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WISCONSIN EMPLOYMENT RELATIONS COMMISSION

BEFORE THE ARBITRATOR-MEDIATOR

WISCONSIN EMPLOYMENT RELATIONS COMMISSION

In the Matter of Arbitration Between	*	Case XLVII
	*	No. 28885
WASHINGTON COUNTY SOCIAL SERVICE DEPARTMENT	*	Decision No. 19380-A
EMPLOYEES, LOCAL 1199, AFSCME, AFL-CIO	*	MED/ARB-1454
	*	
and	*	OPINION AND AWARD
	*	
WASHINGTON COUNTY	*	

APPEARANCES:

- For the Union: Richard W. Abelson, Staff Representative, Wisconsin Council 40, AFSCME, Waukesha
- For the County: Roger E. Walsh, Esq., Lindner, Honzik, Marsack, Hayman & Walsh, Milwaukee

BACKGROUND

On November 27, 1981, the Washington County Social Service Department Employees, Local 1199, AFSCME, AFL-CIO (referred to as the Union) filed a petition with the Wisconsin Employment Relations Commission (WERC) requesting that the Commission initiate mediation-arbitration pursuant to Section 111.70(4)(cm)(6) of the Municipal Employment Relations Act to resolve a collective bargaining impasse between the Union and Washington County (referred to as the County or Employer). The impasse relates to a wage reopener for a bargaining unit composed of professional and nonprofessional employees of the Washington County Social Service Department.

On February 10, 1982, the WERC found that the parties had substantially complied with the procedures set forth in Section 111.70(4)(cm) required prior to the initiation of mediation-arbitration and that an impasse existed within the meaning of Section 111.70(4)(cm)(6). On February 25, 1982, after the parties notified the WERC that they had selected the undersigned, the WERC appointed the undersigned to serve as mediator-arbitrator to resolve the impasse pursuant to Section 111.70(4)(cm)(6). No citizens' petition pursuant to Section 111.70(4)(cm)(6)(b) was filed with the WERC.

By agreement, the mediator-arbitrator met with the parties on May 3, 1982 in West Bend, Wisconsin, to mediate the dispute. When the dispute remained unresolved, by prior agreement the mediator-arbitrator proceeded to hold an arbitration hearing on the same day at which time the parties were given a full opportunity to present evidence and oral arguments. Briefs were subsequently filed with and exchanged by the arbitrator.

ISSUE AT DISPUTE

The parties have a collective bargaining agreement which will expire on December 31, 1982. It contains a wage reopener provision for 1982. The respective final offers of the County and Union are as follows:

		<u>Final County Offer</u>	<u>Final Union Offer</u>
<u>Professional Social Workers</u>	1/1/82	8.5%	8.5%
End of Day	12/31/82	2.0%	2.5%
<u>Non-Professional Employees</u>	1/1/82	8.5%	10.0%
End of Day	12/31/82	3.0%	2.5%

STATUTORY CRITERIA

In resolving this dispute, the mediator-arbitrator is directed by Section 111.70(4)(cm)(7) to consider and give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests 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 employes performing similar services and with other employes 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.

POSITIONS OF THE PARTIES

The Union

The Union argues that its final wage offer is more reasonable primarily because of a need to "catch-up" particularly for the non-professional employees in the bargaining unit. It justifies its request for a 10% across the board increase for this group of employees by noting that the non-professional group is relatively more disadvantaged than the professional group when appropriate comparables are taken into account. It rejects the County's negotiations approach that if a group within the bargaining unit were to receive more than 8.5%, such an excess must be financed by a lesser increase for the remaining members of the bargaining unit.

In a number of its exhibits and in its brief, the Union emphasizes external comparables from the abutting counties of Dodge, Fond du Lac, Ozaukee, Sheboygan, Waukesha, and Milwaukee. It justifies the inclusion of Milwaukee County by pointing to the influence of that county on labor market rates and the inclusion of Washington County (as well as Ozaukee and Waukesha Counties) in the Milwaukee SMSA (standard metropolitan statistical area), although it concedes that Milwaukee County, as a comparable, has somewhat less force than the other listed counties. Using these comparables, the Union believes that it has demonstrated that Washington County Social Service classifications, both professional and particularly non-professional, require the "catch-up" contained in the Union's final offer. Further justification for the proposed catch-up for non-professionals, in the Union's judgment, may be found in comparing the parties' final offers to the Washington County Pay Plan 1982 for clerical positions.

As for the difference in final offers covering the year end "lift", the Union notes that the additional amount for non-professionals contained in the County's final offer is "financed" by the lower rate proposed for the professionals and it rejects outright such an approach.

In addition to the comparability criterion to support its final offer, the Union contends that the lowering of the annual rate of inflation makes the opportunity for catch up "more viable". Lastly, the Union notes two critical facts. First, four members of the bargaining unit have already been laid off. This is particularly relevant because the significantly increased workload must now be performed with a smaller workforce. Second, the County has neither made an inability to pay argument in this proceeding nor an argument that there is already an excessive or burdensome tax rate.

"In summary, although the economy, in general, is not performing in a completely satisfactory manner, the Union asserts that the time is ripe for the needed catch-up as stated in the Union's final offer"

The County

The Employer argues that its final offer is more reasonable for four main reasons: 1) the severe economic conditions now facing the County and the country; 2) "modest" 1982 CPI increases; 3) 1982 settlements with other County employees and wage increases granted to non-represented County employees; and 4) increases granted to similar employees employed in surrounding counties.

Speaking first to the combined factor relating to the interests and welfare of the general public together with changes in the consumer price index, the Employer notes that increases in the CPI during 1982 represent a significant decline in the annual rate of increases. Thus, the Employer concludes that the actual increase in annual earnings for employees under the County's final offer from 1981 to 1982 is more than double the most current CPI increase. Moreover, this calculation does not even take into account the year end "lift" proposed by the Employer in its final offer.

The County goes on to note a number of pertinent facts from the current economic scene. These include Washington County's unemployment figures (10.7% in March 1982), County housing permit decreases (down 65% in first quarter 1982 compared with the corresponding quarter in the prior year), the more than doubling of General Relief cases, increasing County taxpayer delinquencies, the 1981 and 1982 County job freeze, and other similar "depressing" facts. In addition, the County argues in support of its final offer by noting it follows the unique structure established by the parties in their present collective bargaining agreement. The County's present offer not only includes the year end "lift", but it also repeats the 1981 pattern of incorporating the same general wage increase agreed to or granted to all (or almost all) other County employees. This pattern, both in 1981 by agreement of the parties and for 1982 under the County's final offer will, in the County's view, bring wages of bargaining unit members in line with comparables both within the County and in other counties.

The County believes that its above arguments are significantly reenforced when patterns of settlements for social service employees are closely examined. For example, similarly situated employees in Waukesha County received a 7% raise on December 31, 1981. Under the Union's final offer in Fond du Lac County, professional employees will receive 7.75% and non-professional employees will receive 8.2%, effective January 1, 1982. Dodge County wage increases for 1982 range from 4.9% to 7.5% (calculated on an across the board flat rate increase of \$72 per month). When translated into dollar amounts, the County's final offer also exceeds the comparables "by a wide margin".

For all the above reasons, the County rejects as unjustified the Union's final offer, particularly that feature of the Union's offer which treats more favorably 27 members of the bargaining unit by offering a 10% increase in contrast to 639 other County employees who are receiving 8.5%.

DISCUSSION

As both parties have noted, their final offers are structured in an unusual manner. As a way to provide catch-up pay while avoiding split or additional mid-year increases, the parties developed in their current collective bargaining agreement the concept of a year end "lift" for 1981. Both 1982 final offers reflect a similar pattern. Moreover, the offers of the parties, both as to

overall wage increase as well as the year end "lift" are very close. The County and the Union each propose an 8.5% wage increase for professional social workers to be supplemented by either a 2% "lift" (under the County's final offer) or a 2.5% "lift" (under the Union's final offer). This "lift" difference has been costed as \$2490. The parties are somewhat further apart in regard to increases for non-professional bargaining unit members with the County's offer at 8.5% and the Union's offer at 10%. This difference has been estimated to be \$3786. For this latter group of employees, the County proposes a 3% "lift" while the Union seeks a uniform 2.5% "lift". Therefore, the net difference overall between the two offers for the entire bargaining unit of approximately 58 employees is approximately \$5000, another indication of how close the parties' positions are. Although the Union's final offer is overtly structured to provide a more substantial and immediate catch-up for the non-professional employees through the 10% wage increase it proposes, both offers provide catch-up.

In the judgment of the undersigned, the offer of the County is to be preferred in this proceeding because 1) it follows more closely the 1981 bargained pattern between these parties; 2) it is supported by changes in the CPI; 3) it is supported by comparability data for similarly situated employees in other comparable communities; and 4) it recognizes in a significant manner the special needs of the non-professional members of the bargaining unit for some catch-up by the 3% year end "lift." If these critical factors supporting the County's offer were not present the County's argument that all members of this bargaining unit should receive an 8.5% because all other County employees are receiving an 8.5% would be insufficient to support the choice of the County's final offer herein. While the County's offer does not correct all the inequities in the present wage structure for all members of this bargaining unit, overall it provides a substantial "moving-up" and a significant wage increase for these employees when compared to other County employees and similarly situated employees in surrounding counties.

AWARD

Based upon all the evidence and arguments presented by the parties, the discussion above and the statutory criteria set forth in Section 111.70(4)(cm)(7), the arbitrator selects the Employer's final offer and directs that it be incorporated into a collective bargaining agreement along with all already agreed upon items.

Madison, Wisconsin
June 30, 1982

June Miller Weisberger