

DEC 11 1985

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

BEFORE THE ARBITRATOR/MEDIATOR

In the Matter of the Mediation/ Arbitration of a Dispute Between	:	
	:	
ROCK COUNTY, DEPARTMENT OF SOCIAL SERVICES	:	
	:	
and	:	AWARD AND OPINION
	:	
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, LODGE 1266	:	Decision No. 22575-A
	:	

Case No.	196, No. 34781 Med/Arb 3229
Hearing Date	August 7, 1985
Appearances:	
For the County	MR. BRUCE K. PATTERSON, Employee Relations Consultant
For the Union	MR. MICHAEL H. HORNBY, Directing Business Representative
Mediator/Arbitrator	ROBERT J. MUELLER
Date of Award	December 10, 1985

BACKGROUND

The County of Rock, hereinafter referred to as the "Employer" and the International Association of Machinists and Aerospace Workers, Lodge 1266, hereinafter referred to as the "Union" reached an impasse in bargaining for a successor Collective Bargaining Agreement for calendar year 1985. The Union filed a Petition with the Wisconsin Employment Relations Commission requesting the initiation of mediation/arbitration. The matter was thereafter processed in accordance with the statutory procedures culminating in the selection of the undersigned to serve as mediator/arbitrator to resolve the impasse. A mediation meeting was held on August 7, 1985. Mediation efforts failed to achieve a voluntary settlement, an impasse was declared, and the matter proceeded immediately to arbitration.

Both parties presented documentary evidence and oral testimony in support of their respective offers. Both parties filed post-hearing briefs.

The mediator/arbitrator has reviewed the record evidence, exhibits and briefs of the parties in relationship to the factors set forth in Section 111.70(4) (cm), Wisconsin Statutes, and on the basis thereof, issues the following decision and award.

FINAL OFFERS OF THE PARTIES

Only one issue remained in dispute between the parties. Said issue involved the amount of percentage increase to be applied to the 1984 salary schedule.

COUNTY FINAL OFFER

Increase all hourly rates on Appendix A by 3%.

UNION FINAL OFFER

Increase all rates of Appendix A by 4.6% effective January 1, 1985.

POSITIONS OF THE PARTIES

UNION POSITION

The Union focused its argument primarily upon two of the statutory criteria, namely Factor (d) and (e).

With respect to the comparison of wages, hours and conditions of employment with those employees performing similar work in similar or comparable classifications in comparable counties, the Union identified the counties which it contended were most appropriate to which comparison should be made based on population comparison and geographic proximity as follows:

Brown	185,141
Dane	336,005
Kenosha	122,443
Marathon	112,494
Outagamie	134,010
Racine	170,056
Rock	140,344
Sheboygan	102,606
Waukesha	284,049

The Union argues that some of the counties sought to be utilized by the County as contained on County Exhibit No. 5, should not be considered for comparison purposes because their population is considerably below that of Rock County. On such point they refer to the Counties of LaCrosse, Fond du Lac, Washington, Manitowoc, Eau Claire, Walworth, Ozaukee and Jefferson.

Additionally, the Union argues that the Counties of Jefferson, Ozaukee, Walworth and Washington should not be utilized because there are no cities in any of the four named counties that would compare in size to the Cities of Janesville or Beloit in Rock County.

The Union argues that the Cities of Janesville and Beloit in Rock County are as urbanized as the Cities of Racine and Kenosha in Racine and Kenosha County respectively. The urban influence and the agricultural influence are similarly balanced in each of the three named counties.

Further, the Union contends that the Cities of Beloit and Janesville are influenced by the larger City of Madison located in Dane County and by the City of Rockford located in Winnebago County, Illinois. The geographic proximity of such two major population centers exerts a much stronger influence on Rock County than do counties with lower total population and locations that are not in the near geographic proximity to large population centers.

The Union argues that the average wages of comparable counties range from \$8.43 at the bottom scale to \$12.74 at the top scale in 1984. The comparable average wages of Rock

County were correspondingly \$8.31 per hour at the bottom rate and \$11.35 at the top rate. The differential between Rock County and the average of the other comparable counties then was 12¢ below the other county average at the low rate and \$1.35 per hour below the average at the top scale in other counties.

The Union argues that its wage proposal of 4.6% increase would maintain that same differential of 12¢ per hour difference at the lowest rate but would result in an increase in the spread at the top rate from \$1.35 an hour to \$1.59 per hour from the correspondingly average comparable 1985 average rates in effect in the other counties.

In comparison, they argue that the 3% County final offer would result in an increase to 25¢ per hour difference between the lower rate at Rock County compared with the lowest average rate of the comparable counties and would increase the spread at the top rate from \$1.35 to \$1.77. With respect to the cost-of-living factor, the Union argues that in some years the cost-of-living has been higher than the amount of wage increase granted to employees while in others the wage increase has been slightly higher than the cost-of-living increase. Historically, wage increases have not been tied to the cost-of-living. They argue that the Union's wage offer is not unreasonable when compared to the cost-of-living increase for the corresponding time period.

COUNTY POSITION

The County argues that significant weight should be given to the matter of internal consistency. They contend the County's final offer is consistent with the increase granted to its employees in non-union positions and with its final offers to all other units that are engaged in collective bargaining. The County argued that their exhibits show that the County has sought to maintain an internally consistent pattern of wage settlements over the years based on a survey of settlements from 1976 through 1984.

The County contends the comparables selected by the Union are based on convenience and enhancement of its final offer in this dispute. They suggest that Dane County, which has a population of 2.4% times that of Rock County and Waukesha County which is twice as large, should be discounted because of such large population difference. They point out that the Union has not used Winnebago County in its comparisons although Winnebago County has a population that is substantially equal to that of Rock County. The County also argues that the Union's comparison to Racine and Kenosha must be discounted because all four counties of Dane, Kenosha, Racine and Waukesha are not comparable because of the level of metropolitanism that exists within the boundaries of each of those counties. Rock County is a more rural county and is so geographically situated so that it is not influenced by the proximity of the Milwaukee metropolitan area and its influence upon the Counties of Kenosha, Racine and Waukesha and the influence of the State Capitol upon Dane County.

The County argues that if one then looks at the remaining comparable counties listed by the Union on Union Exhibit No. 1, excluding Dane, Kenosha, Racine and Waukesha Counties, a more meaningful comparison can be made. At page 7 of their brief, the County sets forth the following observations and rates in effect at the other counties as follows:

The table below utilizes five employee classifications at maximum rate for positions common to most counties. A review of the table shows that Social Workers rank either one or two in hourly rate in each of the counties. Also, it may be seen that within most counties, Highway Patrolmen's rates rank third, Income Maintenance Workers rates fourth or fifth and so on for the other classes cited. In Rock County Social Workers rank number one internally of the job classes shown.

County Classification

	Highway Patrolman	Income Maintenance Worker	Social Worker	Account Clerk II	Public Health Nurse
Brown	9.34	7.58	13.01	8.11	13.20
Marathon	8.38	6.71	11.82	8.32	10.37
Outagamie	-	6.78	11.18	7.63	11.99
Sheboygan	9.22	7.76	13.85	7.76	11.11
Winnebago	8.90	8.29	11.33	7.37	11.84
Rock	8.60	6.79	11.39	7.08	10.30

The County argues that the average consumer prices for goods and services commonly known as the cost-of-living, more reasonably supports the County's final offer on the basis that the CPI increase for calendar year 1984 was 3%. That is precisely the level of the County's final offer.

The County also argues that from the viewpoint and application of the factor dealing with overall compensation of employees, Rock County employees enjoy a comprehensive benefit package that is equal to and in some instances better than the level of benefits provided employees in other comparable counties.

Finally, the County argues that the dominant farm economy which makes up the tax base for Rock County is severely impacted by the current state of the farm economy. Prices received by farmers are low compared to the costs of the farm operations. Mortgage foreclosures are up an estimated 300 to 400% over the number in 1984.

The County argues that an increase of 3% is extremely reasonable in view of such state of the rural economy. Such offered increase is also greater than many increases being enjoyed elsewhere by employees in Rock County.

DISCUSSION

The Union has presented comparability wage data for the Counties of Brown, Kenosha, Marathon, Outagamie, Racine, Sheboygan, Waukesha and Dane. The County has presented similar data on the Counties of Brown, Eau Claire, Fond du Lac, Jefferson, LaCrosse, Manitowoc, Marathon, Outagamie, Ozaukee, Sheboygan, Walworth, Washington and Winnebago.

By referring to County Exhibits 6 and 7 and Union Exhibits 2 and 3, which are the respective exhibits containing wage data, one finds that both parties have referred to the same four counties out of their total respective lists. Both have submitted data on the Counties of Brown, Marathon, Outagamie and Sheboygan. Such exhibits show that the amount of increase afforded social workers for 1985 over 1984 was from 3% to 5.8%,

depending upon the various wage ranges at Brown County, approximately 4% on all ranges at Marathon County, from 4.5% to 4.6% on all ranges at Outagamie County, and 4% at Sheboygan County. The approximate average increase afforded social workers in those four counties was approximately 4.2%.

The Union argued that its final offer of 4.6% served to maintain the relative position of social workers in Rock County to the level of wages afforded employees in comparable counties. They further argued that the County's final offer of 3% did not serve to maintain the relative standing of social workers in Rock County to the same comparable standing that existed in 1984. Based on the levels of settlement set forth above in the four counties named by both parties as comparables and ones on which adequate wage data was supplied by the parties from which computation and comparison could be made, it is clear that the Union's final offer is to be preferred.

If one evaluates the wage data supplied by the exhibits of one or both parties with respect to the contiguous counties immediately surrounding Rock County, one finds that the increase of the wage rates to social workers in Jefferson County was approximately 4% from 1984 to 1985, was approximately 3.5 to 3.6% for the same type employees in Walworth County, and based on the data supplied in the Union's exhibit, range from 4% to 17% in various levels for employees in Dane County. The Employer submitted no data with respect to Dane County. It would appear from such data that the County's offer is slightly closer to the level of settlement at Walworth County while the Union's final offer is closer to the level of settlement at Jefferson County. Clearly, Dane County is so far in excess of any other named counties above referred to, no meaningful comparison can be made in this case as to the Dane County data.

There was no data supplied by either party with respect to any 1985 wage data for Kenosha County. For Racine County, Union exhibits indicate increases from 1985 over 1984 ranging from 6% to 11.4% whereas in Waukesha County, increases range from 1.7% to 3.2%. Again, those levels of settlement cover a wide range and are difficult to interpolate into any benchmark amount.

The County's major argument in this case was that significant weight should be afforded the matter of internal comparables. In the judgment of the undersigned, that argument begs the question in this case.

In those cases where external comparisons lead an arbitrator to a conclusion that either final offer of the parties is basically reasonable in view of the outside comparables, and the level of voluntary negotiated settlements between the employer and unions covering other represented employees by the same employer, such internal level of settlements is, in my judgment, relevant, meaningful and subject to considerable weight.

In this case, the only increases that exist are those unilaterally implemented by the County for unrepresented employees. There are no other voluntary settlements or settlements resulting from mediation/arbitration covering any other group of employees employed by the County. Where the County has unilaterally implemented a particular increase amount to unrepresented employees and has simply offered the identical amount to all other represented employees, no meaningful benchmark is established. The same argument could be made were the

Employer to unilaterally implement an increase of 1% and then make the same 1% offer to all other represented groups of employees and argue that internal consistency should be maintained by awarding the offer of 1%. Similarly, an employer could implement a 10% cut, make the same offer to all other units and make the same argument. The problem with that argument is that it is predicated upon a unilateral determination by the Employer of an amount offered to all other units and implemented with respect to unrepresented employees.

There has been no argument in this case by the Union that the pay of Rock County social workers should be increased by any makeup amount so as to bring it into some other relationship with the level of pay in other county settings or with some other average of claimed comparable counties. On the other hand, the County likewise has not argued that the level of pay for Rock County social workers is too high in comparison to the level of pay afforded social workers in other comparable counties. There has been no comparison data or arguments made by either party from that standpoint of comparison.

The CPI increase for 1984 appears to be in the neighborhood of 3%. Such level would be directly consistent with the offer of the County and would favor the County's final offer viewed solely from that viewpoint.

Union Exhibit 5 sets forth the percentage increase of wages granted to social workers from 1973 to 1984 and also set forth the corresponding increase in CPI during the corresponding years. Such exhibit shows that in some years the percentage of wage increase was less than the CPI increase. For example, in 1974 the CPI increased 11% and the employees were afforded a 6% wage increase. In other years the wage increase was fairly close to the increase in the CPI. In 1976 the wage increase was 6% while the CPI increase was 5.8%. In 1977 the wage increase was 4.75% and the CPI increase was 6.5%. In 1979 and 1980 the CPI was significantly higher than the amount of wage increase granted due to the high rate of inflation during those years. In 1981 the wage increase and the CPI increase were relatively equal. In 1982 the wage increase granted was slightly in excess of the CPI increase. In 1983 the wage increase was 2% while the CPI increase was 3.2%. In 1984 the wage increase was 5% while the CPI increase was 4.3%.

While there has historically been no direct correlation between the two, it appears that from the broad perspective when the CPI has been at a high rate, the wage increases have been somewhat higher. It has not always followed, however, that the wage increases have matched the increases in the CPI. In fact, it appears that during most times when the CPI was higher, the wage increases have been somewhat less than the increases in the CPI. It would appear from the 1982 and 1984 settlements, that during the period of time when the CPI was comparably lower, wage increases had tended to slightly exceed the CPI.

The impact of CPI varies considerably from one locality to another. It has been observed by some arbitrators, including the undersigned, that a more meaningful measurement of the true impact of CPI on the level of wage settlements, is the level of wage settlements voluntarily reached between employers and their representatives amongst comparable employers and employee groups. While the actual CPI increase of 3% would tend to favor the County's final offer from application of this factor, the levels of voluntary settlements in comparable employee-employee

relationships would seem to favor the Union's final offer.

The County has presented considerable data into evidence directed at depicting the rural economy of Rock County and urging that it be given substantial consideration in determining the level of increase warranted in calendar year 1985. The arbitrator is fully cognizant of the farm economy and the troubled times that exist with farmers. Those problems are clearly represented in part by the relatively low increase in the CPI as clearly the farm situation contributes to the development of that statistic. The other comparable counties that have been referenced by both parties and which have yielded an average increase of 4.2%, have not been shown by the record evidence to possess characteristics that would distinguish them from that of Rock County with its referred to rural and agrarian makeup. Clearly, such other counties also possess significant agrarian segments that contribute to their tax base and make up their population.


The arbitrator has reviewed the respective briefs and arguments advanced by both parties in this case and considered the total record evidence presented by both in conjunction with the statutory factors of Section 111.70(4)(cm) and concludes that the application of such factors to the record evidence leads to the conclusion that the final offer of the Union is most supported by the application of such factors and should therefore be awarded in this case.

On the basis of the above, the arbitrator issues the following decision and

AWARD

That the final offer of the Union be awarded and incorporated into the labor agreement between the parties along with all other stipulated and agreed upon provisions for the 1985 labor agreement.

Dated at Madison, Wisconsin this 10th day of December, 1985.


Robert J. Mueller
Mediator/Arbitrator