

BEFORE THE ARBITRATOR

RECEIVED
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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the :
Arbitration of an Impasse :
Between :
:

RACINE COUNTY HANDICAPPED :
CHILDRENS' EDUCATION BOARD :

Decision No. 25856-A

and :
:

WESTERN RACINE COUNTY SPECIAL :
EDUCATION ASSOCIATION :

Appearances:

Long & Halsey Associates, Inc., by Victor J. Long, for the
Municipal Employer.

Beverly Kitzmiller, Southern Lakes United Educators, for the
Association.

ARBITRATION AWARD

The above-captioned parties selected, and the Wisconsin Employment Relations Commission appointed (Decision No. 25856-A, 2/8/89), the undersigned Arbitrator to issue a final and binding award pursuant to Sec. 111.70(4)(cm)6 and 7 of the Municipal Employment Relations Act resolving an impasse between the parties by selecting either the total final offer of the Municipal Employer or of the Association. A hearing was held in Union Grove, Wisconsin, on April 18, 1989. No transcript was made. Briefing was concluded on June 20, 1989.

The collective bargaining unit covered in this proceeding consists of education aides employed by the Board. The Association was certified to represent this unit during March, 1988. There are approximately 15 employees in this unit. The parties are seeking their initial agreement to cover the 1988-1989 and 1989-1990 school years.

THE FINAL OFFERS:

The only provision of the parties' agreement addressed by their final offers is the salary schedule. The 1987-1988 salary schedule consisted of an index with nine "steps" on its vertical axis and four "levels" on its horizontal axis.

The Association's final offer is as follows.

1988-89

All salaries on the schedule will be increased by the percent increase in the CPI (U.S. Urban Wage Earners and Clerical

Workers-U.S. Bureau of Labor Statistics-
Milwaukee-all items) for the 12 month
period July 1987-June 1988.

1989-90

All salaries on the schedule will be increased by the percent increase in the CPI (U.S. Urban Wage Earners and Clerical Workers-U.S. Bureau of Labor Statistics-Milwaukee-all items) for the 12 month period July 1988-June 1989.

According to the method of calculation employed by the Association, which uses Consumer Price Index (CPI) statistics for the Milwaukee area which are provided in the form of six-month averages, the Association proposal amounts to a 4.1% increase in the salary schedule for 1988-1989. Of course, the calculation for 1989-1990 was not completed when the record closed herein.

The Employer's final offer consists of maintaining the 1987-1988 schedule, so that unit members would be compensated pursuant to their placement thereon for 1988-1989; and then adding 2% to all cells of that schedule for 1989-1990.

It should be noted that the parties have entered certain stipulations respecting the modification of the 1987-1988 index and the placement of specific individuals.

DISCUSSION:

The Association argues that its offer is essentially an effort to maintain the status quo by employing a standard indicator of real income, and correspondingly of standard-of-living. It emphasizes that in recent years the Employer has granted salary increases to this unit that approximated CPI increases, and that now the Employer would "freeze" wages for the first year reducing the employees' buying power in contrast with its own previous approach.

The Association would also compare its offer to settlements between the County - of which the instant Employer is a component - and other bargaining units of County employees. These include units of courthouse and office employees, deputy sheriffs, other sheriff's department employees, attorneys, public works employees, and nurses at the Health Care Center, other Health Care Center employees, Human Services employees, and a unit of Teachers, Psychologists and Social Workers employed by the Employer. For the 1987 through 1990 period such units typically received 3% to 5% increases. There were no 0 or 2% increases for 1988, 1989 or 1990. The Association offer, it urges, would "preserve the wage differential" among these units. It views the 4.1% proposed increase as at a "mid-range" among comparable settlements.

The Employer contends that its "pool of comparables is the most appropriate for use in these proceedings." That consists of

employees of the Handicapped Childrens' Education Boards of Brown, Manitowoc, Marathon, Sheboygan and Walworth Counties; which are all other such Boards in Wisconsin, except two which are operated in markedly different arrangements.

The Employer argues, "The uniqueness of this type of operation makes these the only valid comparable employers doing comparable work in a similar environment." On this ground the County then compares the wage rates it proposes to the averages for 1988-1989 in the other counties. This method indicates that the Employer's offer for 1988-1989 is materially higher than the averages of the other counties.

The Employer also urges that more incisive examination of the internal comparisons emphasized by the Association discloses a variety of misinterpretations of the data. Apparent patterns and relationships give way to "unique circumstances" and peculiarities of bargaining history. (The Arbitrator would note some concern that in this portion of its brief the Employer refers at times to matters not placed in evidence at the hearing.)

Likewise, the Association contends that the comparison data provided by the Employer is flawed and deceptive. It emphasizes that information is lacking respecting the content of jobs in other counties, and distortions that may come with "averaging".

The Employer also argues, "that the CPI is an inappropriate mechanism for adjusting salaries because no other Racine County bargaining unit contract contains any type of CPI salary increase." It states that such approaches have been removed from other County labor agreements in recent years; and emphasizes that the CPI includes factors, particularly medical costs, that are otherwise addressed by the labor agreement. The Employer also speculates that this approach may yield salary increases in the second year that exceed even the comparables preferred by the Association, and asserts that it creates "a guessing game for properly budgeting for salaries."

The Arbitrator would not, as a general matter, attempt to rank external and internal comparisons. In fact, both approaches are quite obviously valid, valuable and conventional. Moreover, in this particular case, both parties' arrays of comparison data are subject to criticism.


In the view of the undersigned, the more compelling conflict in this case is between the specific increases proposed by the Employer, and the complete reliance by the Association on the CPI. While it seems quite sound and conventional to support either approach to comparisons, or even both approaches; it is very unappealing to have to favor either the totally unspecified future of the CPI, or a two year period with only a two percent increase in the second year. (The Arbitrator understands that individual employees may receive increases due to movement within the index.) Whereas the Employer's offer may be insufficient, the Association is proposing a highly controversial structure.

The Arbitrator has determined to prefer the Employer's position because simple reference to the CPI without any additional limiting terms is, as the Employer argues, both unorthodox and unpredictable. It is not appropriate, in the judgment of the undersigned, to obtain such an approach by arbitration, and even more so in the case of a first contract.

AWARD

On the basis of the foregoing, the record as a whole, and due consideration of the "factors" specified in the Municipal Employment Relations Act, the undersigned Arbitrator selects and adopts the final offer of the Municipal Employer.

Signed at Madison, Wisconsin, this 16th day of August, 1989.



Howard S. Bellman
Arbitrator

HSB/sf