

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

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In the Matter of Final and Binding Arbitration		
Between		WISCONSIN EMPLOYMENT RELATIONS COMMISSION
NORTHWEST UNITED EDUCATORS		MED/ARB 1789
and		Gordon Haferbecker, Arbitrator
SCHOOL DISTRICT OF BRUCE		August 1, 1983
		Decision No. 20282-A

APPEARANCES:

Alan Manson, Executive Director, Northwest United Educators, for the Union.
Edward J. Coe of Coe, Dalrymple, Heathman & Arnold, S.C. for the School District of Bruce.

BACKGROUND

On May 19, 1982, the parties exchanged their initial proposals on matters to be included in the first collective bargaining agreement for this unit--the non-professional employees of the District. The parties met on two occasions in efforts to reach an agreement. On June 28, 1982, the Union filed a petition requesting Mediation-Arbitration pursuant to the statute. David E. Shaw, a member of the Wisconsin Employment Relations Commission staff, conducted an investigation on October 6, 1982, which reflected a continued impasse. The parties submitted their final offers and stipulations of matters agreed upon by January 18, 1983.

The Investigator notified the Commission that the parties remained at impasse. On January 26, 1983, the WERC submitted a panel of mediator-arbitrators to the parties. The parties selected Dr. Gordon Haferbecker of Stevens Point as the mediator-arbitrator and he was appointed by the Commission on February 16, 1983.

The mediator met with the parties on April 19, 1983. Mediation was not successful and an arbitration hearing was held on the same date. Exhibits and testimony were presented at the hearing and it was agreed that certain additional exhibits would be sent to the arbitrator later.

Briefs were to be submitted on May 23, 1983 but the parties requested two extensions of time to June 17, 1983. This was granted and the briefs were received by June 20, 1983. The reply briefs were also delayed but were received by July 21, 1983.

FINAL OFFERS

School District of Bruce. The District and Northwest United Educators have agreed upon a collective bargaining agreement for the 1982-83 school year except for the hourly salary rate of secretaries in Article XVI, Item 9. The School District of Bruce makes as its final offer, an hourly salary rate of \$5.64 per hour.

Northwest United Educators. The rate for secretaries in the 1982-83 agreement (Article XVI Salaries) shall be \$6.25 per hour. 2. All other items as agreed to in attached stipulation.

STATEMENT OF THE ISSUE

There is only one issue in dispute in this arbitration. It is the wage rate for three secretaries in the 1982-83 school year. All other items have been agreed to, and implemented in the initial collective bargaining agreement for the Bruce Associate staff. In addition to the secretaries, the agreement covers the non-supervisory cooks, bus drivers, custodians, teacher aides, and a mechanic.

The District is offering an increase of 8.5% to these secretaries, the same general increase as that given to other members of the bargaining unit. The Union is arguing for a 20% increase, to keep the four secretaries in the bargaining unit at a uniform rate for 1982-83; they were all at the same rate in 1981-82.

The following data shows the secretarial salaries, both in and outside the bargaining unit for 1980-81, 81-82, and proposals for 1982-83.

	1980-81	1981-82	1982-83
High School Secretary	\$4.65/hr.	\$5.20	\$5.64 Bd. 6.25 U
Elem. School Secretary	4.50	5.20	5.64 Bd. 6.25 U
Library Aide	4.90	5.20	5.64 Bd. 6.25 U

	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
Head Bookkeeper	\$4.50/hr.	\$5.20	\$6.25
Admin. Conf. Secretary (non-union)		4.20	5.75

The issue concerns the 1982-83 salary for the first three positions listed. The fourth position, the head bookkeeper, was not originally in the bargaining unit but the WERC recently ruled that the position should be in the unit (5-3-83). Prior to that determination, the District had determined her salary as confidential bookkeeper to be \$6.25 for 1982-83, a 20.2% increase. The Union has stipulated that her 1982-83 salary is not at issue. The salary for the Administrator's Confidential Secretary is not at issue since she is outside the bargaining unit. She did receive a 37% raise for 1982-83. Part of the increase was her second-year step increase.

The parties have agreed that the proposed 1982-83 rate (\$5.64/Employer or \$6.25/Union) are to be paid after two years of service and that starting wages would be 85% of this rate, and wages during the second year would be 95% of this rate.

POSITION OF THE UNION

Wage Changes, 1981-82 to 1982-83. In 1981-82, the District unilaterally imposed wage parity for the first four positions shown above. The four employees were not represented in 1981-82; in 1980-81, their wage rates were not uniform. They were told by the District when their wage rates were equalized in 1981-82, that they were all secretaries working in the same district and it would be best for all of them if they were treated equally.

With the advent of union representation, the District provided the administrative secretary, who had one year of experience, with a 37% pay raise and the bookkeeping secretary was raised from the \$5.20 rate to \$6.25, a 20% increase. The other three secretaries are being offered only an 8½% increase and the Union wants parity re-established at the \$6.25 rate-- which would apply to the four secretaries in the bargaining unit.

Internal Comparisons. The three individual employees involved in this arbitration have 18, 13, and 7 years as secretaries in the Bruce system. The fourth secretarial employee, the head bookkeeper, has worked in Bruce for four years and the Union and the District have agreed to a 1982-83 wage rate of \$6.25 for her. This rate was put into effect by the District in July of 1982 before the employee was included in the bargaining unit.

The Union's position is that the District's reasons for establishing wage equity in 1981-82 are no less valid in 1982-83.

In a small district such as Bruce, the raises for non-represented employees are highly visible and should be taken into consideration. The one non-represented employee received a raise of 37%, a salary of \$5.75 per hour after one year of experience, compared to the District's offer of \$5.64 for highly qualified secretaries with experience ranging from 6 to 17 years.

The District goes to great length to call the three secretaries "high school and elementary secretaries and library aide" and to call the recent addition to the bargaining unit a "confidential" bookkeeper. This last is inaccurate in view of the WERC conclusion that this was not a confidential position.

The secretaries all work in the same office including the 30-foot distance to the Superintendent's office where the confidential secretary and bookkeeping secretary usually work. Much of the work is shared, has been shared in the past, and the individuals who hold these positions are capable of doing each other's work.

The individual who works as a library aide for part of her assignment testified at the arbitration hearing that she had been the main and single bookkeeper and Superintendent's secretary for 12 years or more. The District's attempt to compare her with the unrepresented and undefined "library aide" position is unfair and wrong.

Comparison with other Bruce Employees. There are six basic job classifications in the new collective bargaining agreement. They are: bus drivers, cooks, aides, secretaries, custodians, and a mechanic. In each of these departments there are examples of individual employees receiving increases in total compensation similar to that already provided for the one secretary and proposed by the Union for the other three secretaries. For example, many bus drivers, under the new contract, received a 30% increase (8.5 to 9% wages, 11 to 12% insurance, and 11% retirement). They also received 6 paid holidays in 1982-83 but had none in 1981-82.

By comparison, the three secretaries whose wages are in dispute received no new insurance or retirement benefits and two of the three will receive no new paid holiday benefit.

The Union provides other examples of employees who received more than an 8.5% increase in total compensation--aides, cooks, and the head custodian (Union Brief, pp. 8, 9).

External Comparisons. The Union contends that the most appropriate external comparables are to be found in the Ladysmith District and the CESA #4 agency. These are the two closest recognized bargaining units which employ secretaries. The Ladysmith District is next to Bruce, and the cities of Ladysmith and Bruce are only 8 miles apart. The CESA #4 agency has its central office in Cumberland, which is about 45 miles from Bruce. Both Ladysmith and Bruce are among the 25-member school districts of CESA #4.

There are remarkable similarities in the three contracts in Ladysmith, CESA #4, and Bruce. Ladysmith and Bruce have achieved their first full collective bargaining contracts for 1982-83. Fringe benefits are similar. The Union final offer in Bruce is within 3 cents of the agreed-upon wage rate for secretaries in the Ladysmith contract (\$6.25 for Bruce vs. \$6.28 for Ladysmith, Union Supplemental Exhibit 3).

In its reply brief the Union points out that Bruce is the largest of all Lakeland Conference schools, and nearly 20 FTE above the 34.7 average of the other 14. These figures reveal that a comparison with Ladysmith is valid, since Bruce is not only a neighbor to Ladysmith, but is located in size nearly halfway between Ladysmith (82.48 FTE) and the conference average (34.7) with Bruce being 53.21 (Union reply brief, pp. 1-2).

The CESA #4 bargaining unit has been organized since 1976. The central office bookkeeper was originally excluded from the unit but the WERC has ruled that the position should be included in the bargaining unit. The bookkeeper is now classified as a Secretary III, along with the two most experienced CESA secretaries, and they all receive a wage of \$7.01 per hour for 1982-83.

The Union's main objection to the District's suggested conference comparables is that all but one are not unionized. Arbitrators have most frequently found that represented employees must be compared with other represented employees.

The Union has gathered data concerning the 1982-83 raises given in the Lakeland Conference schools. This information was offered after the hearing as a supplemental exhibit (sent to the Arbitrator and Mr. Coe on June 17, 1983).

The summary of this data is that in no case where two secretaries were paid the same rate in 1981-82 were they given different raises for 1982-83; and in the vast majority, either all were given the same percentage increase in rates or the difference in the actual rates were reduced by granting across-the-board cents-per-hour increases. The Union offer here keeps differences to a minimum and provides a uniform percentage increase which makes the total compensation increases for Bruce secretaries consistent with the total compensation increases for other represented Bruce employees. The District's offer neither provides a uniform percentage or cents-per-hour increase, nor does it serve to diminish differences between secretarial pay rates.

Ability to Pay. Union Exhibit 8 illustrates the ability to pay factor. The District has not claimed inability to pay. However, data in Union Exhibit 8 reveal that Bruce is spending four to five hundred dollars less per pupil than comparable schools and is taxing its citizens at a rate less than 75% of the conference average and about 80% of the CESA average.

While the proposed increases of 20% for these secretaries is large, compared to the Minneapolis-St. Paul CPI June, 1981 to June, 1982 rate of 10%, the extremely low cost of operating the District reveals that these increases are appropriate.

POSITION OF THE EMPLOYER

Comparisons with Other Employees in the Bargaining Unit. The Union argues that other employees in the bargaining unit got total compensation increases of more than 8½% and that therefore the three secretaries should receive larger increases. It is true that some employees received more fringe benefits than previously but the fringe benefits granted the bus drivers are still substantially less than those received by the three secretaries. Equalization of fringe benefits does not present an argument for substantial increases to those employees who already received all of the available fringe benefits. The head custodian's pay increase was larger than 8½% because a new job classification was established to recognize the skills and duties of the position.

While the Union seeks uniformity of secretarial salaries, its new contract with the District does provide for different rates for three different custodial and janitorial employees and three different groups of kitchen employees (pages 19-20 of Union Exhibit 4).

Comparables--Lakeland Conference. The comparable schools, for Bruce, are the schools in the Lakeland Conference of which Bruce is a member. The Conference consists of small schools located within the counties of Rusk, Chippewa, Barron, Polk, Burnett, Washburn, and Sawyer. Of the thirteen schools only Siren and Bruce are represented by a union. The Employer's Exhibits and the Employer Brief, p. 8, compare the 1981-82 and 1982-83 salaries paid for five positions (head bookkeeper, administrator's secretary, high school secretary, elementary secretary, and library aide) in the 13 districts.

For the position of head bookkeeper, during the 1981-82 school year, Bruce paid \$5.20 per hour; the average of the other conference schools was \$5.98 per hour, and Bruce ranked tenth out of thirteen. For 1982-83, in spite of the substantial raise given the head bookkeeper, Bruce still ranked tenth.

For the Administrator's confidential secretary, Bruce paid \$5.20 in 1981-82. The conference average was \$5.51 and Bruce ranked sixth. With the raise for 1982-83, the conference average was \$6.05 and Bruce ranked seventh out of the eleven schools reporting. These data justify the larger-than-ordinary raises given by the District to these two positions.

The salaries paid the high school secretary, the elementary school secretary, and the library aide in Bruce rank much better than do the head bookkeeper and the Administrator's confidential secretary. In 1981-82, they were paid \$5.20 per hour. The high school secretary ranked third in the Conference in 1981-82, while the elementary secretary and the library aide ranked first.

Based upon the final offers for 1982-1983, under the School District final offer the high school secretary would rank fourth. She would be first under the Union offer. The District offer for the elementary secretary would place her first under both offers but the Union offer would put her 63¢ an hour or 11% above the next highest salary.

The District offer for library aide would put her in second position in the ranking. The library aide in the Lake Holcombe District ranks No. 1 but she is a certified teacher. The Union offer would put the Bruce library aide in position No. 1, 51 cents and 8% ahead of the next highest salary in that category.

Siren, the one of the thirteen which is unionized, pays about a dollar less per hour for the positions of high school secretary, elementary secretary, and library aide than the District is proposing for 1982-83 (\$5.64 for the District versus \$4.12, \$4.47 and \$4.71 for Siren).

Comparison with Ladysmith. The Employer does not concede that Ladysmith is a proper comparable. It is a much larger school (1286 enrollment vs 844 for Bruce). Employer Exhibit 22A shows that Ladysmith pays teacher substantially more than Bruce. For example, the M.A. maximum in Ladysmith (after 14 years) is \$23,352 compared to \$20,235 in Bruce (after 12 years). The B.A. base is \$13,125 in Ladysmith and \$12,821 in Bruce. Secretarial salaries were also lower in Ladysmith until a salary increase which took effect on 11-1-82.

While Ladysmith is providing higher secretarial salaries as of 11-1-1982 (\$6.28 per hour), the actual annual salaries for the positions (pay received from 7-1-82 to 6-30-83) would calculate to \$6.04 an hour for the high school secretary, \$5.52 for the elementary secretary, and \$5.55 for the library aide (Employer Brief, p. 5). The Employer's offer here of \$5.64 per hour is comparable for two of the positions.

Comparison with CESA #4. The Employer does not concede that CESA #4 is a comparable. It is not a school district and does not employ an elementary or high school secretary or library aide. It has no governing body elected directly by the residents of the area. It is not funded by a direct property tax on area residents. The Union data on CESA #4 shows that all of the secretaries do not receive the same pay but there are three pay classifications. The two lower pay classifications are each lower than the Board offer in the Bruce School District (\$5.64 vs \$4.44 for Secretary I, \$5.60 for Secretary II and \$7.01 for Secretary III, Union Exhibit 9).

Ability to Pay. The Employer has not argued that it does not have the ability to pay the rates urged by the Union but this does not mean the Union offer should be accepted. If there is ability to pay, the employees should receive a fair rate of pay for the work performed and no more. The district submits that the data on comparable school districts supports a pay differential between the head bookkeeper and administrator's secretary on the one hand and the other secretaries on the other.

Cost of Living. The CPI for all urban consumers increased 5.9% from August of 1981 to August of 1982. The Minneapolis-St. Paul index increased 9.5%. The Union final offer represents a 20% increase while the District offer is 8.5%. The CPI increases do not support the Union final offer.

Unemployment statistics in Rusk County (where Bruce is located) do not support the Union final offer. For calendar year 1982, Rusk County averaged 12.3% unemployment while the State averaged 10.7%.

Relative Worth of Jobs. Pay should be based upon job descriptions and the skills required to perform the job as well as the market price of the skills involved. Much of the Union brief is based on the argument that the secretarial employees are good people, are highly qualified to perform the jobs performed by the administrator's secretary and the bookkeeper (which does not appear in the evidence from the hearing) and have worked for the District longer than the administrator's secretary and the bookkeeper. Even if all of these assumptions were true, which the District does not concede, it would not support the Union's final offer.

The fact that one person served as the administrator's secretary in the past (which the District disputes) or that one employee trained the bookkeeper (which the District disputes) is again of no consequence. The sole question is what duties are the employees now performing for which they are to be paid wages.

DISCUSSION

Ability to Pay. While ability to pay has been discussed briefly by the parties, it is really not an issue here. The Employer has not claimed inability to pay but claims that it is willing to pay a fair wage for the positions in question.

Cost of Living. Cost of living is also not too pertinent here since we are dealing primarily with the question of whether or not there is a serious inequity in the Employer's salary proposal for three employees. If there is a serious inequity, then it could be remedied even though the result substantially exceeded the CPI increase. Both the Union and the Employer offer exceed the 1981-82 CPI increase for all urban consumers (5.9%) and the Employer offer is close to the increase in the Minneapolis-St. Paul index (8.5% vs 9.5%).

External Comparables. I find that the Employer's comparables, the Lakeland Conference schools, to be the most valid comparison at this time. These schools are most similar to Bruce and there are a large number of them. While apparently only one of them, other than Bruce, is unionized, they do provide a useful and extensive comparison of the salaries of the secretarial positions that are in question here. To use only the Union's three unionized comparables--Ladysmith, Siren and CESA #4--would be too limited a comparison. Also, since unionism is so new for the associate employees--in Bruce and Ladysmith--it is appropriate at this time to look at the salaries in the Conference schools, even though most of them are not unionized.

Ladysmith has some validity as a comparable in view of its nearness and its recent unionization. It is in the same labor market and secretaries could readily commute between Bruce and Ladysmith. However, as the Employer points out, it is considerably larger than Bruce and pays higher teacher salaries. Also, it should be noted that the Union did not provide information on the Ladysmith head bookkeeper salary. While it is a non-union

position, it would be useful to see if there is a wage differential compared to the Ladysmith secretarial position.

I agree with the Employer's position that CESA #4 has doubtful validity as a comparable for the reasons given above by the Employer. It is not a school district and does not have elementary and secondary secretaries and library aides. We do not know how the Secretary I and II positions compare with the Bruce positions.

The Employer's Exhibit on Conference schools shows that the Employer was justified in providing larger increases for the head bookkeeper and the administrative secretary and that the District's wage offer to the three secretaries does not put them in an unfavorable position compared to similar positions in other Conference schools. In fact, they have a better comparative rank than the head bookkeeper and administrative secretary. They rank well above the salaries paid at Siren, the other represented Conference school. On the basis of external comparables, the Arbitrator finds the Employer position more reasonable. The Ladysmith comparison gives some support to the Union position but it is not enough to outweigh the large number of Conference comparables.

Internal comparisons with other Employees, such as bus drivers. The Arbitrator does not find that the equalization of fringe benefits within the bargaining unit provides significant justification for 20% increases for the secretaries. It is true that some employees like bus drivers received large increases in total compensation but most of the increase was in fringe benefits which helps them approach the benefit level already enjoyed by the secretaries.

Lakeland Conference Increases for 1982-83. The Union exhibits pointed out that in no case where two secretaries were paid the same rate in 1981-82 (in Conference schools) were they given different raises for 1982-83. Raises were either the same percentage increase or the same dollar amount. As the Employer noted in its reply brief, all of the districts already had a pay differential between the head bookkeeper, the administrator's confidential secretary and the other secretarial employees. The differential increase proposed by the Employer makes the Bruce situation more similar to the differentials existing in the other Conference schools.

Parity in 1981-82. One of the Union's strongest arguments is that the Employer in 1981-82 established wage parity for the head bookkeeper and the three secretarial positions involved in this arbitration. The Employer has not directly addressed this question at the hearing or in its brief. What has changed since 1981-82 to cause the Employer to abandon equal wages for the four secretaries in favor of a substantial differential in favor of the head bookkeeper? The Employer's failure to directly address this question is a weakness in the Employer's case. It may be that the Employer had not reviewed comparable secretarial salaries prior to the 1982 unionization.

Bookkeeper Differential. Closely related to the above is the question of whether in 1982-83 the position of head bookkeeper should have a pay differential above that of the other secretaries. Some of the evidence introduced at the arbitration hearing is pertinent.

The Union reply brief states "that much of the work of the secretaries is shared, has been shared in the past, and that the individuals who hold these positions are capable of doing each other's work" (Union Reply Brief, p. 2).

In testimony provided at the hearing by the secretaries and the Administrator, it was noted that there has been a recent change from the former single pooled office to two secretarial offices and that there is less interchange of duties than in the past. It was stated that the library aide (who formerly was a bookkeeper and secretary) now has primarily librarian duties. There is now a new administrative secretary who has been employed since 1981.

It does appear from evidence presented at the hearing that the Bookkeeper position is more complex and difficult than the other three secretarial positions. It was stated at the hearing that the three secretaries involved in this arbitration were not interested in the bookkeeper position when it was created. The elementary secretary indicated at the hearing that she had no experience in computer accounting and no overall knowledge of accounting systems.

The Administrator testified that the position has become more complex in recent years. The initial move to computerized accounting was made about four years ago and the number of pages of accounts has increased from 10 or 12 to about 96 now.

The Administrator estimated that it would take several months of training for the elementary or secondary secretary to be able to perform the head bookkeeper's duties.

From the testimony at the hearing it does seem that the bookkeeping position is more complex and difficult than it used to be and that it is different than the other secretarial positions.

The Employer Brief (p. 8) shows that all of the Conference districts compared pay more for the head bookkeeper position than for those of high school secretary, elementary secretary and library aide. The average salary for the head bookkeeper position is \$6.47. The average for the high school secretary is \$4.97 which is 77% of the bookkeeper salary. The average for the elementary secretary is \$4.79 which is 74% of the bookkeeper average.

For Bruce, the District proposal for the secretaries is \$5.64. This is 90% of the bookkeeper's salary of \$6.25. So the District is here proposing a narrower differential than prevails elsewhere.

The Union is also concerned about the salary of the non-union administrative secretary in relation to these three union secretarial positions. The Employer's Conference exhibit shows that the Conference average for this position is \$6.05 per hour compared to the \$6.47 average for head bookkeeper and \$4.97 for high school secretary and \$4.79 for elementary secretary. For the Conference schools, the Administrative secretary's salary is 93.5% of the bookkeeper's salary. For Bruce, it is 92% which is very close to the Conference average.

The differential between the Conference average of the administrative secretary and the high school secretary (for 1982-83) is \$6.05 versus \$4.97. This is much greater than the

Bruce District's proposed differential of \$5.75 versus \$5.64. On the basis of these comparables the Employer position is more reasonable than that of the Union which would put the administrative secretary substantially below the other Bruce secretaries.

CONCLUSION

The main issue in this case is wage equity and fairness. Ability to pay and cost of living are not particularly pertinent to the question of whether there should be a pay differential between the head bookkeeper and the three secretarial positions involved in this arbitration.

I have looked at the evidence concerning internal and external comparables and at the relative difficulty of the bookkeeper position and that of the three secretarial positions.

I feel that the Employer should be allowed to change his 1981 position concerning secretarial pay differentials in view of the new unionization and in view of its study of comparable data.

The most important and comprehensive evidence were the salary comparisons with other Lakeland Conference schools. This evidence clearly favored the Employer position as the more reasonable. This finding still stood after looking at the Union comparables, the internal comparisons and the Conference wage increases for 1982-83.

On the basis of the evidence and exhibits presented by the parties and taking into account the statutory criteria, I find the Employer final offer to be more reasonable.

AWARD

The Final Offer of the School District of Bruce shall be incorporated into the 1982-83 collective bargaining contract between Northwest United Educators and the School District of Bruce.


Gordon Haferbecker, Arbitrator