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DEC 13 1983

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

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In the Matter of the Petition of :
MARATHON TEACHERS ASSOCIATION : Case V
To Initiate Mediation-Arbitration: No. 29807
Between Said Petitioner and : MED/ARB-1693
SCHOOL DISTRICT OF MARATHON : DECISION No. 19898-A
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APPEARANCES:

Mr. William G. Bracken, Membership Consultant, Wisconsin Association of School Boards, appearing on behalf of the School District of Marathon.

Mr. Thomas J. Coffey, Executive Director, Central Wisconsin UniServ Council-North, appearing on behalf of the Marathon Teachers Association.

BACKGROUND:

On May 26, 1982, the Marathon Teachers Association, hereinafter referred to as the Association, filed a petition with the Wisconsin Employment Relations Commission to initiate mediation-arbitration proceedings pursuant to Sec. 111.70(4)(cm)6 of the Municipal Employment Relations Act. Thereafter the parties met with an investigator from the WERC in an attempt to resolve the dispute concerning the terms of the 1982-83 master agreement between the Association and the School District of Marathon, hereinafter referred to as the District, Board or Employer. The Commission's investigator concluded that the parties were deadlocked in their negotiations and final offers were submitted. Thereafter, the Commission issued an order appointing the undersigned to serve as Mediator/Arbitrator for the purpose of resolving the impasse which existed between the parties.

Subsequent to the selection of the Mediator/Arbitrator, the Commission received a request from at least five citizens of the jurisdiction which was served by the District, requesting that the initial mediation-arbitration session be held in public for purposes of providing both parties an opportunity to explain their final offers and present supporting arguments for their positions, and to allow members of the public to offer their comments and suggestions. On December 2, 1982, a public hearing was held.

Subsequent to the conclusion of the public hearing, the Mediator/Arbitrator met with the parties in an attempt to resolve the dispute through mediation. The mediation effort proved unsuccessful, and an arbitration hearing was held on January 24, 1983. The parties were given full opportunity to present evidence and testimony and to make oral argument. No transcript of the proceedings was made; the parties elected to submit post-hearing briefs.

ISSUE

The only remaining unresolved issue between the parties which was certified in the final offers of the parties by the WERC is a question of the salary schedule for the 1982-83 school year:

Employer Final Offer:

\$12,825 base salary on existing schedule. 4.5% of base salary as vertical increment on existing salary schedule. \$200 horizontal lane differential on existing schedule.

School District of Marathon
Board of Education Final Offer

Step	Base	B	B+8	B+15	B+13	M	M+6
1	0	\$12,825	\$13,025	\$13,225	\$13,425	\$13,625	\$13,825
2	1	13,402	13,602	13,802	14,002	14,202	14,402
3	2	13,979	14,179	14,379	14,579	14,779	14,979
4	3	14,556	14,756	14,956	15,156	15,356	15,556
5	4	15,133	15,333	15,533	15,733	15,933	16,133
6	5	15,710	15,910	16,110	16,310	16,510	16,710
7	6	16,287	16,487	16,687	16,887	17,087	17,287
8	7	16,864	17,064	17,264	17,464	17,664	17,864
9	8	17,441	17,641	17,841	18,041	18,241	18,441
10	9	18,018	18,218	18,418	18,618	18,818	19,018
11	10	18,595	18,795	18,995	19,195	19,395	19,595
12	11	19,172	19,372	19,572	19,772	19,972	20,172
13	12	19,749	19,949	20,149	20,349	20,549	20,749
14	13					21,126	21,326

Association Final Offer:

\$13,125 base salary on existing schedule. 4.5% of base salary as vertical increment on existing schedule. \$225 horizontal lane differential on existing schedule.

MARATHON TEACHERS ASSOCIATION FINAL OFFER

BS	BS+8	BS+16	BS+24	MS	MS+6
\$13,175	\$13,400	\$13,625	\$13,850	\$14,075	\$14,300
13,768	13,993	14,218	14,443	14,668	14,803
14,361	14,586	14,811	15,036	15,261	15,486
14,954	15,179	15,404	15,629	15,854	16,079
15,547	15,772	15,997	16,222	16,447	16,672
16,140	16,365	16,590	16,815	17,040	17,265
16,733	16,959	17,183	17,407	17,633	17,858
17,326	17,551	17,776	18,001	18,226	18,451
17,919	18,144	18,369	18,594	18,819	19,044
18,512	18,737	18,962	19,187	19,412	19,637
19,105	19,330	19,555	19,780	20,005	20,230
19,698	19,923	20,148	20,373	20,598	20,823
20,291	20,516	20,741	20,966	21,191	21,416
				21,784	22,009

Statutory Criteria

Section 111.70(4)(cm)7 requires that the Mediator/Arbitrator consider the following criteria:

- 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 employes involved in arbitration proceedings with the wages, hours and conditions of employment of other employes generally in public employment in the same community and in comparable communities and in private employment in the same community and 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 employes, 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

ASSOCIATION'S POSITION

The Association contends that its final offer, which has a base salary of \$13,175, represents an 8.65% increase while the District's offer, with a \$12,825 base represents only a 5.7% increase. The Association argues that its final offer is the more reasonable offer, when relevant statutory criteria are applied and voluntary settlements in comparable school districts are taken into account.

The Association states that there are a number of factors in establishing comparability. These include geographic proximity, size of the school district, cost of education per student, tax rate similarity, number of F.T.E.'s, and number of students. The Association has created three comparability groups: all school districts within a one hundred mile radius of Marathon which have reached settlement for the 1982-83 school year and have between 0-106 F.T.E.'s (52 other districts); all school districts within a one hundred mile radius of Marathon which have reached settlement during the 1982 calendar year for the 1982-83 school year and have between 0-106 F.T.E.'s (39 school districts); neighboring school districts with more than 106 F.T.E.'s (4 school districts). The Association contends that the comparability groupings are appropriate in terms of the foregoing factors, as well as dicta from past arbitration awards.

In regard to cost of education per student, the Association points out that Marathon is below the average of the Association's chosen comparable groupings. Marathon's tax rate is also below the average tax levy. Marathon is also slightly below the average in both F.T.E.'s and student enrollment.

Arguing that the Board's reliance on a prior arbitration award involving the same parties should not be dispositive of the issues involved in comparability, the Association points out that the voluntary settlements in neighboring Edgar and Mosinee should be disregarded because data from only two school districts is simply not enough to form a pattern. The Association points out that their 39 similar-size school districts in the general geographic area gives a clearer pattern of settlement trends among Wisconsin's smaller, mostly rural school districts.

The Association supports the reasonableness of its salary demands by comparing its salary schedule with that of 39 settled school districts within a one hundred mile radius of Marathon. By comparing the historic ranking of Marathon teachers at the various stated benchmarks, the Association demonstrates that its final offer is consistent with the pattern of settlement in these districts. Furthermore, if the employer's final offer were to be accepted, argues the Association, further erosion of Marathon teachers vis a vis teachers in comparable districts will occur.

The Association also argues that the salaries for Marathon teachers have suffered considerably since 1978 because of inflationary pressures. The Association points out that its final offer still represents a loss when compared to the CPI. The loss would be still greater if the Board's final offer were to be accepted. In addition, evidence submitted by the Association demonstrates that the wage rate for the average teacher, when compared with the income needed to maintain an intermediate standard of living, has declined substantially since 1971. The Association anticipates that the Board will urge the Arbitrator to disregard the five year cost-of-living study showing the erosion of teacher salaries during this period of inflation; but, argues the Association, an historical perspective is appropriate and necessary in order to understand the impact of consistently low salary increases which have plagued Marathon teachers.

The Association argues that the interests of the public served by the District would not be harmed by the adoption of its final offer. The District's cost per pupil and levy rate are below the average of the Association's list of comparable school districts, demonstrating that there is no evidence of inability to pay the amount required to fund the Association's final offer. The Association maintains that nothing in the record demonstrates that the District's financial situation is different than comparable school districts which have reached settlement during this same economic climate: "The District does not present one scintilla of specific evidence that shows the economic conditions of the Marathon District are uniquely different from comparable school districts that have voluntarily settled for 1982-83 during this current bargaining season."

Furthermore, it is clearly in the public interest to maintain somewhat competitive wage rates to retain quality staff, according to the Association. The Association believes its wage offer is simply an attempt to keep pace with wage rate increases granted by other Wisconsin school districts. The Association points out that there is no evidence to indicate that the acceptance of the Association's final offer will result in a change in the tax levy or interfere with the educational programs anticipated by the administration. The additional expenditure necessitated to fund the Association's final offer as opposed to the District's final offer is viewed by the Association as "de minimis".

The Association concludes its arguments by pointing out that settlements in comparable school districts would appear to be the fairest criteria to utilize in determining which of the final offers should be accepted, even if the citizens in the area served by the school district are upset with the economic climate in that district. After all, argues the District, other districts which have granted the kind of increase requested by the Association have been subjected to the same economic impact as Marathon; there is no justification for requiring Marathon teachers to accept a smaller wage increase than that granted to teachers in comparable school districts.

DISTRICT'S POSITION

The District argues that for comparability purposes, the same school districts that were selected by Arbitrator Richard G. Miller in a prior arbitration proceeding between these same parties, should be adopted by the undersigned Arbitrator. These districts include Abbottsford, Athens, Edgar, Mosinee, Spencer and Stratford. The District maintains there is no reason not to utilize comparables which were previously adopted only two years ago. The District argues that the parties have come to rely upon these comparables, and that these districts are clearly comparable to Marathon for their geographic proximity, as well as shared labor market, shared educational services, similar community of interest, reliance on a predominantly agricultural environment for property base, and the fact that five out of the six comparable districts are in the same athletic conference as Marathon.

The District argues that the Association's list of comparable school districts based on a one hundred mile radius is clearly unreasonable. The Employer points out that the Association's comparability groupings cover over three-fourths of the entire state and display great disparity in terms of enrollment, F.T.E.'s, cost per member, equalized valuation per member and levy rate. The Employer maintains that the Association's "shotgun" approach to comparability overlooks the normal and traditional analysis that arbitrators have utilized for establishing comparability, and should be rejected in its entirety. The District argues that no reasonable valid comparisons could be made when there are such extensive differences between the districts chosen to establish comparability. As to the third comparability grouping proposed by the Association, the District maintains that Marathon is not comparable to any of these school districts. This group includes Wausau, which is over ten times as large as Marathon, and the other districts in the No. 3 comparability grouping are also much larger than Marathon.

The District objects to the inclusion of several of the comparables utilized by the Association because their salary schedules are part of a multi-year agreement. Such multi-year agreements, argues the District, diminish the persuasive value of their salary schedules because they were negotiated in a totally different economic environment. The Employer points out that the timing of settlements is a factor which must be taken into account when comparable districts are being selected. The District further points out that during negotiations for the 1982-83 collective bargaining agreement, the District made significant concessions to the Association. The Employer urges the Arbitrator to take into account these concessions when determining which of the final offers is the more reasonable.

The District further argues that the evidence submitted at the hearing shows an economic environment which would make the selection of the Association's final offer "ludicrous on its face". Evidence submitted at the hearing demonstrates that the nation's output in sales have been stagnant for three years, that U.S. factories are operating at 67.8% of their capacity,

that unemployment in the United States is significant, capital spending has decreased, and that Marathon County's unemployment rate was 2% above the State's average unemployment rate during the first half of 1982; delinquent real estate taxes in Marathon County increased by more than 50% from 1980 to 1981 (double the average rate for the entire state), and property tax delinquencies have doubled in the past two years.

Given the economic environment during which these parties negotiated for salary increases, the District's final offer is more reasonable than the Association's, because it strikes an appropriate balance between the general public interest and employee interest. Many arbitrators have recognized the significance of the general economic environment during which negotiations take place, and have concluded that the impact of the economy on the general interest and welfare of the public may be the most important statutory criterion.

The Employer maintains that its offer compares favorably with neighboring school districts. The District points out that in the past four years the overall ranking in average salaries of Marathon teachers, compared with teachers in comparable school districts, shows that Marathon teachers have made "great strides." By comparing 1981-82 salaries and relative rank of Marathon teachers with those of comparable districts, the Board argues that Marathon teachers enjoy salaries which rank close to the very top, and that the average salary for Marathon teachers is substantially above the average. The District maintains that Marathon's superior salary level is due in part to the substantial increment which it pays to its teachers.

The Board also contends that when compared to the three districts which have settled their 1982-83 salary schedule, the District's offer of 8.1% is only slightly below the voluntary settlements, whereas the Association's final offer exceeds the "going rate" by more than two percentage points. These comparisons demonstrate, according to the Employer, the reasonableness of the District's final offer. The District points out that, if its final offer is accepted, the competitive advantage enjoyed by Marathon teachers will be maintained and that the Board's offer is consistent with the single digit trend of settlements among comparable school districts.

The District points out that both its offer and that of the Association exceeds the cost-of-living indices, but that the Association's final offer exceeds the CPI increase by nearly twice the relevant rate. This is unreasonable and excessive, argues the Employer. The District maintains that the Association cannot justify an 11% offer when inflation has leveled off and is running at only approximately 5%. Since the Board's offer is substantially above the CPI, Marathon teachers will gain in buying power even if the Board's final offer is accepted.

The District states that Marathon teachers enjoy many fringe benefits including sick leave, personal leave, bereavement leave, longevity pay, health and dental insurance contributions, fully paid retirement contributions, as well as non-economic job security provisions. The Employer maintains that these benefits provide an extremely competitive and secure working environment for Marathon teachers and, given the extensive nature of these additional benefits, there is no evidence to indicate that Marathon teachers need a greater increase than that being offered to teachers in comparable school districts. Thus, the District's 8.11% increase is reasonable and strikes a compromise between the legitimate concerns of the general public and the excessive demands of the Association.

DISCUSSION

Sec. 111.74(c)(m)7 Wis. Stats. requires the Mediator/Arbitrator to give consideration to the comparison of wages in both public and private employment in "comparable communities." The

parties are in marked disagreement as to the appropriate comparable school districts. The Employer maintains that the six other school districts previously used by a different arbitrator in an arbitration proceeding between these same parties constitutes an appropriate group of comparable school districts. The Association contends that 39 selected school districts within a one hundred mile radius of Marathon constitutes an appropriate group of comparables.

In determining which districts are comparable, consideration should be given to those districts which compete most directly in the same labor market and, by reason of their size, wealth, and proximity are deemed to be the most similar to the Marathon School District. The undersigned Arbitrator believes that the comparable districts proposed by the Employer are more like Marathon than the extremely diverse group of districts proposed by the Association. The undersigned agrees with Arbitrator Richard U. Miller wherein he concluded:

"Based on characteristics of location, number of teachers, student enrollment, community population, and school tax rate, among others, the following districts seem most comparable to Marathon: [Abbottsford, Athens, Edgar, Spencer, Stratford, Mosinee]

These districts appear to...reflect the influence of the Wausau urban area. They are more or less satellites of Wausau, although not directly incorporated in the urban center and thus comprise what is generally referred to as an orbit of coercive comparison." (School District of Marathon, Decision No. 18110-A, 1/25/81.)

The record in this case indicates that the School District of Marathon, besides having geographic proximity to the six other districts listed above, is similar to these districts in terms of enrollment, number of F.T.E.'s, pupil-teacher ratio, budget expenditure per pupil, and actual cost per pupil.

It is also important to note that this group of proposed comparables was used two years ago as the basis for establishing the previous salary schedule. As the District properly points out, reliance on this group of comparables helps lend some "predictability" and "rationality" to this process. The element of predictability is an important goal of the mediation/arbitration process. Unless there are strong factors suggesting that these comparables are now inappropriate, it seems desirable to outline one's universe by relying on consistent touch-stones. Use of past arbitral precedent is certainly one of those touch-stones, especially when that arbitral precedent involves the same parties.

The Association maintains that, since only Mosinee, Spencer and Edgar have reached voluntary settlements for 1982-83 salary schedules, reliance on the Employer's list of comparables is inappropriate. The Association overlooks the fact that all six districts at the time of the hearing had certified final offers or salary schedules in place for the 1982-83 school year. This information provides a workable framework within which to make salary comparisons.

The following tables have been prepared from evidence in the record, primarily utilizing District Exhibits 14 through 34. These tables give an historical analysis of salaries for the Marathon School District relative to the six other comparable school districts at five designated benchmarks. The five year analysis shows the dollar as well as position relationship of Marathon teachers vis a vis teachers in neighboring districts.

B.A. BASE

	<u>78-79</u>	<u>79-80</u>	<u>80-81</u>	<u>81-82</u>	<u>82-83</u>	
					w/Board Final Offers	w/Union Final Offers
Average for Six Comparable School Districts	\$ 9,829	\$10,368	\$11,075	\$12,013	\$12,719	\$12,894
Marathon School District	\$ 9,725	\$10,375	\$11,200	\$12,125	\$12,825 (B) \$13,175 (U)	\$12,825 (B) \$13,175 (U)
<u>+</u> Average:	-\$105	+\$7	+\$125	+\$112	+\$106 (B) +\$456 (U)	-\$ 89 (B) +\$281 (U)
Rank:	6/7	3/7	2/7	2/7	2/7 (B) 2/7 (U)	4/7 (B) 2/7 (U)

B.A. MAXIMUM
(0 Credits)

	<u>78-79</u>	<u>79-80</u>	<u>80-81</u>	<u>81-82</u>	<u>82-83</u>	
					w/Board Final Offers	w/Union Final Offers
Average for Six Comparable School Districts	\$13,924	\$14,732	\$16,185	\$17,495	\$18,462	\$18,773
Marathon School District	\$14,981	\$15,979	\$17,248	\$18,677	\$19,749 (B) \$20,291 (U)	\$19,749 (B) \$20,291 (U)
<u>+</u> Average:	-\$1,057	+\$1,247	+\$1,063	+\$1,182	+\$1,284 (B) +\$1,829 (U)	+\$ 97 (B) +\$1,518 (U)
Rank:	2/7	1/7	1/7	1/7	1/7 (B) 1/7 (U)	1/7 (B) 1/7 (U)

M.A. BASE

	<u>78-79</u>	<u>79-80</u>	<u>80-81</u>	<u>81-82</u>	<u>82-83</u>	
					w/Board Final <u>Offers</u>	w/Union Final <u>Offers</u>
Average for Six Comparable School Districts	\$10,624	\$11,218	\$12,005	\$13,064	\$13,828	\$14,068
Marathon School District	\$10,325	\$10,975	\$11,900	\$12,925	\$13,625 (B) \$14,075 (U)	\$13,625 (B) \$14,075 (U)
<u>±</u> Average:	-\$299	-\$243	-\$105	-\$139	-\$ 203 (B) +\$ 247 (U)	-\$ 433 (B) +\$ 7 (U)
Rank:	7/7	5/7	3&4/7	4/7	4/7 (B) 3/7 (U)	5/7 (B) 4/7 (U)

M.A. MAXIMUM
(0 Credits)

	<u>78-79</u>	<u>79-80</u>	<u>80-81</u>	<u>81-82</u>	<u>82-83</u>	
					w/Board Final <u>Offers</u>	w/Union Final <u>Offers</u>
Average for Six Comparable School Districts	\$15,612	\$16,495	\$17,889	\$19,390	\$20,458	\$20,850
Marathon School District	\$16,019	\$17,046	\$18,452	\$20,023	\$21,126 (B) \$21,784 (U)	\$21,126 (B) \$21,784 (U)
<u>±</u> Average:	+\$407	+\$551	+\$563	+\$633	+\$ 668 (B) +\$1,326 (U)	+\$ 276 (B) +\$ 934 (U)
Rank:	2/7	2/7	2/7	2/7	2/7 (B) 2/7 (U)	2/7 (B) 2/7 (U)

SCHEDULE MAXIMUM

	<u>78-79</u>	<u>79-80</u>	<u>80-81</u>	<u>81-82</u>	<u>82-83</u>	
					<u>w/Board Final Offers</u>	<u>w/Union Final Offers</u>
Average for Six Comparable School Districts	\$15,925	\$16,950	\$18,320	\$19,904	\$21,028	\$21,457
Marathon School District	\$16,169	\$17,196	\$18,627	\$20,223	\$21,326 (B) \$22,009 (U)	\$21,326 (B) \$22,009 (U)
<u>± Average:</u>	+\$244	+\$246	+\$307	+\$319	+\$ 298 (B) +\$ 981 (U)	+\$ 131 (B) +\$ 552 (U)
Rank:	3/7	2/7	2/7	2/7	2/7 (B) 2/7 (U)	2/7 (B) 2/7 (U)

An overall review of the tables indicates that Marathon teachers are better paid than the average teacher in surrounding communities. For the past five years Marathon teachers have been improving in their rank relative to teachers in comparable districts. At three out of the five benchmarks, Marathon teachers will continue to enjoy their preferred ranking regardless of whether the District's or the Association's final offer is accepted. At the BA base, if the District's final offer is accepted and the three unsettled districts had board offers chosen by arbitrators, Marathon teachers would retain their ranking of second out of the seven districts and would earn \$106 more than the average teacher in comparable districts at this level. If board offers were accepted by arbitrators and the Association's final offer were chosen in the instant matter, Marathon teachers would still enjoy their rank of two out of seven and would earn \$456 more than the average teacher at the BA base in comparable districts. On the other hand, if association (union) final offers were accepted in the three unsettled districts and the District's offer were to be chosen in the instant case, Marathon teachers would slide to the rank of fourth out of the seven districts and would earn approximately \$69 less than the average teacher at the BA base level in comparable districts. If the Association's final offer were chosen in this case and association final offers were chosen in the three unsettled comparable districts, Marathon teachers would continue to enjoy their rank of two out of seven as well as receiving approximately \$281 above the average for teachers at the same level in comparable districts.

At the BA maximum point on the salary schedules, Marathon teachers ranked first among the comparables, and that ranking would not change regardless of which final offer were to be accepted. The dollar amounts, however, would increase substantially depending on which final offer is accepted in this case, and which final offers are chosen in the three unsettled school districts. It appears that the historic relationship between Marathon teachers and their counterparts in comparable districts would be maintained by selection of the Board's final offer. Traditionally, Marathon teachers have earned between \$1,000-\$1,200 more than their counterparts; that relationship is maintained under the Board's final offer, but the Association's final offer results in much higher increases (more than \$1,800 above the average if board final offers are accepted in the three unsettled districts and more than \$1,500 above the average if association final offers are accepted in the unsettled districts.)

The same deviation from the historical norm would occur at the MA base level under the Association's final offer. For the past several years, Marathon teachers have ranked approximately number four out of seven at the MA base level and have received between approximately \$100-\$300 less than their counterparts in neighboring districts. If board final offers are accepted in unsettled districts and the Employer's final offer is chosen in the instant matter, this historic relationship would continue (Marathon teachers would earn \$200-\$300 below the average for teachers in comparable districts, and the rank of Marathon teachers would remain four out of seven). If board final offers are accepted in comparable districts and the Association's final offer is chosen in this case, Marathon teachers would increase in rank and would earn \$247 more than their counterparts in neighboring districts. If Union final offers are accepted in the unsettled districts and the Board's offer is accepted here, Marathon teachers would suffer a slight erosion in their recent historic rank (they would slip to five out of seven) and teachers would earn \$443 less than the average in comparable districts; if association final offers are accepted in the unsettled districts and the Association's offer is accepted in this case, rank would be maintained and Marathon teachers would earn only \$7 above the average of comparable districts.

At the MA maximum and at the Schedule maximum, the historic rankings would not be altered by selection of either final offer; however, the historic relationship in a dollar sense between Marathon teachers and teachers in comparable districts favors the Employer's final offer. For example, at the MA maximum for the 1981-82 school year, Marathon teachers earned \$633 more than the average teacher at this benchmark in comparable districts; under the District's final offer (assuming board offers are accepted in unsettled districts), Marathon teachers would earn \$668 more than their counterparts in comparable districts. This dollar amount doubles if the Association's final offer is accepted. Even if association final offers are accepted in the unsettled districts, the Association's final offer in this case would result in a much higher increase for Marathon teachers (\$934 above the average). That same relationship exists for teachers at the Schedule maximum as well.

While analysis of the salary schedules using traditional benchmark placement may tend to favor the Employer's final offer, the undersigned feels that conclusions drawn from the foregoing analysis should not be dispositive of this matter. Both the Association and the Employer argue that their final offers address issues related to the interest and welfare of the public as well as the factor relating to "cost of living." The Employer maintains that its offer is consistent with arbitral precedent which argues against double-digit increases: "When in the midst of the most severe recession since the 1930's, an arbitrator should not award an 11% package as the Union has proposed." (Brief of Employer). The Association, on the other hand, maintains that the District clearly has the ability to pay the amount required by the Association's final offer, and that this conclusion is underlined by the fact that the District is presently spending at a per pupil cost below the average for comparable school districts. The Association contends that it is in the public's best interest to have well paid teachers so that these teachers can be retained by the school district. The Association also points out that Marathon teachers have suffered substantial losses in real purchasing power over the last five years.

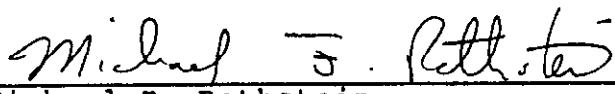
The undersigned believes that taking into account the evidence in the record as well as arbitral precedent for the period in question, the factors of public interest and cost of living favor the Employer's final offer. Settlements in both the private and public sector have tended to reject double-digit

increases. Given the high unemployment figures for the period in question, coupled with a substantial decrease in the rate of inflation, the undersigned concludes that the District's final offer is more reasonable. This is further supported by the fact that Marathon teachers will not suffer an erosion of their salaries vis a vis their neighbors under the District's offer.

AWARD

The final offer of the District is found to be the more reasonable and is hereby selected. The parties are further directed to incorporate into their 1982-83 collective bargaining agreement the final offer of the Marathon School District together with the stipulations of agreement between the parties as submitted to the Wisconsin Employment Relations Commission and the provisions of the 1981-82 collective bargaining agreement which have remained unchanged during bargaining.

Dated at Madison, Wisconsin, this 9th day of December, 1983.



Michael F. Rothstein
Mediator/Arbitrator