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STATE OF WISCONSIN
BEFORE THE ARBITRATOR

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

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In the Case of the Final and
Binding Arbitration Between
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VERNON COUNTY COURTHOUSE AND
SOCIAL SERVICES, LOCAL 2918,
WCCME, AFSCME, AFL-CIO
-
and
-
-
VERNON COUNTY
-

Case LXI No. 29788
MED/ARB - 1684
Decision No. 19843-A
Gordon Haferbecker, Arbitrator
November 19, 1982

APPEARANCES:

Daniel R. Pfeifer, District Representative, Wisconsin Council of County and Municipal Employees, appearing on behalf of the Vernon County Courthouse and Social Services Employees, Local 2918, WCCME, AFSCME, AFL-CIO.

Jerome Klos of Steele, Klos and Flynn--Chartered, Attorneys at Law, Special Labor Council for Vernon County.

BACKGROUND

The Union notified the Employer on June 29, 1981 that it intended to open negotiations for a successor agreement. The Union proposed contract changes and the Employer responded in writing after a County Personnel Committee meeting on October 28, 1981. The initial negotiation was held on December 21, 1981, and one additional negotiating session was held. The Union then requested mediation. Mediation was not scheduled until May 5, 1982. Dennis McGilligan of the WERC staff found impasse. On May 24, 1982, the Union filed petition requesting Mediation-Arbitration pursuant to Sec. 111.70(4)(cm)6 of the Municipal Employment Relations Act. Mr. McGilligan telephonically conducted an investigation which reflected that the parties remained deadlocked. By July 9, 1982, the parties submitted their final offers to the Investigator who advised the Commission that the parties remained at impasse.

On August 17, 1982, the Wisconsin Employment Relations initiated Mediation-Arbitration. On August 26, 1982, the Commission appointed Gordon Haferbecker of Stevens Point as the mediator-arbitrator.

Mediation was scheduled for October 12, 1982 at the Vernon County Courthouse. The effort at mediation was not successful and the parties and the Arbitrator agreed to proceed to arbitration that same day. Witnesses were heard and exhibits and testimony were presented. It was agreed that briefs would be exchanged through the Arbitrator on or before November 8, 1982. The arbitrator received the briefs on November 9.

STIPULATIONS OF THE PARTIES

1. Section 12.01 - Increase accumulation of sick leave from 96 to 102 days.
2. Section 18.01 - Increase County share of family plan health insurance premiums from 65% to 70%.
3. Appendix B - Create Clerk IV position at \$35.00 per month more than Clerk III rate.

UNION'S FINAL OFFER

- 1) Section 22.01 - Duration to be from 1/1/82 to 12/31/83.
- 2) Wages: Effective 1/1/82 - \$59.04 increase per month
Effective 7/1/82 - \$18.05 increase per month
Effective 1/1/83 - \$64.44 increase per month
Effective 7/1/83 - \$19.70 increase per month

Wage increases are to be utilized on individual rates and on the minimums.

- 3) Add, "Section 12.07 Upon retirement, death or disability the employee (or his/her estate in case of death) shall receive the cash value of twenty-five percent (25%) of his/her unused accumulated sick leave."

- 4) Add, "Section 12.08 Employees shall be eligible to use sick leave for illness or injury of a child member of the immediate family."
- 5) Section 11.01 - Amend, "After ten (10) years, but less than twenty (20) years, a vacation of three (3) calendar weeks (or fifteen (15) days)." to "After eight (8) years, but less than twenty (20) years, a vacation of three (3) calendar weeks (or fifteen (15) days)."
- 6) Add, "Section 3.10 Custodians whose hours of work commence after 12:00 Noon shall receive a differential of fifteen cents (15¢) per hour."
- 7) Replace Section 1.02 with Fair Share - See Attachment A.
- 8) Section 19.04 - Modify on-call rate from "\$.50" to "\$.65".
- 9) Equity adjustment for Sanitarian in addition to the overall increase as follows:
 - Effective 1/1/82 - \$1350.00/year increase
 - Effective 1/1/83 - \$1350.00/year increase.
- 10) Reclassify Linda Martin from Clerk II to Clerk III.
- 11) All provisions retroactive to 1/1/82.

ATTACHMENT A

Fair Share Agreement

Section 1. Union Responsibilities: The Union as the exclusive bargaining representative of all the employees in the bargaining unit will represent all such employees. No employee shall be required to join the Union, but membership in the Union shall be made available to all employees who apply consistent with the Union constitution and by-laws. No employee shall be denied Union membership because of race, creed, color or sex.

Section 2. Deduction: Effective upon ratification of this agreement by both parties, the County agrees that each month it will deduct from the pay of employees represented by the Union dues as established by the Union as a fair share service fee in the same amount. As to all unit employees employed on the date of ratification, such deduction shall be made only from the monthly earnings of those employees who are members of the employee organization. Unit employees who were not members of the employee organization on the date of ratification, shall not be covered by this Article. However, the afore mentioned employees not covered by this Article may opt to join the employee organization and thus become covered by this Article, at any time. The County shall pay such amount in a lump sum to the treasurer of the Union. Changes in the amount of dues to be deducted shall be certified by the Union thirty (30) days before the effective date of such changes.

Section 3. Indemnification: The Union shall indemnify and save the County harmless for any liability which may arise out of actions taken by the County under this section.

EMPLOYER'S FINAL OFFER

1. One year contract 1982
2. Increase wages retroactive to January 1, 1982 by average of 6% on unit, average wage to determine monthly dollar amount to be paid across the board to all unit employees.
3. No other changes in the contract.

STATUTORY STANDARDS

The Arbitrator is required to choose the final offer of one of the parties on the unresolved issues.

Section 111.70(4)(cm)7 requires the mediator-arbitrator to consider the following criteria in the decision process:

- 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 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, vacations, 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.

Because of the large number of unresolved issues, the arbitrator will summarize briefly the Union and Employer position on an issue-by-issue basis with comment in some cases by the arbitrator.

DURATION OF THE AGREEMENT

Union Position. The briefs are being submitted on November 8, 1982 and the Arbitrator's award will probably not be implemented until late 1982 or early 1983. The contract provides for a July 15 reopening date. If the Employer's position for a one-year contract is accepted, the parties will not be able to commence negotiations for a 1983 agreement until after January 1, 1983. A two-year agreement is more appropriate because of the lateness of the current arbitration.

Many arbitrators have found that two-year agreements are more likely to generate labor peace. The Employer and Union here have not been able to arrive at voluntary settlements. The Union does not believe that these adversary negotiations should be on a continuous basis. A two-year agreement would give the parties at least six months of labor peace.

Employer Position. The Employer feels that in these unsettled times a two-year contract should not be imposed by an arbitrator. The 1983 wage rates should be negotiated during the end of 1982 and early 1983 when economic factors are more current.

Comment. Both sides have presented good arguments. If the Arbitrator selects the Union position, wages and other important issues will have been determined by the Arbitrator for 1980, 1981, 1982, and 1983. Is this good for collective bargaining? Assuming a late November decision the parties could still bargain for 1983 during December, 1982. Bargaining for 1982 did not really begin until December 21, 1981. The Arbitrator would hope that in future contract negotiations bargaining can begin in a more timely fashion. If WERC mediation is requested and there is a long delay in securing the mediation (as occurred in 1982), the parties should schedule some negotiation sessions themselves to attempt to resolve the issues.

SICK LEAVE PAYOUT

Union Position. Union Exhibit 12 shows that in 1981, 11 out of 13 counties, other than Vernon paid out a portion of sick leave upon retirement. The average payout of the counties compared is 42.6%. La Crosse has recently agreed that effective 1/1/82 employees who retire, die or are disabled shall receive 25% of any sick leave over 59 days accumulated. This Union is requesting only a payout of 25% on retirement. Four of the 13 counties also pay a percentage of sick leave upon termination of employment for reasons other than retirement. This Union is not requesting such a benefit.

Employer Position. Sick leave provisions are to protect and cover an employee when he is sick. Contracts deviate from that sound and elemental principle only when both parties desire to pay additional wages by utilizing a fringe benefit. Where one party, Vernon County, does not believe in this bastardization of clear contract purposes, we do not believe it appropriate for an arbitrator to force such a request. No other Vernon County unit has this fringe or is currently requesting it.

Comment. The other County comparables favor the Union position and the in-County comparables favor the Employer position. Have the parties ever considered using some accumulated sick leave to pay some of the retired employee's health insurance cost? The State of Wisconsin does this. This would be a health related benefit.

USE OF SICK LEAVE FOR IMMEDIATE FAMILY

Union Position. Union Exhibit 11 indicates that 8 of the 11 counties compared allow employees to utilize sick leave for illness or injury in the immediate family. The Union is requesting said usage only for a child member of the immediate family, whereas many other contracts allow usage for a spouse, child, or other member of the immediate family. The Union feels this is a more important issue than previously because of the trend toward both a husband and wife working.

Employer Position. Other members of the family, beside the County employee, may be available to solve the family illness and injury problem. Such a provision is impossible to police and would almost assure the use of maximum sick leave annually. No other Vernon County unit has this fringe or is currently requesting it.

Comment. Again, the other County comparisons favor the Union position and the in-county comparisons favor the Employer position. Concerning the County's fear that such a provision would tend to cause excessive use of sick leave, perhaps the Union could get data on other counties' experience with this benefit.

VACATION

The Union is requesting three weeks of vacation after 8 instead of 10 years.

Union Position. Union Exhibit 13 shows that there is no compared County with greater length of service needed for vacation than Vernon. The average number of years needed in the other counties is 8. Nine of the 13 counties require 8 or less years of service for 3 weeks vacation. Some counties, Juneau and La Crosse, have improved vacation benefits further for 1982.

Employer Position. No other Vernon County unit has this fringe or is currently requesting it. The average non-public employee in Vernon County gets no more than two weeks vacation regardless of tenure. The County has recently improved its vacation package by adding the four-week vacation after 20 years. The Arbitrator should not add this cost burden. Vacation plans are costly in public employment because of the longevity of employees.

Comment. The Union pointed out that no County in its exhibit required more years for a three-week vacation than Vernon. However, it should be noted that Union Exhibit 13 does show that Crawford and Iowa County also currently require 10 years of service for 3 weeks vacation--the same as Vernon.

CUSTODIAN SHIFT DIFFERENTIAL

Union Position. In July of 1981, Mr. Cole, a Courthouse custodian, was assigned an evening shift, pursuant to Section 3.01 of the agreement. The Union requested to bargain over the impact of the management decision but the County refused. Based on a WERC decision that issues during the term of an agreement cannot be taken to MED/ARB, the Union decided not to pursue the issue at that time. Mr. Cole is now working a day shift but the Employer could again assign such a shift and refuse to negotiate. The Union must therefore arbitrate the issue at this time. The Union contends that a shift differential of 15¢ per hour is reasonable. The Union could not obtain comparables because other Courthouses do not normally utilize an evening shift.

Employer Position. While the Institutional and Sheriff units have three shifts and Highway employees often work "round the clock" for snow and ice removal, there exists no differential in any Vernon County Union contract. Why should it be ordered for the few hours beyond Courthouse hours that custodians from time to time are assigned?

Comment. This is one of the minor issues in the arbitration. We do not have information on how many hours Mr. Cole worked outside of the normal shift hours nor for how long the reassignment lasted. At this point, the Arbitrator finds the Employer position more reasonable.

FAIR SHARE

Union Position. Union Exhibit 10 shows that of the 11 counties compared, 10 have Fair Share agreements. The Union has taken a very reasonable posture in relation to its Fair Share proposal. It includes a grandfather clause which excludes all bargaining unit people except those currently in the Union, from the Fair Share deduction, unless said employees desire to pay dues. It also includes an indemnification and hold-harmless clause.

Employer Position. Until a few years ago, Vernon County had neither Fair Share nor dues check-off as it did not agree with the principle that it owed the Union the collection of its dues. After constant requests thereon for more than a decade, the County finally voluntarily inserted a dues check-off provision. The Union is still not satisfied and wants an arbitrator to order Fair Share. The grandfathering included in the request does not change the County's objection. No public employment should be a forced closed shop by arbitration.

Comment. The Arbitrator notes from Union Exhibit 10 that Richland County does not have Fair Share and information on Grant and Sauk County was not available to the Union. I feel that a major contract clause change on a matter of principle, such as Fair Share, is best negotiated rather than brought about by an Arbitrator's decision. However, I think that in view of the trend in nearly all the other counties, Vernon County must eventually incorporate Fair Share in its collective bargaining agreements, as it did with dues deduction. The Union has proposed a reasonable compromise with its grandfather clause.

ON-CALL RATES

Union Position. The on-call rate is established for those employees who must remain within a "beeper" signal range and are on-call, because of the Juvenile Code, 24 hours a day. There is one employee on call at all times. The rate of 50¢ per hour was established on January 1, 1980 and has remained at that rate. The Union is seeking to raise the on-call rate to 65¢ per hour effective January 1, 1982. The rise in inflation of approximately 19% over the years of 1980 and 1981 justifies the increase, but Union Exhibit 9 shows that all counties have a rate for on-call higher than Vernon County does, even if the Union's Final Offer is awarded.

Employer Position. The on-call compensation of 50¢ per hour was a result of last offer arbitration in 1980. It is substantiated that in Vernon County the de facto calls are very rare. The area is replete with firemen, police, and quick responder individuals who routinely carry beepers without compensation. To ask that this fringe be again increased at the very next arbitration is unreasonable.

Comment. Neither the Union nor the Employer provided any data on how frequently are actual calls to duty. However, even if not called, an employee on call must sacrifice his mobility and freedom to travel because he must remain within a "beeper" signal range. The Union Brief indicates that this provision would cost .2 of 1% for 1982.

EQUITY ADJUSTMENT FOR SANITARIAN/ZONING ADMINISTRATOR

The Union is proposing an additional wage increase of \$1350 per year for 1982 and a like increase for 1983. Union Exhibit 17 on 1981 Sanitarian wages and Exhibit 6 on Zoning Administrator wages show that the proposed equity adjustment is reasonable. The 1982 increase would give Mr. Strong a salary of \$12,850 whereas the lowest professional rate for Social Worker I is \$12,949 in 1981.

The County increased the salaries of several non-union administrative positions by amounts ranging from \$2,000 to \$4,000. This was as a result of the DLAD survey. Mr. Strong was not eligible for such an increase because of his Union membership. Therefore, it is appropriate that the Union support his request for an equity adjustment.

Employer Position. The County Sanitarian position was created as of August 25, 1980 and his position and wages were negotiated into the 1980-81 labor contract by arms length negotiations considering the duties, training, and experience which he possessed. The 1980-81 contract went to arbitration and no issue was made as to his salary inequity. There is no merit in trying to compare salaries of other county sanitarians where positions, workload, and qualification of individuals vary substantially. The request for a \$2700 per year salary adjustment is unreasonable on its face.

Comment. The Employer's last statement is in error, the per year salary adjustment requested is \$1350. The Union has shown the number of staff involved in each County (Union Exhibit 17). It would seem that the position might be comparable to other rural counties like Juneau, Jackson, Trempealeau, and Crawford and the 1981 Vernon County salary is low in comparison to them.

RECLASSIFICATION OF LINDA MARTIN

Union Position. The Union wants Ms. Martin's classification changed from Clerk II to Clerk III. Union Exhibit 16 describes the Clerk III position and Ms. Martin testified at the hearing concerning her duties and activities. She testified that she had met the qualifications of the position and that she was performing many of the examples of the work performed. The Employer did not refute the testimony.

The Employer objected to this issue as improper for the arbitration but the Employer did not seek to have it declared a permissive subject of bargaining so it is properly before the Arbitrator.

Employer Position. The Employer contends that the Union properly took it up as a grievable matter. The Personnel Committee denied the grievance (Employer Exhibit 9) but the Union may still appeal this decision to the WERC. It is elemental that neither this decision on grievance nor the underlying discretionary policy decision on promotion within the contract rules may be revised by an arbitrator.

Comment. I agree with the Union that if the Employer objected to the inclusion of this item in the Union's Final Offer, the objection should have been raised earlier.

However, it probably would have been better if this reclassification had been pursued through an appeal to the WERC. There the issue could have been pursued in some depth. It is difficult for the Arbitrator to make a judgment on the reclassification on the basis of the limited testimony and exhibits.

Employer Exhibit 9 shows the judgment of the Personnel Committee that Ms. Martin's job duties do not carry the responsibility contemplated in the exhibit of her grievance, that her tenure with the County is relatively short (1½ years) and that her Employee Evaluation pointed out some deficiencies. Also, subsequent to the filing of her grievance, Ms. Martin decided not to apply for a different Clerk III position, carrying more responsibility than her current position. Thus, the County did have some basis for the Personnel Committee decision.

As indicated above, the Arbitrator would find it difficult to decide which position is more reasonable on this issue.

WAGES

This seems to be the major issue in this dispute. The Union is proposing that wages on individuals and minimums be increased 7% retroactive January 1, 1982; 2% retroactive July 1, 1982; 7% effective January 1, 1983; and 2% effective July 1, 1983. This results in increases for full-time employees of \$59.04 on 1/1/82; \$18.05 on 7/1/82; \$64.44 on 1/1/83 and \$19.70 on 7/1/83.

The Employer is offering a 6% wage increase on individuals and minimums retroactive to January 1, 1982 based on the stipulated average unit wage of \$843.72, resulting in an increase of \$50.62 per month, with part-time employees to have pro-rata increases.

Union Position. The cost of the Union's offer is approximately 8% each year. In comparing 1981 wages (Union Exhibits 3, 4, 5, and 6) the following Vernon County maximum rankings are: Social Worker I, 9th out of 13 counties; Social Worker II, 13th out of 13; I. M. Worker, 14th out of 14, I. M. Assistant, 13th out of 13; Clerk-Typist II, 12th out of 12; Clerk Typist I, 9th out of 9; Deputy Clerk of Courts, 13th out of 14; Zoning Administrator, 12th out of 13.

The 1982 wage settlements in surrounding Courthouse and/or Social Service units are:
 Buffalo - 9½ or 4½ and \$60/mo. whichever is greater
 Crawford - 7.8% or 47¢/hr. whichever is greater
 Jackson - 6% on 1/1/82, 3½% on 7/1/82
 La Crosse - 5% on 1/1/82, 4% on 7/1/82
 Monroe - 8.3%
 Trempealeau - 9% or 57¢/hr. whichever is greater

Vernon County employees lag far behind their counterparts in neighboring counties. The County's offer of 6% is much less than that received by employees of other counties in 1982. The Union proposal is more in line with those of neighboring counties and is lower than some.

The County's proposal does not lessen the gap between wages in Vernon County and other Counties, but, in fact, widens the existing gap. Even the Union's 1982 wage proposal does not lessen the gap because it generates a similar or smaller percent increase on a smaller wage base. The Union's 1982 proposal would not "catch up" to surrounding areas. The Vernon County employees will still lose in comparison to surrounding counties. The 1983 proposal may provide some catch-up.

Ms. Everhart testified that the non-Union employees received increases ranging from \$2,000 to \$4,000 because of the DLAD study and yet the County only offers a yearly increase of \$607 to Union employees. The Union's final offer generates yearly increases of \$816.78 in 1982 and \$891.48 in 1983, a far cry from the \$4,000 given to non-Union employees.

During 1981 the Cost of Living Index increased by about 8.7% to 8.9%. Many arbitrators have concluded that the Cost of Living for the previous year should be utilized in justifying current wage increases. Therefore, the Union's 1982 proposal, generating an 8% cost increase in wages is more appropriate than the County's 6% proposal.

Union Exhibits 7 and 8 indicate that members of Local 2918 have lost real income over the past four years due to cost-of-living increases in excess of wage increases.

While the Highway and County Home settlements were less than what the Union is seeking here, serious factors were involved. A citizens' group made a substantial campaign against wage increases in the Highway and Home and called for the County to "contract out" those services. The Highway and Home employees accepted lesser wage increases to pacify the public and maintain their jobs. They were not happy as the Employer might have you believe, about accepting the lesser increase.

On ability to pay, the Union has presented Exhibits that clearly show that Vernon County is behind in wages and benefits. The question arises as to how to "catch up" to other counties. During previous years, the County has contended that it is unreasonable to "catch up" during years of high inflation. Now the County claims that it is unreasonable to "catch up" because of unstable economic conditions. It appears that excuses can be made during any term of negotiations. It is the Union's position that it is easier to "catch up" during a less inflationary time because of the lesser amount of dollars involved.

Although there was testimony about the economic plight of Vernon County and farmers in the County, Mr. Klos did state that revenues could be generated to cover the additional costs. Based on that, the Union believes that inability to pay is not an issue here.

Employer Position. The Consumer Price Index increase for the first seven months of the 1982 contract year was 5.4% (Employer Exhibit 1). For years Vernon County has been told in arbitrations that the Arbitrator's decision was in favor of the Union principally based

upon the higher price index of the year of the contract application, and ignoring the prior year index, during which the negotiations were principally conducted. We suggest that consistency of application give the 5.4% price index paramount influence. The twelve month index for 1982 will probably show an increase of 4 to 4.5% (late exhibit, Oct. 27, 1982, Milwaukee Journal article). Trends and forecasts indicate a downward trend for 1983. The Union's Exhibits 7 and 8 show a slight drop in real wages between 1978 and 1981 but during that inflationary time most Wisconsin wage earners did not keep up with inflation.

Arbitrators give considerable weight to other County settlements with other unionized employees. The Highway Union has settled for a 5 $\frac{1}{4}$ % increase in 1982 and 5% for 1983 (County Exhibits 2 and 3). The largest County unit, the Vernon County and Vernon County Manor institutions have voluntarily settled for an effective annualized increase over 18 months of 4 $\frac{1}{2}$ % (County Exhibits 4 and 5).

Vernon County is consistently one of the poorest counties in the State as measured by the only test--per capita income (Exhibit 6, Wisconsin Blue Book). If one ignores the northern counties and Menominee County, Vernon County is the poorest and least able to pay higher wages and fringes of all the immediate area. Other than Adams County, all other Union comparables have lower per capita income than Vernon. Adams is unique because of the large non-resident recreation-oriented tax base.

The 13 counties used in the Union comparisons have an average per capita income of \$5,305 compared to Vernon's \$4,795, or a difference of 10.64%. La Crosse is 22.69% higher and Wood is 33.56% higher.

Vernon County is 66% agricultural for valuation and its farms are small (Exhibit 7) and contain much non-productive area because of terrain. As a result of its low incomes Vernon County has traditionally lagged behind most other area counties in wages and fringes. County Exhibit 8 shows 1981 comparisons with Iowa, Juneau, and Richland County being those most comparable to Vernon in resources. Vernon County does show some comparability to those Counties in wages paid.

The low per capita income in Vernon County means that the average return to those in agriculture, business, other self-employment and private and public salaries are below those of surrounding counties. Thus, private salaries including farming are less than surrounding counties. It is not unreasonable that public salaries and fringes be slightly lower than surrounding counties. This discounts any "catch-up" theory.

Vernon County has a higher proportion of aged than most counties (Employer Exhibit 10). Vernon County farm income is down substantially from 1981 with very significant drops in the prices of milk, corn, and tobacco. Meanwhile, farm costs are up substantially. (Testimony of Mr. Nerison and Employer Brief, p. 5.)

The tax levy in Vernon County increased from \$1,210,648 in 1981 to \$1,630,441 in 1982, an increase of 34.7%. This was the highest increase of all Wisconsin counties. Tax delinquency increased from \$166,879 in 1981 to \$624,628 in 1982 (testimony at the hearing, substantiated in Exhibit 11 attached to Employer Brief). The increase in uncollected taxes (\$457,749) is \$37,957 more than the total levy increase so in spite of a 34.7% levy increase the County had less money to spend in 1982.

Vernon County was among the 4 highest counties in delinquency rate increases in both 1980 and 1981 (Employer Exhibit 11). In 1980 the state-wide increase was 23.3%, compared to 49.6% for Vernon County. In 1981, the state-wide change was a 28.6% increase from 1980. For Vernon County it was 69.4%.

TOTAL COST - FINAL OFFERS

Union Position. The Union estimates the total cost of its 1982 offer at 8.9% with wages 8%, Martin Reclassification .2, Sanitarian adjustment .4, on-call increase .2, vacation .1. For 1983, the increase would be 8.5% with wages at 8%, Sanitarian adjustment at .4, and vacation at .1.

The Union estimates the County's 1982 offer at 6% (Union Brief, p. 19).

Employer Position. A Union request for 1982-83 totalling 19.1% wages only, plus about 3% in fringe improvements, after a 1980-81 increase in excess of 22% on wages alone, plus substantial increases in fringes, is on its face unreasonable.

Comment. The Union summary does not note the fact that base wages would rise 9% in each of the two years. The split increase in each year would add to cost increases the following year. The Union does not also include in the Employer's Offer the cost of benefits already granted for 1982; increase in sick leave accumulation and the health insurance contribution. The Employer does not explain how he arrived at the 3% fringe benefit figure for 1982-83.

DISCUSSION - THE UNION SIDE

The Union is asking the Arbitrator to approve a big package--wage increases that will raise the wage base by over 18% in two years, increases in five fringe benefits, an equity wage adjustment, a reclassification, and a Fair Share contract clause.

While it is true that Vernon County ranks very low in wages and fringes in comparison with neighboring Counties, it is also true that it is one of the poorest counties in the area in per capita income. If the comparisons are limited to several of the lower income neighboring counties, as in Employer Exhibit 8, Vernon County does not look quite so low.

When the 1981 C.P.I. change is considered the Union's 1982 wage proposal is reasonable. Its 1983 wage proposal is in excess of the probable increase in the C.P.I. for 1982.

There is much appeal in the Union's request for a two-year contract for 1982 and 1983 in view of the fact that this is already November of 1982. One disadvantage as I have noted earlier is that an arbitrator would have decided four years of wage increases--1980, 1981, 1982, 1983, plus some other issues. Is this good for collective bargaining?

While the Union is critical of the D.L.A.D. increases for non-union employees in Vernon County, this should be helpful in the long run in raising all of the County's wages, Union and non-Union. The County's action in the D.L.A.D. cases is a recognition that its wage levels have been low.

The Union does show that its proposed 1982 wage increase is in line with other neighboring counties, although I note that Crawford County, which also has low per capita income, gave 7.8% increases, compared to the Union's request of a 9% increase base pay, with an 8% impact in 1982.

The Union Brief, p. 9, says, "Although there was testimony about the economic plight of Vernon County and farmers in the County, Mr. Klos did state that revenues could be generated to cover the additional costs. Based on that, the Union believes that inability to pay is not an issue here." The Employer has shown and the Arbitrator is convinced that ability to pay is an issue here. While it is true that legally the Employer could grant the Union demands and could eventually raise or borrow the necessary revenues, that is not to say that the economic situation of the tax payers should be disregarded. Ability to pay is an issue.

The strongest Union arguments are the reasonableness of its wage and fringe demands in comparison with other counties. The weaknesses of the Union case are the lack of consideration for ability to pay, the size of the package it is proposing, and the size of the proposed wage increases in comparison to other Vernon County settlements.

DISCUSSION - THE EMPLOYER SIDE

The Employer makes a good case for a more moderate wage increase than the Union is requesting. Vernon County's low per capita income, the sharp rise in tax delinquency, and the sharp drop in 1982 farm income all point in the direction of a moderate wage increase such as the County is proposing.

The County's proposed increase is a little higher than that given the Highway and Institution employees so this bargaining unit is not being treated unfairly in that respect.

Usually I believe arbitrators look to the previous year's increase in the C.P.I. in looking at a future inflation adjustment. In that respect, the Employer's 6% wage increase for 1982 is below the 8.7% to 8.9% C.P.I. increase in 1981. It is also below what neighboring counties have granted.

I agree with the Employer that the Union is requesting too large a package of wages, fringes, and other adjustments at a time when the tax payers of Vernon County, mostly rural, are experiencing real economic hardship as shown by farm product price drops and real estate tax delinquency.

The chief disadvantages of the Employer offer for 1982 are (1) that the employees will lose a little in comparison to employees in neighboring counties and (2) that the parties would be making a late start on negotiations for a 1983 contract.

I would like to reiterate what I said in my 1980 decision involving this same Union and Employer: "While Vernon County is a low income county, the surrounding counties are also significantly below the State average" (such as Adams, Crawford, Iowa, Juneau, and Richland). The Employer has recognized this, in part, in his Exhibit 8.

The County in a way has acknowledged that its salary levels are low by giving substantial increases to non-Union employees involved in the D.L.A.D. survey. It must also move toward providing higher professional salaries for the social workers and other professional workers in this bargaining unit.

I think Fair Share will eventually be a part of the Vernon County labor contracts, either through voluntary bargaining or an arbitration decision.

CONCLUSION

There was merit in the proposals of both parties, but in view of the current economic situation in Vernon County and for other reasons cited earlier, I find the Employer Final Offer more reasonable.

I am concerned about the lateness of bargaining for 1983 and I am taking the liberty of making a few suggestions which the parties of course can accept or reject. In the interests of getting an early 1983 settlement, I suggest that the Union limit itself to two or three fringe benefits, that it defer Fair Share, and that it defer the reclassification or take it to the WERC. I suggest that the Employer bargain over an increase in the Sanitarian's wage and that a reasonable wage increase for 1983 be negotiated.

AWARD

The final wage offer of the Employer along with the stipulations of the parties are to be incorporated into the 1982 collective bargaining agreement between Vernon County and Local 2918, WCCME, AFSCME, AFL-CIO.

November 19, 1982

Gordon Haferbecker
Gordon Haferbecker, Arbitrator