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BEFORE THE ARBITRATOR

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the Arbitration of the
Dispute Between the

IOWA COUNTY (HIGHWAY DEPARTMENT)
and the

IOWA COUNTY HIGHWAY DEPARTMENT
EMPLOYEES LOCAL 1266, AFSCME, AFL-CIO

WERC Case 66
No. 47057
INT/A B6386
Dec. No. 27608-A

Appearances:

Mr. David White, Staff Representative, Wisconsin Council 40, AFSCME, AFL-CIO for the Union. Mr. Kirk Strang, attorney, and Ms. Suzanne Dishaw-Britz, Godfrey & Kahn, S.C. Attorneys at Law, for the Employer.

Sworn Testimony was received from:

Mr. Vincent Limmex, Chairman, Personnel Committee, Iowa County

Background:

On November 4, 1991, representatives of the Iowa County Highway Department (hereinafter referred to as the "County," or the "Employer") and the Iowa County Highway Department Employees Local 1266, AFSCME, AFL-CIO (hereinafter referred to as the "Union" or the "Employees") exchanged proposals on issues to be included in a successor agreement (for the two years 1992 and 1993) to their agreement which expired December 31, 1991. The Union represents full-time and regular part-time employees of the Iowa County Highway Department. The Parties met on three other occasions and failed to reach an agreement. On February 21, 1992 the County filed a petition with the Wisconsin Employment Relations Commission for final and binding interest arbitration pursuant to Section 111.70(4)(cm)6 Wis. Stats. Investigator William C. Houlihan, a member of the WERC staff, conducted an investigation on April 16 and on June 15, 1992, and on February 3, 1993, and then advised the Commission that an impasse existed. The parties submitted final offers to the Commission by March 29, 1993. On April 8, 1993 the Commission certified the parties' final offers and directed them to select an impartial arbitrator. The Undersigned, Richard Tyson, was selected and appointed on May 25, 1993. He conducted a hearing on the matter on August 25, 1993 at the County Sheriff's Department offices in Dodgeville, Wisconsin. No transcript of the hearing was taken. Both parties had an opportunity to present exhibits and testimony and to outline their arguments in this dispute. They agreed to a schedule for exchanging briefs and replies.

The Issue(s)

The parties are agreed on all items for inclusion in the successor agreement for 1992 and 1993 except wages. The County offers a base wage increase of 4% beginning January 1, 1992, a 3% increase on January 1, 1993, and a 2% increase July 1, 1993. The Union's offer includes increases of 3% on January 1 and 2% on July 1 of each year of the two-year contract. The parties differ as to which set of comparables constitutes the appropriate external comparison group under Section 7.(d.) of the Act against which to measure their respective offers. The Employer argues that the relevant comparison is to be made between the unit employees and highway department employees in the adjacent counties except for Dane County while the Union argues that the most appropriate comparable group is highway department employees in all of the adjacent counties as well as in Crawford and Columbia counties (which are almost contiguous to Iowa County). Another difference between the parties concerns the nature of the comparison to be made; the County focuses on comparisons of wage increases while the Union focuses on wage levels offered by the parties in comparison to their respective comparison groups.

Cost

Wages for the Highway Department Employees unit were \$ 1,063,379 in 1991. The total package costs were \$ 1,647,053. The Employer has calculated the cost of the proposals of the Union and the Employer to be as follows:

Table 1: Salary and Benefits Costs Under the Union and the County Offers

	1992-93 increases		1993-94 increases	
	wages	package	wages	package
Un. offer \$	\$ 279,991	\$ 368,094	\$ 275,674	\$ 376,225
% increase	5.35%	5.94%	5.0%	5.73%
Co. offer \$	261,674	348,569	219,806	316,676
% increase	5.0 %	5.63%	4.0%	4.84%
difference \$	18,317	19,525	55,868	79,074
difference %	.35%	.31%	1.0%	.89%

Source: Employer Exhibits 7 and 8, and as calculated by the Arbitrator.

The Statutory Criteria

The parties have directed their evidence and arguments to the statutory criteria of Sec. 111.70 (7) Wis. Stats. which directs the Arbitrator to consider and give weight to certain factors when making his decision. Those factors are:

- a. The lawful authority of the employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any settlement.
- d. Comparison of wages, hours and conditions of employment of the municipal employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services.
- e. Comparison of wages, hours and conditions of employment of the municipal employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees generally in public employment in the same community and in comparable communities.
- f. Comparison of wages, hours and conditions of employment of the municipal employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees generally in private employment in the same community and in comparable communities.
- g. The average consumer prices for goods and services, commonly known as the cost-of-living.
- h. The overall compensation presently received by the employees, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- i. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- j. 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, factfinding, arbitration or otherwise between the parties, in the public service or in private employment.

Arguments of the Parties

The Employer

The Employer maintains that its offer provides percentage increases in wages which are in line with the comparable external settlements, namely, highway department employee units in the contiguous counties--excluding Dane County.¹ Dane County dwarfs Iowa County by almost all measures of comparison; on this basis and citing arbitral precedent, the Employer argues for its exclusion.² The County's offer is consistent with the internal pattern of settlements; it has had no difficulty attracting applicants for highway department openings and it therefore has no need to provide "catch-up" increases for this unit. Moreover, the interests and welfare of the public do not support wage increases of the magnitude included in the Union's offer due to the economic difficulties of the area, and modest private sector wage increases and inflation.

The Employer urges the Arbitrator to only consider comparisons between Iowa County Highway Department employees and highway department employees in Grant, Green, LaFayette, Richland, and Sauk counties. These are contiguous to Iowa County and are similar in terms of tax base, population, income and employment conditions. They are dissimilar to Dane County. The parties have not been in arbitration since 1978, at which time Arbitrator Bellman alluded to considering data on Patrolmen's wages in the 14 county area.³ The law has changed since then; moreover, the Union is selective in wanting to include Dane County in the instant case and ignoring the 7 other counties which were implicitly used as reference wages. The Union's use of Crawford and Columbia counties is also inappropriate, being labelled as "gerrymander(ing)" by the Employer since those counties are not contiguous to Iowa County.⁴ The Employer includes Grant County among its comparables against the objection of the Union that those employees are not represented. Grant County is proximate, sharing Iowa County's entire

¹Employer Brief, pp. 14-19.

²Arbitrator Yaffee, in School District of Mishicot, Dec. No. 19849-A (2/83), Rice in Shawano County (Highway Department), Dec. No. 26049-A (12/89), Petrie in Green County Pleasant View Nursing Home, Dec. No. 17775-A (9/90), and Vernon in Sauk County (Highway Department), Dec. No. 26359-A (11/90). Also cited is the Undersigned in Sheboygan Area School District, Dec. No. 27145-A (19/92) though the large/small employer comparisons were reversed from the instant dispute.

³Dec. No. 16116 (August, 1978).

⁴Brief, p.9.

western border. It is of similar size and economic base. Union status is not a legislative criterion determining comparability, nor is it used as such by arbitrators.⁵ The Employer therefore asks the Undersigned to include Grant County among the relevant comparables in this dispute.

The Employer acknowledges that the Iowa County Highway Department employees "are not wage leaders;" the wages are "within the range of comparables," however.⁶ The unit's relative wage position has historically been below average and has resulted from the give and take of bargaining. Settlements since the 1978 award have been voluntary. That resulting wages are below the comparable's average does not compel "catch-up". Turnover in the unit is low, and recruitment has been no problem. Arbitrators, the employer contends, tend to require compelling reasons to disturb long-standing relative wage relationships and recognize that there will always be some units paid below, and some paid above, average.⁷

The County's offer provides for generous increases in 1992 and 1993, "in line with the comparable external settlements."⁸ Its 4% offer in 1992 is the same as Grant and Richland counties' settlements, though LaFayette and Sauk Counties provided 3%/2% split increases. Green County, however, raised wages by only 3.25% on July 1, 1992.⁹ For 1993, Green County wages will increase 3.5%, while Grant County provided only a 3% increase Jan. 1, with "adjustments" following on July 1. There are no other 1993 settlements among the Employer's

⁵Reply Brief, pp. 1-4, and citing Arbitrators Gunderman in Cameron School District (Support Staff), (not identified), Vernon in Holmen School District (Clerical and Paraprofessionals), Dec. No. 27395 (4/93) and in School District of Owens-Withee, Dec. No. 22395-A (12/85), Petrie in Elkhorn Area School District, Dec. No. 19093-A (6/82), Yaffee in Thorpe School District, Dec. No. 23082 (6/86), and Christensen in Rosholt School District, Dec. No. 36907 (3/87).

⁶Brief, p. 10.

⁷Arbitrator Mueller in Brown County (Mental Health Center), Dec. No. 23871-A (5/87), Krinsky in Barron County (Public Health Agency), Dec. No. 20826-A (1/84), Rice in Shawano County (Highway Department), Dec. No. 26040-A (12/89), and Fleischli in Marathon County (Health Department), Dec. No. 26030-A (1/90).

⁸Brief, p. 24.

⁹The Undersigned notes from the contracts that the prior year's (July-July) increase was 6% (Union Exhibits 37, 38).

comparables.

The Employer asserts that the Union is exaggerating claims of a wage disparity between unit employees and the comparables, primarily because the Union excludes Grant County and includes Dane County in its computation of benchmark mean wages.¹⁰ Doing so results in mean benchmark wages which are \$.03 to \$.42 higher in 1991 and \$.06 to \$.46 higher in 1992.¹¹ With a proper comparison, the Unit employees' wages prove to be in the range of comparable units. Nevertheless, the Employer suggests to the Arbitrator that settlement levels rather than wage levels are the proper consideration, and the County's settlement level is fair.

The Employer is very concerned that were the Union to prevail in this award, a chilling effect on future negotiations with all county units would result. The County's wage offer herein is the same as accepted by the Courthouse employees and as offered to the Sheriff's Department employee unit (currently in arbitration). Citing numerous opinions on the importance of maintaining internal settlement patterns, the Employer suggests that an award in favor of the Union will create internal inequities and reduce incentives for further, voluntary settlements.¹² Furthermore, the Union has not provided any evidence as to why Highway Department employees are circumstantially different from the Courthouse employees who settled for what the county offers this unit's employees.

The Employer also calls the Arbitrator's attention to other relevant factors. Private sector wage levels in the Service Delivery Area tend to be much lower than are wages offered by the county. The rate of wage increases reported by the B.L.S. for 1992 was 3.4% and is trending somewhat downward through mid-1993. Measured inflation in both years is also significantly less than

¹⁰Reply Brief, pp. 4-9. The Employer also correctly notes a couple of errors in the Union's data and some calculations.

¹¹Reply Brief, pp. 6-7 and as calculated by the Arbitrator.

¹²Arbitrator Slavney in Buffalo County (Human Services), Dec. No. 27521-A (7/93), Krinsky in Walworth County (Social Services), Dec. No. 23627-C (3/87), Johnson in Village of Shorewood (DPW), Dec. No. 17119-A (11/79), Rice in Milwaukee Area VTAE District No. 2, Dec. No. 19183-A (6/82), Vernon in City of Madison (Firefighters), Dec. No. 21345-A (11/84) and in Sauk County (Highway Department), Dec. No. 26359-B (11/90), Mueller in Waukesha County Sheriff's Department, Dec. No. 22325-A (12/85), Nielson in Dane County (Sheriff's Department), Dec. No. 25576-B (2/89) and Gunderman in Oneida County, Dec. No. 26116-A (3/90).

even the Employer's offer. The local taxpayers should not have to support such increases as demanded by the Union. The County is agriculturally dependent, and has been losing farms. Area farmers have been hit hard by the 1988 drought, followed by winter alfalfa kills in 1992 and 1993, a poor 1992 growing season, and of course, The Flood. All of these factors, in addition to internal and external settlement comparisons weigh in favor of acceptance of the County's offer.

The Union

The Union's primary argument is that its offer which provides for a 3%/2% split increase in each of the two years is consistent with increases among its comparable pool and more importantly, results in wage levels somewhat catching up with the comparables' average wage levels. The Employer's offer would further erode the already low Iowa County Highway Department wages.

The Union bases its argument that unit members' wages are low in comparison to benchmark wages of highway department workers in Columbia, Crawford, Dane, Green, LaFayette, Richland, and Sauk counties. The latter four (4) counties, along with Grant County comprise the Employer's comparable pool. All seven counties of the Union's pool were used by Arbitrator Bellman in a 1978 award for the unit.¹³ Arbitrator Rice essentially used the seven in arbitrating the 1986-87 Professional Social Worker unit contract.¹⁴ The Union contends that the County's use of Grant County as a comparable is inappropriate since highway department employees there are not represented. In its Reply Brief, the Union cites several arbitrators who have excluded comparisons of represented employees with non-represented employees, particularly when sufficient collective bargaining settlements were available.¹⁵ The Union

¹³Dec No. 16116 (August 15, 1978). Arbitrator Bellman compared salaries based on an exhibit of patrolmans' wages in the 15 county area submitted by the Union. The award implies that the County did not submit comparison wages and/or make argument for a comparison group. The 15 included Iowa County and adjacent counties, and counties adjacent to those counties. The determination of "comparability" was not specifically made in his award.

¹⁴Dec. No. 23941-A (May 5, 1987). The pool used by arbitrator Rice included Grant County and did not include Dane County, however.

¹⁵ Arbitrator Vernon in Edgerton School District, Dec. No. 25933-A (11/89), in Lake Geneva Jt. School District No. 1, Dec. No. 26826 (2/92), and in Oconto County, Dec. No. 20984-A (9/84), Kerkman in Washburn School District, Dec. No. 24278-A (9/87), Kessler in

argues for inclusion of Dane County in the comparable pool since it "shares a very long common boundary" (Brief, p.7), it has been used as a comparable in the past, and has an important labor market influence on Iowa County (Reply Brief, pp. 8-10). Finally, the Union argues for inclusion of Crawford and Columbia Counties in the comparable pool since they are geographically proximate, are similar demographically, and provide needed comparison data for 1993 due to a paucity of 1993 data--particularly if Dane county is excluded from consideration.¹⁶ Moreover, the Employer argued for the inclusion of these two counties in the 1986-87 Social Services Department arbitration.

Using both its comparable pool and the Employer's pool (with and without Grant County), the Union finds that Iowa County Highway Department wages in 1991 were significantly below average; \$.42-\$.65 below its comparables, \$.17-\$.81 below the Employer's comparables, and \$.28- \$.82 below the Employer's comparables, excluding Grant County.¹⁷ For 1992, the Employer's offer will place those employees \$.49-\$1.00 below the Union's comparables, and \$.17-\$.84 below and \$.28-\$.88 below the Employer's pool(s).

The parties have identical offers for 1993. The Union argues that "some of the comparable units received absolute wage increases in 1993 that are equal to or exceed the offers of the parties herein," so the Employer's low 1992 offer will result in further deterioration in 1993.¹⁸

The Union disputes the Employer's contention that the County's offer is in line with the external comparables. Those counties paying substantially more than Iowa County provided 4% increases

Webster School District, Dec. No. 23333-A (11/86), Rice in DeSoto School District, Dec. No. 16814-A (8/79), Malamud in West Allis-West Milwaukee School District, Dec. No. 21700-A (1/85), Johnson in Potosi School District, Dec. No. 19997-A (4/83), and Zeidler in Seneca School District, Dec. No. 22377-A (9/85) and R.U. Miller in Dane County, Dec. No. 18181-A (8/81),. These arbitrators expressed the view that labor market comparisons between unionized employers and those who unilaterally set wages are either inappropriate or inequitable.

¹⁶Brief, pp. 7-11. The Undersigned notes that Crawford and Columbia are within a few miles of bordering Iowa County.

¹⁷Brief, pp. 12-20. The benchmarks used were: Patrolman, Truck Driver, Heavy Equipment Operator, and Mechanic. The Undersigned notes that these 4 categories include a majority of the unit's employees.

¹⁸Brief, p. 31.

while those paying low gave 3%/2% split increases in 1992. For 1993, the Employer's data certainly does not support its case since only Green and Grant Counties' data are available. Green County is converting its calendar, while Grant County is providing wage increases in the 5.7%-7.1% range.¹⁹

The Union denies the Employer's contention that the internal pattern of settlements favors its offer; one settlement (similar to the Employer's offer to the Highway Department Employees) can hardly be considered a pattern. The Employer's citations of awards wherein arbitrators opined that to reward a "hold-out" union through the arbitration process when it rejected the internal settlement pattern would induce a "chilling effect" is entirely misplaced. In these cases, (most/) all other units in the employers' jurisdiction were settled, whereas in the instant case, there is only one settlement.

Lastly, the union rejects the Employers argument that Iowa County's economic base is primarily agricultural, a sector which has suffered significant economic setbacks in recent years, and therefore an award in its favor is appropriate under Sec. 7(c.), "...Interests and Welfare..." Iowa County is not much more agricultural than the Employer's comparables, and has a proportionately larger commercial/manufacturing base than three other counties. The numerical loss of farms cited by the Employer is meaningless, though similar to other counties' experiences. The "Drought of '88," hay winterkill and the "Flood of '93" admittedly caused hardship among farmers. Such occurrences were not unique to Iowa County; the Employer has not attempted to show that its circumstances are different from the comparables' as generally required by arbitrators.²⁰

Discussion and Opinion

The Statute requires the Arbitrator to consider the aforementioned criteria in making an award. The criteria cited by the Parties as pertinent to this decision are external (d.), internal (e.), and

¹⁹Reply Brief, p. 15 and calculated by the Arbitrator from Employer's Exhibits 20-28.

²⁰The Union cites Arbitrator Kerkman in School District of Tomorrow River, Dec. No. 22131-A (10/85), Hill in Wittenberg-Birnamwood School District, Dec. No. 23188-B (8/87), Rice in Siren School District, Dec. No. 23282-A (8/86), Stern in Bowler School District, Dec. No. 23023-A (3/86), Imes in Grantsburg School District, Dec. No. 24273-A (7/87) and in Middleton-Cross Plains school District, Dec. No. 24092-A (7/87).

private sector employees (f.), comparisons as well as interests of the public (c.), and inflation (h.). Each of these is considered below as the outstanding issues of this dispute have been analyzed by the Arbitrator. First, the Arbitrator is compelled to comment on the question of external comparability (d.), as outlined above, and all that this entails. The basis of comparison is then addressed, followed by the Arbitrator's analysis of wage levels and increases. Lastly, other factors and other issues are discussed.

Public sector comparables

In applying the statutory criteria (d.), Arbitrators (including the Undersigned) have been guided by considerations of geographic proximity, similarity of size and other characteristics of the employer, and similarity of jobs. Similarity of jobs is further based on level of responsibility, the nature of the services provided, and the extensiveness of training and/or education required. The Undersigned notes little argument between the parties as regards inter-county differences in highway department employees' duties. In his opinion, proximity as a consideration favors neither party in this dispute. The main dispute involves inclusion of two counties bordering Iowa County (Dane on the east, Grant on the west) with approximately equal contiguous miles. Crawford and Columbia counties are a short distance from northwestern and northeastern Iowa County, were argued to be comparables of Iowa County by the Employer in 1987 (and not included by the Union), and were accepted as such by Arbitrator Rice.²¹

The issue of similarity of employers is therefore key in determining a comparable pool, along with the consideration of arbitral precedent. Crawford County is somewhat smaller than Iowa County, but about the same size as LaFayette County. It has lower valuation and income than most of the contiguous counties. Columbia County has about twice the population and valuation of Iowa County; its per capita income is higher, but its per capita valuation is lower. Both are clearly within the range of the other mutually-agreed upon counties by these measures, and tend to "offset" each other. Since it also is important to maintain a comparable pool for productive collective bargaining in the future (unless conditions change significantly), the Undersigned would follow Arbitrator Rice by including Crawford and Columbia among the comparable counties. They also provide more data, though not particularly helpful to the Union. Grant County was also included among Arbitrator Rice's comparable pool. The Undersigned notes that by its population, it would be at the high end of the pool; it would rank at the bottom

²¹cited previously.

in terms of per capita valuation (and significantly less than Iowa County), but it would rank in the middle in terms of per capita personal income (1990). Grant County Highway Department employees are not represented and therefore would not be considered in a relevant "orbit of coercive comparison" for bargaining purposes. Thus consideration of (j,) "other factors" would suggest exclusion. However, several factors weigh in favor of Grant County's inclusion in the pool besides maintaining the precedent established by Arbitrator Rice. First, it is proximate and not terribly "out of line" in terms of population, valuation, and income. Second, wages in the Grant County Highway Department are close to average at some benchmarks; where they are (often) at the bottom, they are not too distant from another comparable's wages. Third, all other units in the pool are represented. Fourth, one should expect a "threat" and/or a "roll-out" effect from union to non-union employers causing Grant County wages to somewhat keep up with their (unionized) neighbors. If a wage differential becomes too large, it would prompt Grant County highway workers to seek representation and/or pose hiring or retention problems for the county.

The Union proposes to include Dane County among the comparables. Arbitrator Rice's 1987 award indicates that it was not proposed for the Social Workers dispute. Dane County is geographically proximate. In comparing county population and valuation levels, it is clearly an "outlier." In comparing per capita income and valuation levels, it is higher than the other proposed comparables, while its unemployment rate is substantially lower. What is clear from examination of per capita income and valuation levels and unemployment rates among counties is that Dane County exerts a strong economic influence on the surrounding area. Dane County's high income and wealth, as well as its strong labor market conditions can be seen to spill over to adjacent counties. The Arbitrator is inclined not to include Dane County as a primary comparable in part because it was not included in the 1987 arbitration proceedings (and the Union has not given evidence of changes in circumstances to warrant its inclusion herein) and in part because Dane County is different from the other comparables in these several respects. However, the Undersigned is cognizant of the strong labor market and economic influence of Dane County on the surrounding counties, and will therefore give it some consideration. Certainly it is at least as likely to exert an upward influence on Iowa County wages as Grant County will exert downward.

To conclude, the Arbitrator will use the pool of comparables utilized by Arbitrator Rice in his 1987 award, and will give some consideration to Dane County as he evaluates the parties' offers.

Basis for Comparisons

The parties raise classic issues in wage comparisons for purposes of interest arbitration. Is the appropriate comparison between wage and benefit levels or between changes in those levels? Both employers and unions come down on all sides of the issue when helpful to their respective causes. Such is the case herein. Similarly, both sides conveniently vacillate on the size vs proximity debate in determining comparability. Here, it is the Employer's turn to argue against proximity. Interest arbitrators vary in emphasizing one over another basis of wage comparison, although typically they will examine both differences in wage levels at "benchmarks" as well as dollar and percent increases to determine the reasonableness of offers. The Undersigned follows this approach and is not committed to the relative importance of any one measure. The Employer urges the Arbitrator to focus on percentage settlements rather than wage levels, then expends significant effort establishing comparability. It seems logical to this Arbitrator that the very reason for establishing comparability is to be able to make such benchmark comparisons whenever possible. Were this not to be the case, the Employer should seemingly be willing to compare the percent increases of Dane County (or any other county for that matter) with the offers for Iowa County.

Based on the foregoing, the Arbitrator is not willing to discard comparisons of salary levels at benchmarks. He understands that there are recognized differences in general salary levels between employers which are deemed "comparable" based on bargaining history, costs-of-living, and other factors and understands that these are not to be significantly disturbed except for very compelling reasons. This is the second reason for urging percent increase comparisons. Unions make the same argument when their pay is above average. Arbitrators tend to be conservative, espousing a view that their award would best mimic a voluntary settlement, and thereby cause the least disturbance. They are not of one voice in preferring similar dollar increases over percent increases or vice versa, and tend to look at both (in addition to wage levels). Wage increases, whether absolute or percent, will also be compared in order to determine which of the two very reasonable offers is "more reasonable" in this case.

Wage comparisons

Analysis of benchmark wages shows that Iowa County Highway Department wages are generally lower than the comparables, which appears to favor the Union's offer. The percentage increases at six benchmarks examined by the Arbitrator (which include most unit members) seem to show

that the Employer's offer is somewhat closer to the pattern of the comparables, however. In this section, the Arbitrator examines wage levels, percent increases, and wage rankings of these 6 benchmarks. Changes in the cents-per-hour differentials will then be examined,

Three of the 50+ unit employees were Foremen in 1991.²² As seen in Table 2, their minimum and maximum wages were about \$.44-\$.80 under the comparables (depending on whether one excludes or includes Dane County). Under the Employer's offer, the differential grows while under the Union's offer, it is maintained at the maximum level and is narrowed at the minimum level. The Unit's rank among the comparables appears to remain the same under both offers. The mean increase of 4% for 1992 favors the Employer's offer, however. The average 4.8% increase for 1993 is fairly consistent with both parties' offers of a 3%/2% split.²³ Excluding Dane County, two settlements exceed the parties' 3%/2% offers while two are lower. Dane County will pay Foremen 4% more in 1993, but wages there are already significantly greater.

About 15% of the unit's employees are Heavy Equipment Operators. Excluding Dane County, this unit's wages lagged the comparables by \$.21-\$.25 (\$.51-\$.55 including Dane County), ranking them sixth of nine (5 of 8) which would remain the same under both offers (see Table 3). The County's 1992 offer would further erode wages at the maximum level, being only \$.12 above the lowest comparable. The Union's offer would maintain the current differential. The Union's offer is also closer on a percentage basis. Most of the comparables provide for smaller increases in 1993 than are offered by the parties, though Iowa County's maximum Heavy Equipment Operator wages would lag most of those settled for 1993, a fact noted by the Union.

Iowa County Laborer's wages lagged the comparables by \$.30-\$.60 at the maximum wage level in 1991, again, depending on the inclusion of Dane County (see Table 4). They would rank 7th of the 8 counties. These rankings are again undisturbed by either parties' offers. The Union's 1992 offer slightly narrows the differential while the Employer's offer increases it a bit more than the Union's offer narrows it. The percent increase in 1992 (4.4%) comparables' wages is approximately between the parties' offers--closer to the Union's offer in terms of money and somewhat closer to the Employer's in terms of lift. Percentage increases in 1993 averaged

²²Employer Exhibit 9a, b.

²³Grant, Dane, and Columbia also provide for split increases so while the Union and Employer's offer results in about 4% higher 1993 earnings, it isn't .8% below the comparables since July 1 wage levels were used for comparison.

Table 2
Wage Rates of Foremen, 1991-93, Rank, and Percent Increases
 (rates based on July 1 of each year)

	1991			1992				1993		
County	Min.	Max.	Rank	Min.	Max.	% Δ max	Rank	Min.	Max.	% Δ max
Grant	\$ 9.41	\$10.43	3 (max)	\$ 9.79	\$10.85	4.0%	3 (max)	\$10.26	\$11.64	7.3%
Green	9.59	11.34	2	9.90	11.71	3.3	2	10.25	12.12	3.5
LaFayette	9.39	9.59	9	9.84	10.04	4.7				
Richland	10.22	10.42	4	10.63	10.83	3.9	4			
Sauk	9.82	9.82	6	(\$.35	over	regular	rate)			
Columbia	8.17	10.23	5	8.73	10.79	5.5	5	9.32	11.38	5.5
Crawford	7.88	9.76	8	8.26	10.53	3.8		8.65	10.53	3.8
Dane	12.00	13.30	1	12.44	13.74	3.3	1	12.94	14.29	4.0
Iowa Co	8.77	9.78	7	9.12	10.17	4.0		9.59	10.69	5.0
Iowa Un				9.22	10.27	5.0		9.68	10.79	5.0
mean* w/Dane	9.55	10.61		9.94	11.16	4.0		10.28	11.99	4.8
mean w/o Dane	9.20	10.22		9.52	10.72	4.1		9.62	11.42	4.9

* means exclude Iowa County

Source: Employer Exhibits 20-27 and Union Exhibits 29, 30, 32, 34, and 36 and as calculated by the Arbitrator.

Table 3
Wage Rates of Heavy Equipment Operator, 1991-93, Rank, and Percent Increases
(rates based on July 1 of each year)

	1991			1992				1993		
County	Min.	Max.	Rank	Min.	Max.	% Δ max	Rank	Min.	Max.	% Δ max
Grant	\$ 8.59	\$ 9.54	8 (max)	\$ 8.93	\$ 9.92	4.0	9 (max)	\$ 9.38	\$10.59	6.8
Green	9.59	10.93	2	9.90	11.29	3.3	2	10.25	11.68	3.5
LaFayette	9.29	9.49	9	9.74	9.94	4.7	8			
Richland	10.06	10.26	3	10.47	10.67	4.0	4			
Sauk	9.73	9.73	5	10.22	10.22	5.0	5			
Columbia	7.83	9.77	4	8.39	10.79	10.4	3	8.98	10.92	1.2
Crawford	7.75	9.61	7	8.13	9.99	4.0	7	8.52	10.38	3.9
Dane	11.44	12.28	1	11.62	12.72	3.6	1	12.09	13.23	4.0
Iowa Co	8.77	9.65	6	9.12	10.04	4.0	6	9.59	10.55	5.0
Iowa Un				9.22	10.14	5.0	6	9.68	10.65	5.0
mean* w/Dane	9.28	10.20		9.67	10.69	4.9		9.84	11.36	3.9
mean w/o Dane	8.98	9.90		9.40	10.40	5.1		9.28	10.89	3.9

* means exclude Iowa County

Source: Employer Exhibits 20-27 and Union Exhibits 29, 30, 32, 34, and 36 and as calculated by the Arbitrator.

Table 4
Wage Rates of Laborers, 1991-93, Rank, and Percent Increases
 (rates based on July 1 of each year)

	1991			1992				1993		
County	Min.	Max.	Rank	Min.	Max.	% Δ max	Rank	Min.	Max.	% Δ max
Grant	\$ 7.87	\$ 8.73	8 (max)	\$ 8.18	\$ 9.08	4.0%	8 (max)	\$ 8.51	\$ 9.65	6.3%
Green	9.59	10.48	2	9.40	10.82	3.2	2	10.25	11.20	3.5
LaFayette	9.13	9.33	6	9.58	9.78	4.8	6			
Richland										
Sauk	9.62	9.62	3	10.11	10.11	5.1	3			
Columbia	7.64	9.55	4	8.20	10.11	5.9	4	8.79	10.70	5.8
Crawford	7.58	9.41	5	7.96	9.79	4.0	5	8.35	10.18	3.9
Dane	10.71	11.73	1	11.15	12.17	3.8	1	11.59	12.67	4.1
Iowa Co	8.77	9.23	7/8	9.12	9.60	4.0	7/8	9.59	10.09	5.0
Iowa Un				9.22	9.70	5.0	7/8	9.68	10.19	5.0
mean* w/Dane	8.88	9.84		9.23	10.27	4.4		9.58	10.88	4.7
mean w/o Dane	8.57	9.52		8.91	9.94	4.5		8.98	10.43	4.8

* means exclude Iowa County

Source: Employer Exhibits 20-27 and Union Exhibits 29, 30, 32, 34, and 36 and as calculated by the Arbitrator.

higher (4.7%) than in 1992, and are generally consistent with the parties' offers. Minimum Laborer's wages will be about in the middle of those settled for 1993, but maximum wages will remain low compared to those settled.

Iowa County Highway Department Mechanics wages ranked sixth of nine in 1991 and also will not change in this respect under either offers. Wages are almost \$.30-\$.70 lower than the comparables (see Table 5). The Differential grows and shrinks about equally under the Employer's and Union's respective offers. Wages among the settled comparables will rise almost 5% in 1993, which is again consistent with the parties' offers. Iowa County Mechanics' wages will lag other mechanics' wages in 4 of the 5 counties for which data is provided. Two of the three counties not settled for 1993 had below average wages.

Over a third of the Unit's employees are Patrolmen. Iowa County Patrolmen's wages ranked 6th of 9 (5 of 8) in 1991 and would continue to do so under either offers. Beginning Patrolmen earned \$.08-\$.34 less than their counterparts (excluding/including Dane County), as seen in Table 6. At the maximum wage level, they earned \$.15-\$.34 less. The Employer's offer will result in a modest increase in the differential while the Union's offer will diminish the differential by about the same amount. Those counties settled for 1993 provided for increases of around 4.8%, again, consistent with the parties' offers. Minimum wages of Iowa County Patrolmen will be "in the middle" of the settled comparables as will be the maximum wages.

Finally, Truck Driver wages in Iowa County are almost \$.30-\$.40 less than in the comparable counties including Dane County, but are only \$.06-\$.13 below when it is excluded (see Table 7). Truck Drivers ranked sixth of nine in 1991 and would remain so in 1992. Under the Employer's 1992 offer, the wage differential would rise approximately as much as it would fall under the Union's offer. Again, the Employer's offer is percentagewise somewhat closer in terms of lift, though in terms of money earned in 1992, the offers are roughly equal. The 1993 average increases were 4.8%, more (in a sense) than the parties' 1993 offers. Iowa County would remain in approximately the same relative position under either offer.

Wage Differentials

Examination of Iowa County Highway Department Employees' wage deviations from the comparables (both inclusive and exclusive of Dane County) tends to demonstrate the Union's contention that the County's 1992 offer will cause greater deterioration of wages than wage

Table 5
Wage Rates of Mechanics, 1991-93, Rank, and Percent Increases
 (rates based on July 1 of each year)

	1991			1992				1993		
County	Min.	Max.	Rank	Min.	Max.	% Δ index	Rank	Min.	Max.	% Δ index
Grant	\$ 8.99	\$ 9.97	4 (max)	\$ 9.35	\$10.37	4.0%	4 (max)	\$ 9.79	\$11.10	7.0%
Green	9.59	10.93	2	9.90	11.29	3.3	2	10.25	11.68	3.5
LaFayette	9.29	9.94	8	9.74	9.94	4.7	8			
Richland	10.06	10.26	3	10.47	10.67	4.0	3			
Sauk	9.85	9.85	5	10.35	10.35	5.1	5			
Columbia	7.83	9.77	6	8.93	10.33	5.7	6	8.98	10.92	5.7
Crawford	7.58	9.41	9	7.96	9.79	4.0	9	8.35	10.18	4.1
Dane	11.73	12.98	1	12.17	13.40	3.4	1	12.67	13.94	4.0
Iowa Co	8.77	9.65	7	9.12	10.04	4.0	7	9.59	10.55	5.0
Iowa Un				9.22	10.14	5.0	7	9.68	10.65	5.0
mean* w/Dane	9.37	10.33		9.86	10.77	4.3		10.01	11.56	4.9
mean w/o Dane	9.03	9.95		9.53	10.39	4.4		9.34	10.97	5.0

* means exclude Iowa County

Source: Employer Exhibits 20-27 and Union Exhibits 29, 30, 32, 34, and 36 and as calculated by the Arbitrator.

Table 6
Wage Rates of Patrolmen, 1991-93, Rank, and Percent Increases
 (rates based on July 1 of each year)

	1991			1992				1993		
County	Min.	Max.	Rank	Min.	Max.	% Δ max	Rank	Min.	Max.	% Δ max
Grant	\$ 8.23	\$ 9.12	9 (max)	\$ 8.56	\$ 9.48	4.0%	9 (max)	\$ 8.92	\$10.10	6.5
Green	9.59	10.65	2	9.90	11.00	3.3	2	10.25	11.38	3.5
LaFayette	9.29	9.49	7	9.74	9.94	4.7	7			
Richland	9.96	10.16	3	10.37	10.57	4.0	3			
Sauk	9.58	9.58	5	10.07	10.07	5.1	5			
Columbia	7.70	9.64	4	8.26	10.20	5.8	4	8.85	10.79	5.8
Crawford	7.60	9.46	8	7.98	9.84	4.0	8	8.37	10.23	4.0
Dane	10.93	12.00	1	11.37	12.44	3.7	1	11.83	12.94	4.0
Iowa Co	8.77	9.57	6	9.12	9.95	4.0	6	9.59	10.46	5.0
Iowa Un				9.22	10.06	5.0	6	9.68	10.57	5.0
mean* w/Dane	9.11	10.11		9.53	10.44	4.3		9.64	11.08	4.8
mean w/o Dane	8.85	9.72		9.27	10.16	4.4		9.10	10.63	4.9

* means exclude Iowa County

Source: Employer Exhibits 20-27 and Union Exhibits 29, 30, 32, 34, and 36 and as calculated by the Arbitrator.

Table 7
Wage Rates of Truck Driver, 1991-93, Rank, and Percent Increases
(rates based on July 1 of each year)

	1991			1992				1993		
County	Min.	Max.	Rank	Min.	Max.	% Δ max	Rank	Min.	Max.	% Δ max
Grant	\$ 8.23	\$ 9.12	9 (max)	\$ 8.56	\$ 9.48	4.0%	9 (max)	\$ 8.92	\$10.10	6.5%
Green	9.59	10.65	2	9.90	11.00	3.2	2	10.25	11.38	3.5
LaFayette	9.13	9.33	8	9.58	9.78	4.8	8			
Richland	9.91	10.11	3	10.32	10.52	4.1	3			
Sauk	9.62	9.62	5	10.11	10.11	5.1	5			
Columbia	7.70	9.64	4	8.26	10.20	5.8	4	8.85	10.79	5.8
Crawford	7.60	9.46	7	7.98	9.84	4.0	7	8.37	10.23	4.0
Dane	10.71	11.73	1	11.15	12.17	3.8	1	11.59	12.67	4.1
Iowa Co	8.77	9.57	6	9.12	9.95	4.0	6	9.59	10.46	5.0
Iowa Un				9.22	10.06	5.0	6	9.68	10.57	5.0
mean* w/Dane	9.06	9.96		9.48	10.39	4.35		9.60	11.03	4.8
mean w/o Dane	8.83	9.70		9.24	10.13	4.43		9.10	10.63	4.9

* means exclude Iowa County

Source: Employer Exhibits 20-27 and Union Exhibits 29, 30, 32, 34, and 36 and as calculated by the Arbitrator.

improvement under the Union's offer. Table 8 compares the cents-per-hour deviation of Iowa County wages at these six benchmarks for 1991 and 1992. The Heavy Equipment Operator maximum wage rate will remain \$.55 under the comparables' 1992 average (including Dane County, or \$.26 under when Dane County is excluded) if the Union's offer is accepted. If the Employer's offer is accepted, wages will fall another \$.10 below average. The minimum wages will lose more under the County's offer than will be the gain under the Union's offer when Dane County is excluded. When Dane County is included, the County's offer causes less "deterioration" than the improvement provided under the Union's offer. For the Laborer position, the County's offer causes wages to fall an additional 5-6 cents below the comparable mean maximum wages while the Union's offer will close the gap by 4-5 cents. The County's offer for the minimum Laborer wage tends to better maintain the status quo, however. The Foremen's 1992 maximum wage will decline relative to the comparables no matter which offer is accepted, though the decline is \$.10 less under the Union's offer. At the Foreman minimum wage, however, the County's offer more closely maintains the substantial wage differential.

In 1991, the Iowa County Mechanic earned \$.60 less than the comparables' at the minimum wage (inclusive of Dane County, \$.26 less excluding Dane County). At the maximum wage, the differentials were \$.68 and \$.30, respectively. The 1992 minimum wages will fall further behind under the County's offer. At the maximum Mechanics wage level, the Employer's offer results in a \$.05 greater differential while the Union's offer results in a \$.05 smaller differential--no matter which set of comparables is used. Truck Driver maximum wages gain \$.06 relative to the comparables under the Union's offer and lose \$.05 under the Employer's offer. At the minimum wage level, however, the union's offer moves Truck Driver wages 3-4 cents closer to the comparables' average while the Employer's offer widens the differential by 6-7 cents. The Patrolmen comprise a plurality of the Iowa County Highway Department Employee unit. In 1991, Patrolmen's wages were \$.34-.44 below the comparables average including Dane County, but were only \$.08-\$.15 below, excluding it. Under the County's 1992 offer, beginning Patrolmen's wages will decline \$.07 and the decline will be \$.06-\$.06 at the maximum wage level. The Union's offer will reduce the differentials by \$.03 at the minimum, and \$.05-\$.06 at the maximum wage levels.

Two general observations can be drawn from this exercise. First, the unit's average benchmark maximum wages appear to be almost \$.60 below the comparables when Dane County is included, and are about \$.26 below when Dane County is excluded. Second, the County's offer will increase this wage differential by a little over \$.06 (or 10%) while the Union's offer will

Table 8: Wage Differentials Between Iowa County Highway Department Employees and Comparables, 1991 and 1992
(cents per hour)

	Including Dane County				Excluding Dane County			
	1991		1992		1991		1992	
	Min	Max	Min	Max	Min	Max	Min	Max
H. Equip. Operator								
County Offer	- .51	- .55	- .55	- .65	- .21	- .25	- .28	- .36
Union Offer			- .45	- .55			- .18	- .26
Laborer								
County Offer	- .11	- .61	- .11	- .67	+ .20	- .29	+ .21	- .34
Union Offer			- .01	- .57			+ .31	- .24
Foreman								
County Offer	- .78	- .83	- .82	- .99	- .43	- .44	- .40	- .55
Union Offer			- .72	- .89			- .30	- .45
Mechanic								
County Offer	- .60	- .68	- .74	- .73	- .26	- .30	- .41	- .35
Union Offer			- .64	- .63			- .31	- .25
Truck Driver								
County Offer	- .29	- .39	- .36	- .44	- .06	- .13	- .12	- .18
Union Offer			- .26	- .33			- .02	- .07
Patrolman								
County Offer	- .34	- .44	- .41	- .49	- .08	- .15	- .15	- .21
Union Offer			- .31	- .38			- .05	- .10

Source: Tables 2-7 and as calculated by the Arbitrator

decreases it by about \$.04. Making these observations, the Undersigned concludes that based on wage level comparisons under Sec. 7 (d.) as well as on relative cents-per-hour changes in these levels, the Union's offer for 1992 is to be preferred. He notes that the relative benchmark rankings of the Unit will not change with an award in favor of the Union.

Other factors and issues

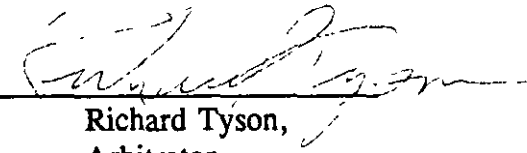
The Employer has argued for an award in its favor based on internal comparisons (e.). One unit has settled on the same general terms as is included in its offer to the Highway Department Employees. The Union contends that the Employer's extensive citation of arbitral precedent is misplaced, and that one settlement is not a trend. The Arbitrator tends to agree that the one settlement does not make a strong case for acceptance of the County's offer. He also notes that the representatives of the Sheriff's Department employees are inclined to try to "buck the (one settlement) trend" as well. The Employer has argued for an award in its favor based on comparisons with private sector employees (f.). The Undersigned would agree in part based on the lack of rebuttal evidence from the Union. Similarly, the Employer's offer would be preferred based on comparisons with the recent rates of inflation (h.). The Employer raises the issue of the interests and welfare of the public (c.) which favors the County offer. The Arbitrator would agree that a significant sector of the Iowa County taxpayers have had considerable economic setbacks recently. The Union rebuts this argument (and implicitly those related to (f.) and (h.)) by asking whether Iowa County is different from the other comparables to a degree which would necessitate its employees being treated any differently? There have been substantial number of these settlements in which the parties have given these considerations. The evidence and arguments indicate that the Employer has not demonstrated that Iowa County is sufficiently different from the comparables.

Award

Having carefully considered all of the evidence and argument of the Parties set forth above as well as the arbitral criteria provided under Section 111.70 Wisc. Stats., it is the decision of the Undersigned that:

The final offer of the Union is to be incorporated into the 1992-93 Collective Bargaining Agreement with the Iowa County Highway Department

Dated this 14th day of January, 1994.


Richard Tyson,
Arbitrator

THIRD REVISED FINAL OFFER

OF

**IOWA COUNTY
HIGHWAY EMPLOYEES UNION
LOCAL 1266, AFSCME, AFL-CIO**

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION


All provisions of the 1990 - 1991 Collective Bargaining Agreement shall remain unchanged for a two year term commencing January 1, 1992, including all side letters, except for the attached tentative agreements and the following changes:

Appendix A - Wages

- a. Increase all wages by 3% on January 1, 1992;
- b. Increase all wages by 2% on July 1, 1992;
- c. Increase all wages by 3% on January 1, 1993;
- d. Increase all wages by 2% on July 1, 1993.

Dated this 1st day of March, 1993.

On behalf of Local 1266:



David White
Staff Representative