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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

STATE OF WISCONSIN BEFORE THE WISCONSIN EMPLOYMENT RELATIONS COMMISSION

In The Matter Of The Petition of:

MED/ARB - 2980

WAUPACA COUNTY EMPLOYEES
UNION LOCAL 2271, AFSCME, AFL-CIO

Decision No. 22807-A

To initiate Mediation/Arbitration between said petitioner and

WAUPACA COUNTY

Appearances: Cindy S. Fenton, Staff Representative, for the Union
Thomas A. Maroney, District Attorney and
Howard Healy, Attorney at Law, for the Employer

Waupaca County Employees Union Local 2771, AFSCME, AFL-CIO, hereinafter referred to as the Union, filed a petition with the Wisconsin Employment Relations Commission, hereinafter referred to as the Commission, wherein it alleged that an impasse existed between it and Waupaca County, hereinafter referred to as the Employer, in their collective bargaining agreement and wherein it further requested the Commission to initiate mediation/arbitration pursuant to Sec. 111.70(4)(cm)6 of the Municipal Employment Relations Act. A member of the Commission staff conducted an investigation in the matter.

The Union has been and is the exclusive collective bargaining representative of certain employees of the Employer in a collective bargaining agreement consisting of all the regular full time and regular part time employees of the Waupaca County Courthouse, Health Services Department, and custodial employees of the courthouse annex and farm offices, excluding supervisory, confidential, managerial, casual, seasonal, temporary and farm employees.

The Commission ordered the parties to select a mediator/arbitrator and notify it of their selection. On August 19, 1985 the Commission, at the request of the parties, appointed Zel S. Rice II as the mediator/arbitrator to endeavor to mediate the issues in dispute. A mediation session was conducted at Waupaca, Wisconsin on September 27, 1985 and November 25, 1985. After two days of prolonged mediation it became apparent that neither of the parties could make the necessary moves to resolve all of the issues in dispute. As a result the mediator/arbitrator declared the mediation phase of the proceedings at an end.

During the course of the mediation session the parties had reached agreement on a number of issues and the parties stipulated that they would permit each other to amend their final offers. Agreement had been reached on a salary schedule for the period from June 1, 1984 to December 31, 1984 and January 1, 1985 to December 31, 1985. The parties further agreed that on January 1, 1986 each cell of the 1985 salary schedule would be increased by 2 percent and on July 1, 1986 each cell of the salary schedule would be increased by another 2 percent. The Employer and the Union had agreed that any employee whose hourly rate exceeded the top rate of the salary schedule for his or her classification would receive longevity pay based on the schedule contained in the collective bargaining agreement as his or her 1984, 1985 and 1986 increases in addition to any longevity pay due to the employee under the terms of the collective bargaining agreement.

The amended final offer of the Union provided as follows: "Each employee who reaches his/her six month, one year, two year, three year anniversary date of employment in any year shall automatically receive the salary in the next higher range as set forth in the salary schedule. Each employee shall receive the salary on the salary schedule based on their length of service with the employer and not on the length of service in the classification." The Employer's final offer provided that an employee would be placed on the salary schedule based on his/her length of service in the classification and when an employee is promoted to a higher classification the employee's entrance wage rate in the new classification shall be at that step in the new classification range that is higher than the employee's present step.

The Union relies on a comparable group consisting of six counties in the region, hereinafter referred to as Comparable Group A. The counties are Outagamie, Shawano, Marathon, Portage, Waushara and Winnebago. Their populations range from Waushara's low of 19,775 to Winnebago's high of 135,979. The Employer has a population of 44,869. The full value of the taxable and general property of the counties in Comparable Group A ranges from a low of \$650,923,200 in Waushara County to a high of \$3,263,798,700 in Winnebago County. The Employer has taxable general property with a value of \$1,086,486,000. The per capita value of the property in Comparable Group A ranges from a low of \$23,532 in Outagamie County to a high of \$32,916 in Waushara County. The Employer has a per capita value of \$24,215 which ranks third when it is included in Comparable Group A.

The bargaining unit consists of forty-one employees whose dates of hire range from October of 1948 to May of 1985. All but seven members of the bargaining unit have been employed by the Employer at least three years. The salary ranges in Comparable Group A for non-professional workers for the year 1984 seems to be somewhat higher than those of the Employer. Shawano County had the lowest range. It was from \$4.60 an hour to \$5.77 an hour. Marathon County had the highest range. It was from \$5.20 an hour to \$8.53 an hour. The Employer's non-professional employees in the collective bargaining unit will receive 1984 salaries ranging from \$4.86 an hour to \$8.61 an hour. In 1985 Outagamie County has the lowest pay range for non-professional employees. It begins at \$5.28 an hour and ends at \$8.51 per hour. The highest 1985 pay range for non-professional employees in 1985 in Comparable Group A is in Waushara County. It begins at \$5.67 an hour and goes up to \$10.87 an hour. In 1985 the Employer's pay range for non-professional employees will be lower than that of any other county in Comparable Group A. It begins at \$5.05 an hour and runs up to \$8.95 an hour.

On February 22, 1985 the Employer and the Union thought they had reached agreement on a salary schedule beginning March 26, 1984 and for the year 1985. The Union proposed that employees be placed on the schedule based on their years of county service. There was a tentative agreement between the two parties that the total cost to the Employer over the two years would be 7.4 percent. That percentage increase included all new dollars that the Employer would pay to the employees in the collective bargaining unit. The Union did not understand that the additional longevity payment for red circled employees was included in that 7.4 percent. Language had not been agreed upon that would determine where an employee would be placed on the salary schedule when he or she moved to a new classification. When the Employer learned that the cost of utilizing the years of county service for determining where an employee would be placed on the salary schedule would result in a cost in excess of the 7.4 percent that it had agreed would be allocated toward salary increases for 1984 and 1985, it refused to agree on language that provided that an employee who moved to a new classification would be placed on the salary schedule based on his or her years of county service. As a result, the tentative agreement on salary schedule that was reached on February 25, 1985 could not be finalized. In the course of the mediations session there was an agreement reached on a new date for implementing the 1984 increase, but again there was no agreement on where an employee would be placed on the salary schedule when he or she moved to a new classification.

The Employer relies on a comparable group, herein after referred to as Comparable Group B, consisting of seven counties. They are Portage, Waushara, Columbia, Outagamie, Winnebago, Monroe and Barron Counties. Their populations range from the low of 18,576 in Waushara County to a high of 131,736 in Winnebago County. In 1984 the lowest salary range in Comparable Group B for nonprofessional employees was in Waushara County. It ranged from \$5.09 an hour to \$6.56 an hour. Monroe County had the highest salary range in Comparable Group B during 1984. Its salaries range from \$5.25 an hour to \$8.40 an hour.

UNION'S POSITION

The Union asserts that a new hire progresses through the pay schedules based upon County seniority and the collective bargaining agreement defines seniority as the last date of hire. It contends that when the Employer reached

tentative agreement with the Union, the understanding was that employees would move through the pay schedule based on years of county service as opposed to years of service in a given classification. The Union takes the position that in order to move into a new classification through the posting procedure, an employee must meet the prerequisites of the position. It argues that when an employee moves to a new classification, he is required to perform 100 percent of the job on or before thirty days and he should be paid according to his date of hire with the Employer and not based on his seniority within the classification. The Union takes the position that there is no learning curve that should be applied to an employee moving to a new classification. The basic thrust of the Union's position is that regardless of the length of time an employee has been in a given classification, he should be paid a wage based on his seniority with the Employer.

EMPLOYER'S POSITION

The Employer argues that employees are not entitled to an anniversary raise as well as an automatic increment increase without considering the time spent in the classification. It asserts that the Union argument is inconsistent with the purpose of a wage progression system. The Employer points out that its proposal would provide an increase in wages to an employee who is promoted to a new classification but would require service and job performance over a period of time prior to an employee receiving the higher rates in a new classification. It contends that the purpose of a progression system is to provide increases to employees based upon experience in the classification rather than seniority or length of service with the Employer. The Employer asserts that the Union's position makes a mockery of the progression system.

DISCUSSION

The issue before the Arbitrator is a very narrow one and has very little economic impact. The wage rates for three years have been agreed to by both parties. The Union takes the position that each employee who reaches his anniversary date of employment shall automatically receive the salary in the next higher range in the salary schedule, and each employee's salary within a classification shall be based on his length of service with the Employer and not the length of service in the classification. The Employer takes the position that when an employee is promoted to a higher classification range, his entrance wage rate in the new classification shall be that step in the new classification range that is higher than his present step.

The basic thrust of the negotiations between the parties revolved around the establishment of a salary schedule that provides for progression. Section 111.70(4)(cm)7 of the Wis. Stats. contains the criteria to which a Mediator/Arbitrator must give weight in reaching his decision. The lawful authority of the municipal employer, the stipulations of the parties, the interest and welfare of the public, the financial ability, the comparison of wages, hours and conditions of employment, the cost of living, the overall compensation and any changes in those factors during the arbitration proceedings are not significant and of no guidance to the Mediator/Arbitrator in resolving the issue before him. The only criterion set forth in the statutes that is applicable is "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 the private employment."

The purpose of a salary schedule is to provide a wage progression system for each job classification. It contemplates that an employee spends a period of time at a specified salary rate and then moves on to the next higher rate. This arrangement automatically rewards an employee for an improved job performance and is based on the assumption that the improvement is the result of experience in the classification. As an employee spends more time in a job, he is presumed to be more competent and entitled to a higher wage. The increment resulting from spending time in a classification is a salary increase and not a promotion. Giving an employee an anniversary raise based on seniority as well

as an automatic increment without considering the time spent in a classification would completely change the logic of salary progression. It would negate the concepts that an employee is rewarded for improved job performance and that the improvement is the result of experience in the classification. The Employer's proposal would provide an increase in wages to an employee who moved to a higher classification but would require service and job performance over a period of time before an employee received the highest rates provided by the salary schedule for the new classification.

The whole concept of a salary schedule with a wage progression contemplates service and job performance within the classification and automatic rewards to an employee for the improvement in his job performance that results from experience in the classification. It is unrealistic to pay an employee who has three years of seniority with an employer but no experience in a new classification the same wage as an employee who has worked three years for an employer but spent the entire time in a lower classification. A progression system is designed to provide increases to employees based upon experience in a classification and it is recognition of the fact that an employee improves his skills as he spends more time on a specific job. There is no reason to believe that an employee who has worked for an employer for three years has the same skill on the first day of a new job as an employee who has been working on that job for three years. An employee with three years experience on a job should be expected to do it better than an employee with no experience in the classification and the experienced employee should be paid a higher wage.

A salary schedule with a wage progression is not a system of longevity. Its purpose is not to reward an employee for long service. A salary schedule with a wage progression is designed to pay an employee a wage commensurate with the skills required of the classification and to reward him further as those skills improve by reason of experience.

The Union bases most of its argument on its understanding of the tentative agreements that were reached by the Employer and the Union on February 25, 1985 and September 27, 1985 and which fell apart because of misunderstandings. None of the criteria in Section 111.70(4)(cm)7 permit a Mediator/Arbitrator to consider that as a factor that must be given weight. The Union argues that when an employee receives a new job because of the posting procedure, he must meet the prerequisites of the position. It argues that since an employee who is reclassified meets the prerequisites of the position, he can perform all of the duties of the position and should be placed on the salary schedule based on his length of service with the Employer. The basic thrust of the Union's argument is that three years of employment with the Employer should be given the same weight in determining an employee's place on the salary schedule as three years of service in a classification. The Union seeks to use the rationale for a longevity system as the rationale for a salary schedule. It argues that an employee who has worked in a classification for three years and is promoted to a higher classification should be paid the same salary as a employee who has worked in the higher classification for three years. Such a system would blend the concept of longevity with classification.

The traditional concept of a salary schedule with wage progression contemplates that an employee who has the skills to qualify for a position will improve those skills as a result of his experience on the job and be of more value to the Employer. A salary schedule with wage progression contemplates rewarding an employee because of the improvement in his skills resulting from his experience on the job. That is an entirely different concept from longevity, which rewards an employee for long and faithful service to an employer.

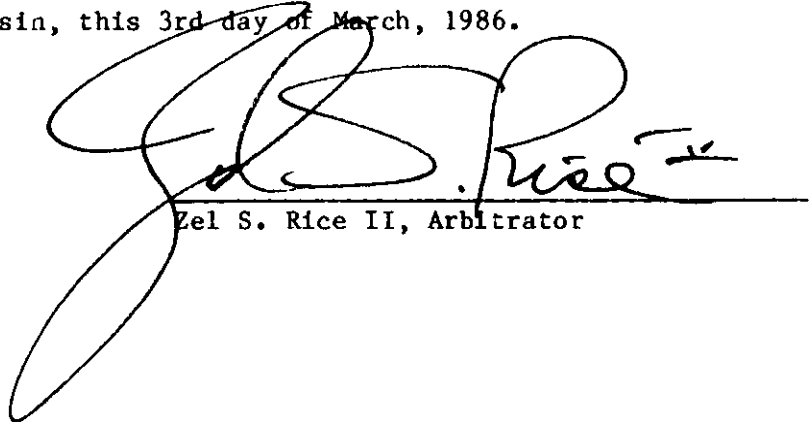
It therefore follows from the above facts and discussions thereon that the undersigned renders the following:

AWARD

After full consideration of the criteria listed in the Statute and after careful and extensive examination of the exhibits and briefs of the parties, the Arbitrator finds that the Employer's Amended Final Offer more closely adheres to

the statutory criteria than that of the Union and directs that the Employer's Amended Final Offer be incorporated into an agreement containing the other items to which the parties have agreed.

Dated at Sparta, Wisconsin, this 3rd day of March, 1986.



Zel S. Rice II, Arbitrator