that such increases put the Union in a more advantageous base position for next year's earnings and bargaining.

#### IV. WAGE INCREASES AND CLASSIFICATION OF NEWLY-ACCREDITED EMPLOYEES

As indicated earlier, this is the primary issue between the parties.

Employer Position: The Employer points out that the Employer wage increase to these employees would be 23.8 percent and the total compensation increase of 33.1 percent (they are eligible for larger fringe benefits than under their previous tri-county employer). The Union offer would provide a wage increase of 35.5 percent and a total compensation increase of 44.8 percent. The percentages are based on year-end wage rates. The Employer has made a reasonable offer and recognizes the need for a catch-up increase (Employer Brief, pp. 4, 5).

The Employer has classified one of the newly-accreted positions as Clerk I. All of the eleven comparable counties have such a position. The average wage in the comparable counties for this position is \$8,569. The Employer offer of \$8,754 exceeds the average by \$185 or 2.2 percent. The Union offer of \$9,682.50 exceeds the average by \$1,113.50 or 13 percent (Employer Brief, p. 23). Thus, the Union's claim for additional catch-up is not valid.

Neither party has submitted any evidence with respect to the newly-accreted positions of Client Supervisors and Production Supervisors. Without these job descriptions, a comparison of these positions with the state position of Therapy Assistant is futile. The Union questions the Employer's classification of the Clerk I, Client Supervisor, and Production Supervisor positions at a lower grade than the Clerk II. The County has the right to determine the kind of classifications necessary to perform county services.

As indicated earlier the accreted employees will receive a wage increase of 21.7 percent under the Employer offer and a total compensation increase of 30.4 percent.

The Union's offer generates increases in excess of 20 percent for seven employees or 32 percent of the work force--over one-fifth of the work force will receive increases of over 40 percent under the Union offer. Such increases cannot be justified (Employer Brief, p. 28).

The Employer made an error in regard to Yvonne Manore's salary (Senior Citizen Coordinator). She has already received an increase for 1981 (\$885.50 to \$974.05). This increases the County's final offer to 10.6 percent for wages only and 11.9 percent for total compensation (Employer Brief, p. 27).

The Employer concludes that he has provided a reasonable catch-up increase for the eight newly-accreted employees.

Union Position: The Employer uses his final offer as an instrument to radically alter the long-existing salary plan, change past practices in hiring and misallocate newly-accreted employees to the existing salary schedule.

The Employer does not offer comparables for most of the newly-accreted positions (such as production supervisor and client supervisor). The Employer does not explain the change in past practice and in the salary plan. The Employer offers no assurance that the new plan is temporary and will be rectified in the future. While the percentage increases are large, the total dollars are not. For the newly-accreted employees, there is little more than a \$2,000 increase over 1980 (Employer Exhibit 9).

The Employer, in his final offer, is establishing a Clerk I classification. This classification has not been used in the contract for the last few years. Union witness, Mueller, testified at the hearing that since 1975, not a single clerical employee had been hired at any level other than the Clerk-Typist II classification. Now the County is proposing to establish a Clerk I classification and fill it with Colleen Bock who has four years of service at the Development Disability Center and the Employer proposes to pay her at the Start Rate! Ms. Bock is not an entry-level employee.

The County offers no rationale for the creation of a separate and lower class for the Client Supervisory positions in the newly-accreted unit. It offers no comparable classes in other jurisdictions. The Employer relegates these persons who perform important, difficult and skilled work to a pay range below that of the current entry level typist and clerk. These employees are being penalized for the work they do. They work with the disabled.

The Union compared these positions with that of Nurse's Assistant. Union Exhibits 6, 7, 8 are summarized:

(1981 rates)	Nurse's Assistant
Duan Co.	\$6.37
Polk Co.	5.59
Pierce Co.	
Final Offer	5.04
Union Final Offer	5.80

(Union Brief, p. 8)

An unskilled job (Nurse's Assistant) is being compared with a para-professional who is independent and responsible for the education and physical well-being of a group of retarded adults.

The Employer's final offer is 35 percent to 60 percent lower than the state is paying for a Therapy Assistant 2, a comparable position. Such employees work in a large nearby facility (Northern Center, Chippewa County).

The Employer's final offer for the position of Senior Citizen Coordinator is irresponsibly low. The offer, as it stands, cuts her pay by 10 percent. It seems incredible that following months of negotiations that the County could assert that it was unaware of the true pay level. Pierce County's pay disparity between the Coordinator and Director's position is greater than in all other positions. The Employer offered no argument whatever to support a cut in the salary of this employee. On this basis alone, the Employer's final offer should be rejected.

The Union concludes that the question before the arbitrator is the correct allocation of the accreted employees. Both parties are in essential agreement on the general pay increase. The Employer is proposing such gross inequities that the Union's offer should be selected.

Arbitrator's Comments. The Employer has offered a substantial catch-up increase to the accreted employees. The Employer has not explained why the Clerk I position should be revived in 1981 and how it differs from the Clerk II position. It is difficult to understand after extensive bargaining between the parties why the Employer did not find the error earlier in the Senior Citizen's Coordinator's pay.

The Employer's comparables with other counties did not include most of the accreted employees. The Employer offered no comparables for the positions of production supervisor and client supervisor. The Union's comparisons with Nurse's Assistant positions seem reasonable. The comparison with State Therapy Assistants has some value but county comparisons should be given more weight.



## V. CHANGES IN THE COST OF LIVING

Employer Position: The Employer reviews some of the inadequacies of the Consumer Price Index as a measure of living costs. However, he points out that the Employer's wage offer to these employees exceeds the increases in the C.P.I. The County's final offer results in a 13.3 percent wages-only increase. The Union offer amounts to an increase of 16 percent. The total compensation increase is 15.6 percent for the County offer and 18.2 percent for the Union offer. The C.P.I. for Urban Wage Earners and Clerical Workers, U.S. City average, increased 11.7 percent from January, 1980 to January, 1981. This is less than the Employer's wage and compensation offer. The C.P.I. increase has slowed down in 1981 to an annual rate of 9.5 percent in June. In view of the fact that the Union offer creates a tremendous cost impact in 1982, the declining trend of the C.P.I. opposes the high year-end lift of the Union offer.

Union Position: The Union agrees with the Employer that during the past year the C.P.I. increase has lagged behind the combined 1980-81 wage increases. However, the Union does not believe that the intent of the law was to counsel third parties not to grant workers real increases in their standard of living, especially employees that are marginally above the poverty line (\$8,900). Given the long duration of the Med/Arb process, consideration should be given to the decreasing value of the Union's and County's final offer.

With the hopeful prospect of an award in mid-September and its implementation in the beginning of October, Union members are faced with a reduction in value equal to the value of the award itself. The County has gained interest on retroactive money that will be paid to its employees.

Arbitrator's Comments. The parties are in agreement that each final offer exceeds the 1980 increase in the C.P.I. The larger increase proposed by both parties can be justified by the need for a catch-up increase for the newly-accreted employees.

### ARBITRATOR'S ANALYSIS

The arbitrator found this to be a difficult case to decide. Each side's presentation had merit but also some deficiencies.

One major consideration is the impact of this settlement on collective bargaining between Pierce County and its various union groups. The three other union units have settled their contracts for 1981. If this unit received a substantially larger settlement by going to mediation-arbitration, it would encourage such a practice in the future.

The Highway Department settled for a 9.5 percent average increase, (comparing 1980 and 1981 year-end rates), the Courthouse for 10.8, and Social Services for 9.87 (computed by the arbitrator from Employer Brief, p. 12). This unit would receive a 13.3 percent increase in wages under the Employer offer and 16.0 percent under the Union offer. As indicated earlier, the larger percentages here are due to the catch-up increase for the newly-accreted employees.

If the Employer can show that the increase for the former employees (excluding the newly-accreted ones) is quite similar to that received by the other union units, he can defend his offer as reasonably consistent with the other settlements. I find this to be the case. The Employer's wage offer is 10.6 percent (see Employer Exhibit 8 and Employer Brief, p. 27). This wage increase for the returning employees is very similar to that received by the other union units. (This would also be true if the Employer's amendment noted in his Brief was not counted and 9.9 percent was used as the offer.)

The Union's wage offer of 12.5 percent is out-of-line with that received by the other groups (Employer Exhibit 8). Acceptance of this offer could be injurious to future collective bargaining in Pierce County.

On the basis of the other Pierce County Union settlements, I find the Employer offer to be clearly more reasonable.

On the issue of comparables with other counties, the Employer has shown that his offer maintains and improves the comparative rank of Pierce County employees. The Union has not shown that its higher wage offer is needed to correct any inequity or to maintain the status of these employees. On this issue, I find the Employer offer to be more reasonable.

On the issue of total costs, it is true that the difference in 1981 costs between the two offers is small, but the Employer has properly pointed out that the late year split increases in the Union offer will have a major impact on 1982 costs for Pierce County. On this issue I find the Employer position more reasonable.

On the issue of wage increases for the newly-accreted employees, the Union has raised some significant points. The Employer has not adequately explained why the Clerk I position should be revived in 1981 and how it differs from the Clerk II position. Will the Employer continue to hire inexperienced employees as Clerk II? The Employer's comparables with other counties did not include the positions occupied by most of the accreted employees. The Employer offered no comparables for the positions of production supervisor and client supervisor. It would seem reasonable that such positions should pay as much as or more than the unskilled nurse's assistant position.

The Employer has recognized the need for larger pay increases for the newly-accreted employees, but their pay under the Employer offer is still unreasonably low and it needs to be increased further in 1982. There also needs to be further study of the classification of these employees. On this issue, I find the Union position more reasonable.

On the issue of cost of living, both parties agree their 1981 wage offers exceed the 1980 increase in the C.P.I. As indicated earlier, the larger wage increases to this unit arise because of the need for a catch-up increase for the newly-accreted employees. Since the total costs of both offers for 1981 do not differ greatly, I find that both the Union and Employer offers are reasonable on this issue.

#### CONCLUSION

The arbitrator finds that on three of the major issues, the Employer offer is more reasonable and on one issue, the Union offer is more reasonable. On the basis of the above, taking into account the presentations of the parties and the statutory standards, I find that the last offer of the Employer is more reasonable.

#### AWARD

The Employer's Last Offer and the stipulations agreed to by the parties shall be incorporated into the 1981 contract between Pierce County (Department of Human Services) and Pierce County Social Service Employees, Local 556-B.

August 28, 1981

Gordon Haferbecker  
Gordon Haferbecker, Arbitrator