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In the Matter of Mediation/Arbitration Between)
)
 Prairie Farm School District)
)
 and)
)
 Northwest United Educators)

WISCONSIN EMPLOYMENT
 RELATIONS COMMISSION

Case VII No. 30297
 MED/ARB-1884
Decision No. 20218-A

Appearances: Mulcahy & Wherry, by Michael J. Burke, for the District
 Northwest United Educators, by Alan D. Manson, for the Union

On February 7, 1983, the Wisconsin Employment Relations Commission appointed John J. Flagler as mediator/arbitrator in the above captioned case. On March 4, 1983, mediation sessions were held which failed to resolve the dispute. Although some preliminary modification of offers were made, the parties reverted to their original positions and the arbitration hearing followed. The final positions on the sole issue remaining at impasse are:

Final Offer of Northwest United Educators
 For the 1982-83 Prairie Farm Contract
 Case VIII No. 30297 MED/ARB-1884

1. Except as provided in the stipulations or on this offer, the 1981-82 contract terms shall remain unchanged except to reflect a 1982-83 term.

2. Appendix A
 1982-83 Salary Schedule

Step	BA	BA+8	BA+16	BA+24	MA	MA+8
0	12,802	13,033	13,265	13,497	13,728	13,960
1	13,314	13,555	13,795	14,037	14,277	14,518
2	13,826	14,077	14,326	14,577	14,826	15,077
3	14,338	14,599	14,856	15,117	15,375	15,636
4	14,850	15,120	15,387	15,657	15,923	16,194
5	15,362	15,642	15,917	16,197	16,472	16,753
6	15,874	16,164	16,447	16,738	17,021	17,311
7	16,386	16,686	16,978	17,278	17,570	17,870
8	16,898	17,207	17,508	17,818	18,119	18,428
9	17,410	17,729	18,039	18,358	18,668	18,987
10	17,922	18,251	18,569	18,898	19,216	19,546
11	18,434	18,773	19,100	19,438	19,765	20,104
12				19,979	20,314	20,663
13					20,863	21,221
14						21,780

Final Offer of the Prairie Farm
 School District for a 1982-83 Contract
 Case VIII No. 30297 MED/ARB-1884

1. Except as provided in the stipulation or in this offer, the 1981-82 contract terms shall remain unchanged except to reflect a 1982-83 term.

2. Appendix A
 1982-83 Salary Schedule

Step	BA	BA+8	BA+16	BA+24	MA	MA+8
0	12,464	12,689	12,915	13,140	13,366	13,591
1	12,963	13,197	14,432	13,666	13,901	14,135
2	13,462	13,705	13,949	14,192	14,436	14,679
3	13,961	14,213	14,466	14,718	14,971	15,223
4	14,460	14,721	14,983	15,244	15,506	15,767
5	14,959	15,229	15,500	15,770	16,041	16,311
6	14,458	15,737	16,017	16,296	16,576	16,855
7	15,957	16,245	16,534	16,822	17,111	17,399
8	16,456	16,753	17,051	17,348	17,646	17,943

Step	BA	BA+8	BA+16	BA+24	MA	MA+8
9	16,955	17,261	17,568	17,874	18,181	18,487
10	17,454	17,769	18,085	18,400	18,716	18,031
11	17,953	18,277	18,602	18,926	19,251	19,575
12				19,452	19,786	20,119
13					20,321	20,663
14						21,207

Stipulations Between NUE and the Prairie Farm District
For the 1982-83 Contract
WERC Case VIII, No. 30297 MED/ARB-1884

1. New Article - Layoff.
2. Increase all miscellaneous dollar amount wage rates (Appendix B) by same percentage increase in BA Base.
3. 1982-83 Calendar as agreed to on 12/2/82 with the third snow day being made up only if it is a full day (on April 5).
4. New Article - Jury Duty (added to general provisions)
"Employees serving on jury duty shall be compensated their regular wages for each day of jury duty served. However, the employee shall submit all reimbursements for serving jury duty to the District."
5. General Provisions, Section 3 (Health Insurance):
Change \$107.83 to \$132.20.

Criteria to be Utilized
by the Arbitrator in Rendering the Award

The criteria to be utilized by the Arbitrator in rendering the award are set forth in Section 111.70(4)(cm), Wis. Stats., 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. Stipulation 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 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 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, 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.

Discussion

Of all the statutory criteria considered by interest arbitrators, greatest weight is usually given to wage comparability data. Labor market variables such as ability to pay as reflective of local economic conditions, and wage settlements in other units of government as well as in the private sector tend to be similar throughout a given regional economy. These latter factors merit special attention only to the extent that they differ markedly from like factors found in the other communities included in the comparison pool.

The market effect also subsumes the cost of living factor into wage comparasions among like-situated communities and seldom warrants separate analysis except in atypical situations. In short, wage comparability commonly proves the most determinative criteria because it embraces most of the other factors which shape wage decisions within the common economic watershed.

In the present dispute, the parties appropriately emphasize the comparability standard. The key arguments focus on disagreements over what should constitute:

1. The proper wage measure.
2. The "representativeness" of the competing versions of a valid comparison group.

The Wage Measure

The District objects to the Union's comparison of specific salary schedule benchmarks as misleading because it fails to measure the true value of the final offers and does not account the movement through the schedule. The District contends that the true value of the increase must be computed on the basis of the total wage bill.

The important consideration is that whatever the wage measure relied upon it must represent a valid statement of comparability, and its application must remain consistent. In plain fact, the comparison of increases at benchmark positions does make a valid statement about the propriety of the parties' final offers. The District relies on the precisely same wage measure on pages 28, 29, and 30 of its brief in arguing that its final offer is the more reasonable.

While contending for total wage increase as the significant measure, however, the District offers little comparability data using such a figure. The Union similarly fails to maintain consistency in its wage measure, i.e., the final offers are stated as raw percentage wage increases, but the Union submits comparability data in the form of weighted benchmark increases for districts throughout the Northwest Quadrant.

The benchmark comparisons are valid to the extent that they portray the differentials among salary schedules within any comparison sample. While this expression of salary structure does not state the actual wage bill of any given district, absent a companion position grid, the benchmark does show what the various districts are paying at fixed levels of training and experience.

Compensation specialists in the field of industrial relations customarily conduct wage and salary surveys in terms of benchmark jobs. These provide the most constant measure of wage relationships available. No compensation policy can be based solely on standardizing the average total salary among districts. To do so would require leveling the longevity and training features of the compensation program.

To impose parity between one district with a young, modestly credentialed teaching force and another with a well experienced, highly trained group of teachers would effectively discriminate against the latter while providing a windfall to the former. Accordingly, stability of wage relationships at the aptly named "benchmark" positions tends to maintain the integrity of a compensation policy in public education where index values historically have been assigned to separately reward experience and formal training.

The parties in the present dispute have buttressed their arguments with a variety of wage measures, including weighted averages, average total salary, and raw percentage increases at benchmark positions often comparing one measure to another, dissimilar measure.

In sum, while average total increases reflect the movement of teachers through the salary schedule, it is not the best measure of comparability unless it can be shown that the respective grids, or staffing matrices, are themselves essentially comparable. Neither can comparability be assessed from arraying weighted percentage wage increases against base percentage adjustments.

To put it mildly, such cross comparisons are unenlightening. In truth, the reliable body of data for purposes of an informed resolution of the present wage issue is the raw percentage increase and actual salary paid the benchmark positions among school districts in the Athletic Conference.

The Comparison Pool

Limiting salary comparisons to the Athletic Conference poses the problem of the small size of the sample with only four settlements in place. The sample group is further impaired by the inclusion of the Clayton settlement which exerts a strong gravitational pull on the other three which are, otherwise, fairly patterned.

The variance is so pronounced, in fact, that Clayton must be seen as non-representative of the sample. Indeed the average increase in most cells for the other three districts is almost triple that in Clayton, which was already the lowest paying district in the group. Hence, there is no justification for including this atypical settlement in any comparison among statistically "representative" districts.

Notwithstanding the small sample, the three remaining districts demonstrate a fairly high consistency not only in percentages of increase, but more importantly in the dollar amount at the various benchmark positions. Contrasting the Board's final offer with that of the Union's in terms of both dollar amount and percentage at each of the benchmark positions shows the Union's position to be the more reasonable.

Analysis of Difference Between Final Offers

Average of Conference	Difference in Board's Offer (\$)	Difference in Union's Offer (\$)	Difference in Board's Offer (%)	Difference in Union's Offer (%)
B.A. Minimum \$12,875	-\$411	-\$73	-2.32	+.53
B.A. Maximum \$18,473	- 520	- 39	-2.44	+.39
M.A. Minimum \$13,750	- 384	- 22	-2.43	+.43
M.A. Maximum \$21,055	- 734	-192	-2.39	+.43
Scheduled Max. \$21,798	- 591	- 19	-2.32	+.53

The analysis of these data reinforces the conclusion that Prairie Farm shares more in common with the salary positions, in the Birchwood, Bruce and Flambeau districts than with Clayton. More importantly, the analysis discloses that while the Union's final offer slightly improves the relative position of Prairie Farm within the comparison group, the final offer of the Board would significantly erode the District's teachers within the Conference.

For these reasons, the Union's position is found to be the more reasonable and the following award is, hereby, directed.

Award

That any and all stipulations entered into by the parties and NUE's final offer be incorporated into the 1982-83 agreement effective July 1, 1982.

5/9/83
Date

John J. Flagler
John J. Flagler, Arbitrator