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STATE OF WISCONSIN
BEFORE THE ARBITRATOR

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the Petition of

VERNON COUNTY COURTHOUSE
AND SOCIAL SERVICES, LOCAL 2918
AFSCME, AFL-CIO

To Initiate Arbitration
Between Said Petitioner and

Case 77
No. 40087
INT/ARB-4774
Decision No. 25577-A

VERNON COUNTY (COURTHOUSE
AND SOCIAL SERVICES)

APPEARANCES:

Daniel R. Pfeifer on behalf of the Union
Jerome Klos, Esq. on behalf of the County

On August 23, 1988 the Wisconsin Employment Relations Commission appointed the undersigned Arbitrator pursuant to Section 111.70(4)(cm) 6 and 7 of the Municipal Employment Relations Act in the dispute existing between the above named parties. Pursuant to statutory responsibilities the undersigned conducted an arbitration hearing on November 15, 1988 in Viroqua, Wisconsin during the course of which the parties presented evidence and arguments in support of their respective positions. Post hearing briefs were filed by the parties by January 11, 1989. 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:

This dispute involves the terms of the parties' 1988-1989 collective bargaining agreement. The Union proposes a fair share provision applicable to new employees only--with a hold harmless/indemnification clause, while the County proposes that the status quo--dues checkoff only--be maintained. The Union proposes that Christmas Eve, which is currently a holiday if it falls on Monday thru Friday, be a holiday observed on a Friday if it falls on a weekend. The County proposes that the status quo be maintained on this issue. The County proposes two across the board annual 4% wage increases.

Currently, employees are paid a single rate based upon their classification. The Union proposes a significant restructuring of the wage schedule, utilizing the 1987 rates as starting rates, and providing for five new 4% steps. Under the proposal most employees would move to the six month rate effective January 1, 1988, and yearly thereafter they would move one step on the schedule. A few employees would be placed on another step on the schedule which would be closest to the equivalent of a 4% increase. In 1989, those at the top step of the schedule would receive a 4% increase. The value of the Union's wage proposal is approximately 4.4% in 1988 and 4% in 1989. However, employees would continue to receive 4% increases yearly thereafter until they reached the maximum rates on the schedule.

UNION POSITION:

The Union's fair share proposal is the least restrictive proposal it could have fashioned, and its reasonableness is clearly supported by external comparables.

Under the parties' current Agreement, when Christmas Eve falls on a work day, employees get 8 and one half holidays per year; however, if it falls on a weekend, they only receive 7 and one half holidays. Evidence regarding both internal and external comparables indicates that the minimum number of holidays comparable employees receive are 8 and one half in the County and 9 in comparable counties. Thus, both internal and external comparables support the reasonableness of the Union's position on this issue.

With respect to the wage issue, none of the County's external comparables utilize single wage rates without automatic wage progressions. Relatedly, it is noteworthy that the County's non union employees have a 20 step wage schedule. Furthermore, the County's final wage offer is drastically below the averages of the comparables while the Union's offer is below the average maximums for comparable counties and furthermore, a majority of the employees in the unit will not achieve the proposed maximums until 1992.

Relatedly, the County is not the only farming community in the area, though it continues to maintain substandard wages for its union employees as compared to other farming communities. Also, it would appear that there is at least the beginning of an economic turnaround in the area since milk prices have recently increased at the highest rate of increase since 1973.

In response to the County's contentions about its financial status, it is important to note that out of an operating budget for the County's Social

Services Department of more than 1.2 million dollars, the County only subsidizes the operation by approximately \$50,000

COUNTY POSITION:

The use of external comparables is but one of a myriad of factors which should be utilized to resolve this dispute. The decision should not be based merely on an averaging of all county or municipal departments' salaries on a regional basis.

Substantial weight must be given to the voluntary settlements between the County and the representatives of its employees, which include settlements with other AFSCME units in the County. Three other units have voluntarily accepted offers similar to that offered by the County herein. The County's non union wage adjustments are also similar.

The per capita income of residents of Vernon County is one of the lowest in the State. This should justify the slightly lower public salaries and benefits which exist in the County--based upon equitable considerations.

Relatedly, although the County has doubled its real estate tax levy in the last several years, the amount of unpaid taxes increased faster than the increase in the taxes levied.

Many of the counties proposed by the Union as comparables really are not comparable, based upon the higher per capita income that exists in those counties--also, based upon the fact that many of said counties contain a higher proportion of non-agricultural land. In this regard, only Grant, Iowa and possibly Crawford counties are comparable to Vernon County. When the salaries of the employees in these counties are compared to Vernon County employee salaries, the County's salaries are actually in some respects superior.

A further consideration supporting the equity of the County's offer is the fact that the unit employees herein work 37 and one half hours per week, while many other county employees work up to 40 hours per week.

Also supporting the reasonableness of the County's offer is the fact that the Union's wage proposal will have an economic impact on the parties for years after the instant contract is concluded. Such matters should be resolved in successive negotiations, not in this round of negotiations for the parties' 1988-89 collective bargaining agreement. The arbitrator should consider the relative fairness of the parties' 1988-89 wage offers. It is inappropriate for

the Union to require that an entirely new concept of massive reclassification and/or longevity be decided in this arbitration proceeding.

With respect to the fair share issue, employees should not be forced to pay union dues, whether they be current or prospective employees. The Union's proposal is insidious in that it seeks a discriminatory fair share plan affecting only unknown prospective employees whose rights it is trying to bargain away without their knowledge or consent. It is also important to note that none of the three other organized County units have fair share provisions in their collective bargaining agreements.

DISCUSSION:

On the fair share issue, the record indicates that the internal comparables support the County's position, while external comparables support the Union's position. On the merits of the issue, it seems fair to require that members of a bargaining unit support the collective bargaining activities of the chosen unit representative, particularly since there are now legal procedures in place to assure that such support will be limited to activities related to the collective bargaining activities of the representative. Thus, where, as here, a union seeks to require the support of employees it is required to represent in a manner which is consistent with the legal rights of the affected employees, and where, as here, the Union seeks only to impose such an obligation on newly hired employees who understand their obligations from the inception of their employment, the undersigned is of the opinion that the Union's position on this issue is more reasonable than the County's, particularly since most similarly situated organized employees in the surrounding area are covered by such fair share arrangements.

On the holiday issue, the record indicates that the Union's proposal is much closer to the pattern of benefits available to employees in both the internal and external comparables. Relatedly, the County's offer on this issue is clearly below that pattern. Therefore, the undersigned must conclude that the Union's position on this issue is clearly the more reasonable of the two at issue herein.

The most difficult issue to decide in this matter is the wage issue. On this issue the record indicates that the County pays at the low end of the salary range among counties in the southwest part of the State, that most external comparables have pay plans providing for wage progressions based upon length of service and that one County bargaining unit and non unionized County employees have such a pay plan, that the County is relatively poor in terms of its tax raising abilities, that the per capita income of the residents in

the County is relatively low, and that a very large percentage of the County's Department of Social Services budget is funded with State and/or Federal Funds.

It is also clear from the record that the parties' wage offers will have very little difference in their economic impact on both employees and the County in 1988 and '89. The major difference would be in the long term impact of the Union's wage proposal, assuming for the sake of argument that the wage progression system it proposes remains in the parties' successor collective bargaining agreements, -- which is at this point in time speculative at best.

Under these circumstances, while there appears to be some support for the Union's effort to make unit employee's wages somewhat more competitive with the wages earned by similarly situated employees employed by other counties in the area, there is no assurance that its wage proposal will accomplish that end, or even begin to do so. Under such circumstances, it does not seem reasonable to award a significantly revised compensation system with long term impact, which the parties will probably fight over again the next round of negotiations. Although such a change might be supported by comparability, it is not evident to the undersigned that it is well designed to remedy the pay equity problems the Union is trying to address herein; and absent persuasive evidence or argument that it will do so, the undersigned can find no persuasive reason to impose upon the County the significantly restructured compensation system proposed by the Union.

All of the foregoing creates a rather perplexing situation in which the County's wage proposal is deemed to be the more reasonable of the two at issue herein (though the economic impact of the two wage proposals is essentially the same for 1988 and 1989), while the Union's fair share and holiday proposals are deemed to be more reasonable than the County's. Because the undersigned cannot pick and choose the more desirable elements of each party's proposals, it becomes apparent that the final offer selected will contain proposals which are, in the undersigned's opinion, both reasonable and unreasonable. In making such a choice, the undersigned is of the opinion that the Union's total final offer, when viewed in its entirety, is slightly less unreasonable than the County's. Though the undersigned does not believe that adoption of the Union's wage proposal will put an end to the parties' disagreements over this issue in successive rounds of negotiations, its economic impact during the term of this agreement will not be harmful to the County--or indeed, relatively different from the economic impact of the County's wage proposal. When this is viewed in the context of the reasonableness of the Union's other two proposals, the relative


reasonableness of the Union's total package final offer should, in the undersigned's opinion, cause it to prevail in this proceeding.

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

ARBITRATION AWARD

The Union's final offer shall be incorporated into the parties' 1988-89 collective bargaining agreement.

Dated this 27 day of January, 1989 at Madison, Wisconsin.


Byron Yaffe
Arbitrator