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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

In the Matter of the Petition of

THORP EDUCATION ASSOCIATION
(EDUCATIONAL SUPPORT PERSONNEL)

To Initiate Mediation-Arbitration
Between Said Petitioner and

THORP SCHOOL DISTRICT

Case 8
No. 35525
MED/ARB-3444
Decision No 23082-A

APPEARANCES:

Stephen L. Weld, Mulcahy & Wherry, S.C., on behalf of the District

Mary Virginia Quarles, Central Wisconsin UniServ Council-West, on behalf of
the Association

On December 12, 1985 the Wisconsin Employment Relations Commission appointed the undersigned Mediator-Arbitrator pursuant to Section 111.70(4)(cm) 6b. of the Municipal Employment Relations Act in the dispute existing between the above named parties. Pursuant to statutory responsibilities the undersigned conducted a mediation session with the parties on February 27, 1986 which did not result in resolution of the dispute. The matter was thereafter presented to the undersigned in an arbitration hearing conducted on the same date for final and binding determination. Post hearing exhibits and briefs were filed by the parties which were exchanged by April 8, 1986. Based upon a review of the foregoing record, and utilizing the criteria set forth in Section 111.70(4)(cm) Wis. Stats., the undersigned renders the following arbitration award.

ISSUES:

The Association has proposed a two year agreement effective from July 1, 1985 through June 30, 1987. The Board has proposed a one year agreement covering the 1985-86 contract year.

The Board has proposed to increase the hourly rates of secretaries and aides by 25 cents per hour. New hires would begin at \$4.25 per hour. This proposal represents a 5.4% increase above 1984-85 salaries, within which individual wage increases would range from 4.3% to 6.9%.

The Association has proposed increasing the elementary school secretaries' hourly rate from \$5.75 per hour to \$6.25 per hour in 1985-86, and to \$6.75 per hour in 1986-87. It also proposes increasing the secondary school secretaries' hourly rate from \$5.45 to \$5.95 in 1985-86, and to \$6.45 in 1986-87. These increases represent 17 to 18% increases over the term of the proposed two year agreement.

The Association's proposal for aides is less uniform. Two of the five aides would receive a 43 cents per hour increase each semester in 1985-86 and a 44 cents per hour increase for each semester in 1986-87, representing a \$1.74 increase over the contract term. A third aide would receive a 47 cent per hour increase in each semester in 1985-86 and a 48 cent per hour

increase each semester in 1986-87, representing a \$1.90 per hour increase over the contract term. These proposed increases range between 18 and 53% over a two year term.

BOARD POSITION:

Based upon commonly accepted comparability criteria such as geographic proximity, similarity in size, and participation in the same athletic conference, the Board proposes the following districts as comparables. Altoona, Auburndale, Cadott, Colby, Cornell, Fall Creek, Gilman, Greenwood, Loyal, Mosiness, Neillsville, Osseo-Fairchild, Owen-Withee, and Stanley-Boyd

On the other hand, the Union's proposed comparables include only unionized school district employees. This fact alone is insufficient to sustain the exclusive use of such a limited comparable pool. The Association's approach ignores the fact that the economic environment in rural areas impacts equally on districts regardless of the unionized status of employee groups. Secondly, the level of unionization has no impact on the districts' level of aid. The Association has also failed to demonstrate that any correlation exists between the union status of employee groups and the settlement pattern among comparables. Instead, variables which must be considered are the economic environment in a community, wage and benefit levels in the labor market which includes all comparable employers, the level of settlement with other employee groups employed by the same employer, and the cost of living. Because the Association has failed to propose comparables on the basis of the foregoing considerations, it would appear that it has merely utilized a self serving argument to support its proposed comparables.

The Board's wage offer is more reasonable when compared with the agreements reached in comparable districts. In this regard the record demonstrates that the Board's offer maintains or improves the District's relative comparative position. Additionally, the salaries for the District's support staff rank competitively with support staff wages in comparable districts. The District also provides superior benefit levels which protect the health and welfare of unit employees. When wages and total compensation are compared, the Board's offer provides superior economic protection to the District's aides and secretarial staff.

There is also no comparative support for the Association's two year proposal. Instead, most comparable districts have one year settlements. Among those few districts which have multi year settlements, the Association's proposal far exceeds the level of settlements reached in other districts in the second year.

The Association's proposal is totally insensitive to the serious economic problems faced by the District's taxpayers. In this regard the record demonstrates that the faltering farm economy has affected every other sector of the economy in the area. These problems are exacerbated by low median family income levels, high tax levels, and the District's reliance on shrinking state aids.

The Board's offer also guarantees that the District's support staff will receive increases that exceed relevant increases in the cost of living, whereas the Association's proposal would result in increases that grossly exceed CPI

increases. Such increases cannot be justified in a depressed economy with a low inflation rate.

The Board's proposed increases is more reasonable when compared to the increases which have been received by other District employees. In fact, the Board's offer maintains the settlement pattern established with the custodial and food service staff in the District.

The Boards' offer is also more reasonable when compared with settlements involving employees in the City of Thorp and Clark and Taylor counties. In fact, the District's secretaries receive superior wages when compared to the wages received by secretaries in these municipalities.

Furthermore, when the wages of the unit employees are compared to the wages of employees in the private sector in the area, again the Board's offer appears to be the more reasonable of the two.

ASSOCIATION POSITION:

Unionized secretaries and aides in the Cloverbelt Athletic Conference comprise the appropriate comparability group. Consideration should be restricted to those employees whose conditions of employment are established through collective bargaining.

Secretaries and aides have been paid at lower rates in the District than in comparable districts. There is no evidence as to the ranking of the District's custodians and cooks among comparable districts. Thus, no basis for comparisons with these other District employees exists. Instead, wage rate comparisons with other school district secretaries and aides provides the best standard for comparison. In addition, the record does not demonstrate that County employees have similar duties and responsibilities as unit employees, and therefore, the District's assertion that County employees should also be deemed comparable to unit employees is unsupported. The District's reference to a few sets of private sector employees is also selective, unreliable, and self serving.

The Board's salary proposal would result in wages for some current employees which are less than the wages the District proposes to pay new hires. There is no equity in such a proposal.

Wage rates in comparable employer-employee relationships clearly support the reasonableness of the Association's proposal. In fact, there is a real need for catch up in the unit.

One reason that rate increase comparisons cannot be effectively made is because of the impact of unique retirement benefit settlements in two districts which affected the level of wage increases that the employees in those districts agreed to. Thus, the appropriate basis for comparisons is the dollar value of actual wage rates in comparable districts.

Regarding the duration issue, it is significant that all unionized support personnel in comparable districts are covered by multi year contracts. The Association's proposal is consistent with this pattern.

Relatedly, the Association's insurance proposal for 1986-87 simply maintains the status quo.

Furthermore, the District has not demonstrated that it has an inability to pay problem. In fact the District has had the highest increase in equalized value per member of the comparables

In view of the inordinately low wages the District pays unit members, there is no justification for allowing their present condition to continue.

DISCUSSION

On the comparability issue the undersigned is of the opinion that all of the districts in the athletic conference constitute the most appropriate pool of comparables to utilize in this proceeding. Although the group of districts in the Conference which negotiate conditions of employment with similar groups of employees do constitute a reliable basis for comparison, to exclude non unionized districts would, in the undersigned's opinion, ignore a significant population of comparables which would unfairly skew the the basis upon which comparisons should be made utilizing generally accepted criteria for labor market comparisons. This is so since all comparable school districts in a given labor market traditionally determine the conditions of employment of their employees based upon economic factors which are predominantly unrelated to the unionized status of said employees, and to exclude a substantial population of comparable employer-employee relationships based solely upon the unionized status of the employees would result in comparisons which fail to give appropriate weight to the traditionally accepted economic criteria which are generally determinative of questions such as those at issue herein, particularly where as here, a substantial portion of the population of comparable employees is not unionized.

Based upon a comparison of the conditions of employment of similar employees in all of the districts in the Athletic Conference, it would appear that the District's proposal is the more reasonable of the two at issue herein. This conclusion is based upon the following considerations.

Clearly the internal comparables, i.e., other settlements in the District with groups of non professional employees, support the reasonableness of the District's position herein.

Similarly, the conditions of employment of employees of municipal, county, and private sector employers in the area who perform similar duties and/or have similar levels of responsibilities also support the fairness of the District's position herein.

Increases in the cost of living also support the reasonableness of the Board's position, in that all unit employees will gain in real income based upon the District's proposal.

When the conditions of employment of similarly situated employees in comparable districts are analyzed, though it would appear that some catch up is needed for three aides in the unit who are earning less than \$4.00 per hour, when the total compensation of all unit employees is compared with the total compensation received by similarly situated employees in comparable districts, the undersigned is not persuaded that the amount of catchup proposed by the Association can be justified, particularly at this time when many employees in the same labor market are being required to accept very moderate increases, even though their general wage levels are

quite low, relatively speaking. While the undersigned would have preferred a settlement which would have, at the minimum, assured all employees in the unit wage levels which would exceed the wages that will be received by new District employees with similar duties and responsibilities, to afford all employees in the unit substantial increases which cannot be justified based upon comparable wages and settlements does not provide a basis for selecting the Association's proposal. In this regard, in the undersigned's opinion, a comparison of the wages and benefits of the remaining unit employees with those which exist in comparable districts simply does not support the need for a substantial across the board catch up agreement.

Furthermore, while a multi year agreement would be desirable in this relationship, where, as here, specific corrections in wage relationships between unit employees appears to be necessary, affording the parties an opportunity to correct these problems in their negotiations for a successor agreement would seem to be both appropriate and desirable at this time. The desirability of a single year agreement is reinforced in these circumstances since a majority of the District's comparables have not yet established their 1986-87 conditions of employment, and thus the parties will hopefully have more information in their hands regarding comparables at the time they negotiate 1986-87 terms and conditions of employment.

Based upon the foregoing considerations, while the undersigned is persuaded that some catch up is needed for certain unit employees, the record does not demonstrate that a substantial catch up agreement which applies across the board has been justified based upon this record. Furthermore, though a multi year agreement might generally be deemed desirable for the parties, where, as here, specific problems need to be addressed in the negotiations process, and where conditions of employment have not been established for the 1986-87 school year in a majority of the comparable employer-employee relationships, the District's proposal, though somewhat unreasonable as it affects the lowest paid unit employees, must be deemed the more reasonable of the two proposals at issue herein.

Based upon all of the foregoing, the undersigned hereby renders the following:

ARBITRATION AWARD

The Board's final offer shall be incorporated into the parties' 1985-1986 collective bargaining agreement.

Dated this 9th day of June, 1986 at Madison, Wisconsin.

Byron Yaffe
Byron Yaffe
Arbitrator