

BEFORE THE ARBITRATOR

In the Matter of the Arbitration of the Dispute Between the

SHEBOYGAN COUNTY ASSOCIATION OF
SOCIAL WORKERS

And

SHEBOYGAN COUNTY

WERC Case 252
No. 51677
INT/ARB 7427
Dec. No. 28416-A

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

Appearances:

Mr. J. Cameron Coleman, Mr. Joe Burganno, Ms Liane Pizl, Ms Amy Bridges, Ms. Amy Mancl, Mr Daniel T Mountain, and Mr. John C. Johnson, all Sheboygan County Social Workers, and Mr. John N. Gunderson of Olsen, Kloet, Gunderson & Conway, Sheboygan WI for the Union. Ms. Louella Conway, Sheboygan County Personnel Director, for the Employer.

Background:

On July 27, 1994, representatives of the Sheboygan County (hereinafter referred to as the "County," or the "Employer") and the Sheboygan County Association of Social Workers (hereinafter referred to as the "Association" or the "Employees") exchanged proposals on issues to be included in a successor agreement to the agreement which expired on Dec. 31, 1994. The Association represents all professional employees of the Sheboygan County Human Services Department excluding Supervisors and Managerial employees. The Parties met on three other occasions and failed to reach an agreement. On October 10, 1994 the Association 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 Debra L. Wojtowski, a member of the WERC staff, conducted an investigation on January 12, 1995, and then advised the Commission that an impasse existed. The parties submitted final offers to the Commission by March 17, 1995. On May 19, 1995 the Commission certified the parties' final offers and directed them to select an impartial arbitrator. The Undersigned, Richard Tyson, was selected and appointed on June 14, 1995. He conducted a hearing on the matter on July 31, 1995 at the Sheboygan County Law Enforcement Center, Sheboygan, 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 submitting corrected and additional exhibits and for exchanging briefs and replies.

The Issue(s)

The parties are agreed on all items for inclusion in the agreement for 1995 and 1996 except for two matters. The parties are in dispute over wage rate increases; the County proposes increases of 3% across the board in each of the two years while the Association proposes a 4% increase. Additionally,

the County proposes to change the method of paying longevity for social Workers hired after 1/1/95 from the current practice of 2-1/2%, 5%, 7-1/2%, 10%, and 12-1/2% after 5, 10, 15, 20, and 25 years of service, respectively, to \$10, \$20, \$30 per month after 5, 10, and 15 years of service. Both parties have included an additional step to the schedule providing for a 3% wage increase after 96 months.

The parties agree 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. They use the 12 counties used by Arbitrator Baron.¹

Cost

The Association (AX47) costs the proposals as follows:

Cost Item	1995			1996		
	Co. Offer	Assn. Offer	Difference	Co. Offer	Assn. Offer	Difference
Wages	\$1,384,479	\$1,397,921	\$ 13,441	\$1,426,014	\$1,453,838	\$27,824
Steps	20,163	20,365	201	19,769	20,187	417
Longevity	50,567	51,058	491	54,651	55,718	1,068
Fringes	180,446	182,199	1,753	186,488	189,688	3,634
Total	\$1,635,655	\$1,651,542	\$ 15,887	\$1,686,488	\$1,719,431	32,943

The Arbitrator then calculates the following percentage increases:

Cost Item	1995			1996		
	Co. Offer	Assn. Offer	Difference	Co. Offer	Assn Offer	Difference
Wages	3 %	4 %	1 %	3 %	4 %	1 %
Steps	2.6	3.6	1	-2	-1	1
Longevity	22.8	24	1.2	8.1	9.1	1
Fringes	3.6	4.6	1	3.3	4.1	.8
Total	3.6	4.6	1	3.1	4.1	1

¹ Sheboygan County Association of Social Workers, Dec. No. 43364 (6/13/91). The counties are:

Calumet	LaCrosse	Ozaukee
Eau Claire	Manitowoc	Washington
Fond du Lac	Marathon	Winnebago
Kenosha	Outagamie	Sheboygan

The County provided payroll data runs (EX18-22), calculating the following:

Cost Item	1994	1995		Difference
	Current	Co. Offer	Assn. Offer	
Wages	\$1,377,110	\$1,459,256	\$1,473,423	\$ 14,167
(average)	(\$31,298)	(\$33,165) (+6%)	(\$33,487) (+7%)	
Longevity	<u>50,153</u>	<u>60,835</u>	<u>61,426</u>	591
total wages	1,427,263	1,520,091	1,534,849	
%increase		(+6.5%)	(+7.5%)	
Fringes	497,751	518,006	521,226	3,220
Total	\$1,925,014	2,038,097	2,056,075	17,978
	(\$43,750)	(\$46,320) (+5.87%)	(\$46,729) (+6.81)	

Cost Item	1994	1996		Difference
	Current	Co Offer	Assn. Offer	
Wages	\$1,377,110	\$1,547,328	\$1,562,351	\$ 15,023
(average)	(\$31,298)	(\$35,167) (+6%)	(\$35,508) (+6%)	
Longevity	50153	<u>75,250</u>	<u>75,981</u>	731
total wages		1,622,578	1,638,331	
%increase		(6.7%)	(6.7%)	
Fringes	497751	540370	543806	3,436
Total	\$1,925,014	\$2,162,948	\$2,182,138	\$ 19,190
	(\$43,750)	(\$49,158) (+6.1%)	(\$49,594) (+6.1%)	

The Arbitrator then calculates the following percentage increases from 1994 to 1996 based on the County's data:

Cost Item	Co. Offer	Assn. Offer	Difference
Wages	12.4 %	13.4 %	1 %
Longevity	50 %	51.5 %	1.5 %
Fringes	8.6 %	9.3 %	.7 %
Total	12.4 %	13.4 %	1 %

A number of differences exist between the two costings of the proposals. The Association's 1994 wage base is \$1,344,154, apparently using 43 (vs 44) Social Workers. It considers only the WRS contribution in the fringe benefit costs. It also does not cost any changes in wages due to step wage progression (about 3% per year since almost all Social Workers advance a step) or any changes due to longevity payments. The County appears to have erred in determining the wages with longevity in some cases for both years, and did not include a 96-month step for 1995. It also appears that the County used wages in its 3% offer for 1995 to determine the wages for 1996 under both the Association's 4% and its own 3% offers, so there should be about 2% difference over the two years in scheduled wages, even though the County indicates only a 1% difference. Presumably, the 1996 wages of a Social Worker under the Association's offer would be a little over 8% (rather than 7%) higher than in 1994 plus step increases plus any longevity increases.

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 consistent with the cost of living, its offers to other bargaining units, and with increases for City workers. Its offer is in excess of settlements of other union employees in the fourth quarter of 1994 (2.74% on average).² Its offer compares favorably with increases of social workers employed by other agencies in the County. The Association's contention that the other two settled units in the county received 4 25% in 1995 is not to be accorded weight since these were the last year of three (3) year contracts. Most importantly, the level of wages of Sheboygan County social workers is above that of most of the agreed upon comparables' social workers. The Social Worker I in Sheboygan County is \$.22/hr. above average at the starting rate, rising to \$.72 above at the schedule maximum. At 15 years, with longevity, the advantage is \$1.80, and at 30 years, it is \$2.54. The Social Worker II is \$.53 below average at the starting rate, and \$.24 below at the schedule maximum. However, with longevity, the Social Worker II is \$.88 above average at 15 years and \$1.63 at 30 years. Few, if any social workers start at the SWII rate, however. Similarly, few, if any social workers start at the SWIII rate which is \$.63 below average, but the top rate is \$.75 above. With longevity which kicks in after 5 years, they are ahead by \$.50/hr.; they are \$1.63 above average at 10 years, \$2.07 above at 15 years, and \$2.93 at 30 years. Most of the Sheboygan social workers are in the SWIII class. With a Masters of Social Work degree, unit employees are \$.22 under average at the start, but are \$.92 above at the schedule maximum, \$1.80 above at 10 years, \$2.24 above at 15 years, and \$4.98 above at 30 years. Social workers can progress from SWI to SWIII in three (3) years, giving them both vertical and

²Employer Brief

horizontal progression, and they can even be hired at any level, depending on education and experience. While the start rates for SWII, III, and MSW are slightly below average, very few ever are at that step. Moreover, those choosing to obtain the MSW will enjoy a top rate \$.92 above average, excluding longevity, which is higher than all but Calumet and Kenosha Counties.³

The County has prepared a ten-year wage progression sequence for Sheboygan County Social Workers as well as social workers in the comparables. In all cases employees were assumed to progress on schedule in the minimum time permitted. Earnings then were summed, based on 1994 wage rates. Sheboygan Social Workers would earn \$339,222, or 4.8% more than the average comparable social worker earnings of \$323,616 over the 10 years. The County offers excellent advancement opportunities, and with no restrictions on the number of social workers in higher pay classifications, unlike many of the comparables. The Association's contention that a social worker cannot advance to the MSW track while employed by the County is wrong. Both the UW-Madison and UW-Milwaukee offer MSW programs; admission and successful completion of the programs are certainly attainable, as can be seen in the submitted information and as demonstrated by two employees in the Department of Health and Human Services who did get Masters degrees.

The County has attempted to address needed changes to the longevity program since 1981 without success. It is an increasingly costly program. For this unit alone, the cost of longevity was \$49,678 in 1994. With this contract, it will rise \$10,681 in 1995 and \$14,415 in 1996. As of Jan 1, 1995 longevity is discontinued for new, non-bargaining unit employees. It has made offers to all bargaining unit employees which include a change to a flat dollar amount for new employees. The comparable counties either do not offer longevity (5) or pay a flat dollar amount per month (5) or pay additional cents per hour (1). The current longevity program is extraordinarily more generous than any of these. Its offer would be consistent with the current longevity programs of the comparables. Under the Employer's proposal including the 96-month step, a social worker will be earning between \$1.01 and \$1.97 more than average at the top schedule rate. With longevity, the advantage grows. Finally, while municipal employees in Sheboygan earn longevity, none are as generous as the Employer's current program.

The Employer has offered a generous quid pro quo for the change in longevity pay for new hires. Not only will they be able to attain a 3% higher wage at 96 months of employment, nineteen (19) current employees who have already served the County that long will benefit immediately, while another seven (7) will reach the 96-month step in 1996. Moreover, the latter are "grandfathered" into

³Employer Brief, pp. 6-7.

the current, overly generous program. During the contract, only 5 employees will not be receiving longevity pay. The Association's contention that the 96-month step is in their proposal to provide equity is "flawed" in that the Social Workers are already paid more than the comparables. The Employer's offer of a 3% increase plus the 3% 96-month step increase will cost 5.87% in 1995, which is substantially above the cost of living increases. Not only is there a significant need to begin bringing longevity costs under control, and a substantial quid pro quo offered in doing so, the County's proposal also remedies the problem by providing new employees with longevity pay more in line with the comparables.

The County takes issue with many of the Association's contentions. The 4% equity adjustments paid to certain other employees are not germane; these positions are reviewed every 5 years for such adjustments if necessary. Social workers receive step increases each year. The contention made by the Association that benchmark analysis of social workers' earnings is too fraught with problems should be tempered with the observation that the "dual earnings career index" has its own problems. The Association's computation of comparative earnings is flawed in several regards. The "senior track" (SWIII) earnings of Sheboygan Social Workers is compared to social workers in other counties in classifications where a Masters degree is required. The County's comparisons accurately show rates for equal levels of experience and education. The Association inaccurately contends that its earnings index assumes that a social worker progresses through the schedule, taking advantage of all advancement opportunities; it neglects the opportunity for advancement to the MSW classification.

The Association

The Association maintains that its offer continues the long-established longevity plan which has been in existence and served the County well since 1968, while the county proposes a "take-back" for which it cannot demonstrate any need such as any inability to pay or financial exigencies requiring the elimination of longevity for new hires. The Association's proposal also provides for modest increases in the wage progression schedule which is consistent with cost-of-living increases and increases of the comparables. It is less than that received by other Sheboygan employees in many cases, and continues to reward Sheboygan social workers at levels less than social workers employed in comparable counties.

Sheboygan County is in excellent fiscal condition. It is running a \$10 million surplus even as its tax rate is decreasing. It has given 3% increases to non-bargaining unit employees and to full-time elected officials, as offered to the Association, but then gave an additional 4% "equity adjustment" to certain ones, including social workers employed by the county in the nursing home. It clearly doesn't have a fiscal problem in continuing longevity and in providing the 4%/4% wage increase

included in the Association's offer. Examination of other wage increases within the County and between comparable counties also indicate that the Association's offer is more reasonable. The two contracts which are settled for 1993-95 (Highway Department and Nurses) include increases for 1995 of 4.25%, while eight (8) of the settled comparables for social workers received increases which average 3.7%.⁴ Additionally, the best, most recently available price index (Urban Wage-earners, North Central States, Small Metro Areas) has risen 3.9% over the May, 1994 to May, 1995 period indicating that the Association's offer is most consistent with criteria (g.).

The Association contends that comparisons of wage levels with that of the comparables also favors its offer. Conventional benchmark analysis at any particular point in time, however, cannot accurately portray how Sheboygan social workers are paid in comparison to, say, Manitowoc or Fond du Lac social workers because "wage progression scales, reclassification procedures, length of work week, etc." vary from county to county.⁵ In order to facilitate accurate comparisons, the Association has developed a "Dual Career Gross Earnings Index" which it refers to as the GEI, on the argument the wages "are a process, not a point." The index calculates the cumulated earnings of a "junior" and "senior" social worker over an 84 month period and sums these. In each county's case, a social worker is assumed to move by every available step and class (except to the Master's Degree required class).⁶ On an unadjusted (for work hours/week) basis, the Association finds that over an 84 month period, Sheboygan "junior" social workers would earn \$189,306, ranking 9 of 12 among the comparables. Sheboygan "senior" social workers would earn \$213,096, ranking 11 of 12. The combined total (\$402,402) would also be 11th of the 12. Adjusted for work hours (Sheboygan has a standard 37.5 hour work week), the \$402,402 would rank 9th of 12, being \$10,684 below the mean.⁷ On a hours adjusted basis, Sheboygan pays \$24,697 less than neighboring Manitowoc

⁴Association Exhibit 35 is a table of percent increases by (comparable) county asserted by the Association. Calculation of percent changes of cells by the Undersigned based on Employer Exhibits 23-25 (the County's benchmark comparisons for 1994, and 1995) indicate these to be correct.

⁵Association Brief, p. 8.

⁶The current agreement with Sheboygan County includes a schedule with an 84 month step. Both parties propose a 96-month step for the 1995-96 contract. The Employer contends that the extra step is its quid pro quo for changing longevity as it applies to new hires. Its benchmark wage comparison goes out to 30 years since it contends that the longevity payments are excessive in comparison to the comparables. The Association disregards longevity as part of the wage schedule; rather it contends that longevity is part of Social Workers' fringe benefits.

⁷Association Exhibit 33.

County, with which some school social work functions are shared. With a 4% increase in 1995, the Sheboygan GEI would not even exceed the 1994 mean.

The Association takes issue with the County's analysis of wage comparisons in many regards. First, the County has presented comparisons of wages by Social Worker classification at 5-year time intervals. The "benchmark" comparisons simply cannot be done, as noted above. Then the Employer tried to replicate a ten-year wage progression comparison, but presented a flawed picture. First, the contract only provides an 84 month schedule. It erred in placing social workers in some of the comparables. Then the County assumed (and inaccurately contends) that a social worker would move to the Master's Degree track in five years. This is unattainable. The County doesn't provide funds or release time for such graduate work as would be necessary, and the benefits from the differential wages pale by comparison to the cost, which the Association puts at more than \$22,000.⁸ It isn't surprising, therefore, that none of the units's employees has been able to earn a MSW while employed by the County. The County has included longevity in its comparisons; the Association considers this a uniform, county-wide fringe benefit and has no place in wage comparisons. Moreover, the County cannot explain how it included longevity in the comparisons. Finally, the County has tried to compare Sheboygan County social workers with three unnamed private agencies' social workers which guarantees that verification is impossible.

The Association considers the Employer's proposal to change the longevity provision to be a status quo change for which it cannot demonstrate a need and for which it has offered no quid pro quo. Longevity has been part of agreements between the parties since 1968. It has also become part of agreements with all other units of employees and has served the County well by reducing turnover among County employees. As noted above, the County is fiscally very sound and quite able to pay the very modest cost of longevity for such a benefit. The value of longevity provisions has been recognized as the City has adopted provisions in its contracts with its workers, most recently with the transit workers where those employees will receive 2.5%/5%/7.5% after 5/10/15 years of service. The County Board may have had removal of longevity on its agenda since 1981, but has not made any changes, even among nonrepresented employees. The only change has been in 1995 when the County eliminated longevity payments to these employees hired after Jan. 1, 1995. The only time longevity was subject to arbitration was in 1993 where the County proposed to eliminate the benefit for new Highway Department hires while paying current employees \$500 in exchange. Arbitrator Malamud found the Union's offer to retain the status quo to be preferred based on internal

⁸Association Reply Brief, pp. 7-11.

comparability.⁹ Additionally, the Association contends that Arbitrator Gundermann recognized longevity as a fringe benefit to this units's employees in a prior decision, not to be mixed up with wages comparisons.¹⁰

The Association rejects the County's argument which was put forth in its 1981 declaration to try to do away with longevity. The argument alleges that while in the past longevity was compensation for wages which were low, wages are now quite adequate so the longevity pay is unnecessary. Longevity is uniform among all classes of employees, some which may be paid high, average, or low in relation to their respective comparables. Therefore it cannot be considered part of compensation to make up for wages. Regardless, Social Workers wages are below average. The Employer's proposal would cost a new employee over \$57,000 over a 30 year career, without the 96 month additional step. However, in comparing what a social worker would earn on the current schedule compared to a schedule with an additional 96-month step but with the \$10/\$20/\$30 longevity payments per the County's offer, the employee is \$16,116 worse off under the latter. With attrition and replacement of social workers, the Association estimates that Sheboygan County will gain \$352,545 in wages alone over the next 35 years under the Employer's proposal.¹¹ Certainly the Employer has provided no quid pro quo for such a take-away. Finally, the Association argues that by its offer, the County is creating a two-tiered wage structure (if longevity is to be considered wages) which will create stress in the workplace, as well as create vastly different retirement benefits for the two classes of employees.

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 private sector employees (f.), comparisons based on inflation (h.), and implicitly, other factors (j.). Each of these is considered below as the outstanding issues of this dispute have been analyzed by the Arbitrator. The outstanding issues are first noted, followed by the Arbitrator's analysis of wage levels

⁹Sheboygan County (Highway Department, Dec. No. 27719-A, (April, 1994).

¹⁰Sheboygan County (Department of Social Services), Dec. No. 24317-A, (August, 1987). The Undersigned notes, however, that Arbitrator Gundermann was only stating the "Association's Position" in the reference to which it now makes in the instant case. In his award, Arbitrator Gundermann was led to the "inescapable conclusion that the County's social workers (were) paid significantly less than ...comparable(s).." so that the Association's offer was preferred to the Employer's 0%/3% offer.

¹¹Association Reply Brief, pp. 13-18.

and increases. Lastly, other factors and other issues are discussed.

Several issues are raised by the parties. First, the Association would set longevity aside as a county-wide fringe benefit, not to be incorporated in wage comparisons between unit employees and employees in comparable communities; the County would not. Similarly, the County would consider the 3% wage step progression part of the "package" of settlement while the Association would not. Second, to what degree can benchmark analysis be used in comparing social workers' wages among comparables, and if it cannot, what is the appropriate method of comparison? Third, what is the relative weight to be assigned internal (Sheboygan County) comparisons versus external comparisons, particularly on the issue of longevity? Fourth, since the parties have made considerable use of comparing career wage progressions, what is/are the appropriate "track/s" of career progression? Is the Master of Social Work (or equivalent) pathway a reasonable part of wage progression or is it to be considered separately? Finally, what must the County give or show to justify a change in the status quo one which also raises a morale question of creating a "two-tiered wage" system?

Wage Comparisons/ Cost of Living. percentage increases

Association Exhibit 35 lists wage increases averaging 3.71% for eight (8) of the eleven other counties which the parties have agreed to use as comparables which the County's data (EX 25A) corroborates. On its face, the Association's 4% offer would be closer than would be the Employer's 3% offer. With the exception of Manitowoc County, however, these counties have considerably fewer steps and, as seen below, less generous longevity. With step progression and longevity, the County's 3% offer will increase average unit employees' wages from \$32,438 to \$34,548, or 6.5% in 1995 (from EX 18-19). While it is difficult to determine what the comparables' average increases would be when steps and longevity are included without knowing placements on schedules, it does not appear to the Undersigned that the comparables' average actual wages would rise above the 3.71% average schedule increase to the extent that it would in Sheboygan based on the wage schedules included in the submitted agreements. Therefore the pattern of settlements for 1995 may not necessarily favor the Association's offer. The only settlements available for 1996 are Fond du Lac and Marathon Counties where scheduled increases are respectively a split 2.5/1% (3% cost) and 3%. Both counties were on the lower end of the 1995 settlements.

The internal pattern is mixed. Only two other County units are settled (for 4.25%), but these are for the third year of these agreements. All other units (Supportive Services, Institutions, RNs, and Deputies) are unsettled and presumably will await arbitration awards. The County has offered 3%/3% and the same changes in longevity, while their unions have offers of about 3.5%. Seven City of Sheboygan units are settled for 1995-97, with split increases of 2%/2% (1/1 and 7/29) being the

general pattern, which is a 2.87% increase in 1995 and 3.98% in 1996 or 3.42% per year. Seemingly this would slightly favor the Employer's offer, though the "lift" of the split increase is significant. It results in an effective 4% increase in 1997 thereby tending to favor the Association's offer.

The Employer offers additional settlements for the Arbitrator's consideration. Labor contract settlements reported to MRA (EX43) reportedly averaged slightly under 3%. Whether any of these employees perform similar services is clearly doubtful, and whether these represent the universe of settlements or are employed in comparable communities is unknown, so the statutory criteria cannot guide the Undersigned in determining whether one offer or the other is to be preferred based on this evidence. Similarly, the Employer alleges that social workers employed by LSS, CSS, and "The Center" are paid at rates less than unit employees; here, the "evidence" is anonymous, and job responsibilities are not known for comparison purposes, so little credit can be accorded it.

The parties are in dispute regarding the cost-of-living comparisons. The Association would use the CPI-W for the North Central States Small Metro Areas. That index rose 3.9% for the period May, 1994-May, 1995. The County would use the Dec. 1993-Dec. 1994 CPI-W or-U, both of which registered 2.7% increases. The Association notes that Arbitrator Baron used its index, though the County responded that the index through Dec. was used in her award. The Undersigned notes that she chose December as the month prior to the submission of final offers. In the instant case, this would imply use of the Feb.-Feb. data, which was not supplied by either party. He notes, however, that the U.S. Small Metro CPI-W and -U indices rose at 2.6% and 2.7% respectively during 1994, that prices in the North Central States have risen faster than the nation as a whole in 1995, that prices rose at a faster rate through May, 1995 and then decelerated and that the Jan.-Sept. rate for the Association's index is just 2.1%. He notes that from Feb. 1994 to Feb., 1995, the North Central States CPI-W and the CPI-W, Small Metro indices rose from 139.0 to 143.6 and 140.6 to 145.2 respectively, or 3.3% in both cases. In the main, the parties are each .6% off this rate, a rate that would tend to favor the County in its offer (exclusive of the additional step increase, step progression, and longevity increases).

Conclusion on comparisons of wage increase and cost of living

Comparison of the percent wage increases moderately favors the Association's offer if one considers the increases in the schedules only. The two settled county units wage increases are 4.25%, though these are the last of 3 year agreements. The remaining units have received the same offers from the Employer. The City units have split increases whose cost increases are somewhat nearer to the Employer's offer, though the lift somewhat favors the Association's offer. The increase in wages for 1995 among the comparables nominally favors the Association (3.71% vs 3% and 4%), though when

the total wage increase is considered, including step advancements and longevity, the Employer's offer would be closer to the average. For 1996, the Employer's offer would be closer to the two counties' settlements. Consideration of cost of living increases would slightly favor the Employer's offer based on the methodological choice of Arbitrator Baron, a method to which the parties appear to rely.

Wage Comparisons: wage levels

The parties submitted data for comparison of wages between comparable counties. The Association has based its argument that unit employees are underpaid with respect to their Dual Career Gross Earnings Index value relative to the values compiled by social workers in comparable communities. It calculates the earnings of a "junior" social worker over 84 months from SWI-1 to SWIII-5 and the earnings of a "senior" social worker over 84 months from SWIII-1 to SWIII-8. It then compares these two "tracks" to what it determines as "junior" and "senior" social workers among the comparables. As noted by the Employer, many of the "senior" tracks of the comparables are those which require a MSW or equivalent. The Association adds the cumulative annual earnings for each track over 84 months to arrive at its "Gross Earnings Index" value for comparison with other counties. The result is that Sheboygan Social Workers are 11th of 12, and 9th of 12 when adjusted for length of work week, or about 1% under the median.

The Employer compares wages of social workers at the four classes (SWI- SWIII MA/MS) for various time periods up to 30 years, finding wages to be significantly greater, particularly when longevity adjustments are made. The Employer has then apparently joined the earnings index value game (since the last arbitrated award) and constructed a single ten (10) year earnings index assuming that a social worker will progress as soon as possible from SWI to SWII (13 months) to SWIII (36 months) and then to SW MA/MS (60 months). Assuming social workers employed by comparable counties move as quickly as possible through their respective schedules, the ten year earnings were then compared. By this analysis, Sheboygan County Social Workers' earnings would exceed those of all other counties' social workers. Over the ten year period, earnings would be \$339,222 in 1994 or 4.8% greater than average.

In examining the evidence, the Arbitrator is unwilling to accept either parties characterization of the appropriate comparison. It is evident that the parties do intend to look at wages as a "process" rather than a "point in time" which he would honor, but the process and time horizon are in dispute. The Employer's analysis of a Sheboygan social worker's wage progression tends to coincide with that of the Association's until the fifth (5th) year when the Employer suggests that the seriously motivated employee will get his or her MSW. The evidence submitted by both parties regarding the MSW

programs at UW-Madison and UW-Milwaukee, the Association's "benefit-cost analysis", submitted assertions, payroll data, and other evidence suggests to the Undersigned that the MSW is an entirely different track, and that the intimations that those who do not achieve a MSW are somehow slacking off are baseless.

The Association's analysis is also significantly flawed, in the opinion of the Undersigned. First of all, the wage progression of the "junior" social worker is counted up until the 5th step (of SWIII), while the "senior" social worker is counted until the 8th step. This analysis conveniently misses the (Employer's) point. There are 9 steps to the schedule (plus longevity which kicks in beginning with the 5th year). Only one other county has as many steps, and none has the kind of longevity as is enjoyed in Sheboygan County. Moreover, more than half of the unit's employees have been employed for more than 84 months, so the Association's analysis pertains to less than half of the unit. While that fact may help make the Association's argument of the public benefit of the longevity program (presuming that the comparables' average longevity is less, a factor which is unknown) it also makes the Gross Earnings Index relatively useless as an analytical device. Secondly, the notion of the "junior" track is fairly inapplicable since very few employees with over three (3) years experience remain at the SWII classification. For comparison purposes the Arbitrator would suggest that the evidence indicates that comparisons ought to be made between employees hired with a BA/BS who progress through the available schedule, and those with a MSW or equivalent who progress through that schedule. Based on the agreed upon submissions of the parties (the sequence for the BA/BS track through the 5th year) and then based on the contract, the Undersigned uses a wage progression schedule included in Table 1.

The first column in Table 1 indicates the potential wage according to the parties and the Agreement. The second column is the average actual wage (including longevity) of the Sheboygan Social Workers in those categories. There is disagreement on the wage for the 13th month, but the Arbitrator believes that the County's method better reflects the agreement and simple logic. Ironically, the Association properly moved "promoted" Outagamie and Kenosha county social workers to the right step in contrast to the Employer's construction of the potential wage progression in similar situations. Actual average wages deviate from this constructed (by the Arbitrator) potential wage progression by only \$.09/hr./ (about 0.5%) for the 13 steps listed, though the "potential" overestimates wages for those with 10-19 years of service.¹² This "potential wage" appears pretty close to reality to compare

¹²Deviations occur for a number of reasons. For instance, social workers may be hired at different levels, depending on prior experience, and therefore earn more than the "potential". Two SWIII social workers on, say, the 4th step may have differing longevity, as well as the pay that goes with it. Social workers are required to have graduate credits and training hours to

Table 1
Sheboygan County Social Workers, BA/BS track, 1994 wages (includes longevity)

(After)	Potential BA/BS track wage	Actual average, by longevity	+/-			
start	\$12.08	none				
6 months	12.42	\$12.52	+ .10			
1 yr	13.01	12.72	-.29			
2	13.39	none				
3	14.66	14.95	+ .29			
4	15.16	14.74	-.42			
5	16.07	15.31	-.74			
6	16.59	16.76	+ .07			
7	17.10	17.11	+ .01			
8	17.62	17.89	+ .27			
9	18.14	17.62	-.52			
10	18.59	18.05	-.54			
15	19.03	18.72	-.31			
20	19.47	19.47	0			
25 +	19.91	20.66	+ .75			
			ave. = -.09			

A Sheboygan County SWI may advance to SWII after 12 months, with 108 hours of training, and to SWIII after 3 years with a combination of hours and graduate credits. The Association (AX33) and Employer (EX37) both advance the SWI to SWII after 12 months in their respective wage progression analyses. The Association places the promoted employee at the first step (\$12.61/hr.) while the Employer places the employee at the 12 month step (\$13.01/hr.) of the SWII class. In its Reply Brief (p. 21) the Association contends the Employer is in error, that "customarily" wages are \$12.61 for the second year, and that the County's subsequent calculations are inflated. No evidence was presented as to which version is correct. The Arbitrator deduces from the contract language that the County's construction is more reasonable, since an employee would seemingly prefer to remain as a SWI for 12 months and one day or pay period where the pay rate is \$12.72 rather than to go to the SWII Step I rate of \$12.61. The Labor Agreement provides that upon promotion, an employee is placed at the minimum step of the class or if this is a lower wage, the next higher step. The County's payroll list (EX18) shows only one employee with between 1 and 2 years employment. That employee earns \$12.72/hr. That employee may not have completed the required training hours.

with the potential wages of the comparables for those on the BA/BS track, and will be used in the analysis which follows in Table 2. As noted by the Employer, however, several counties allow employees onto the MSW track without a MSW, requiring "equivalent experience". Clearly this a bone of contention between the County and the Association; Sheboygan absolutely requires the MSW/Masters for the track while several counties have senior Social Worker tracks which specify MSW or equivalent training and experience; these may be more or less demanding of "equivalence". Therefore, the Arbitrator will also compare (Table 3) a MSW/MA track to see differential earnings between the counties for those who hold a Master's degree. In the main, the Arbitrator has allowed the comparison between Sheboygan SWIII (BA/BS) and a MA/MS class in other counties where there is the possibility of achieving the class without the MSW.

Table 2 indicates that the wages of a social worker hired in Sheboygan with a Bachelor's degree will be higher than elsewhere, except in LaCrosse. It is equal to Manitowoc (the Association's "sister county") As the social worker progresses to the SWII track, the differential falls as social workers wages elsewhere tend to rise more rapidly. In the third year, Sheboygan social workers' wages tend to fall behind average until they progress to SWIII where they then earn near the average until their sixth year, when longevity adds 2-1/2% to their base wage on top of the 3% step progression. Most other social workers have reached their top step at this time, and few receive longevity increases. From the sixth to tenth years, Sheboygan social workers' wages rise by the 3% step progression while the average wage of the comparables rises about 1%, resulting in a growing gap between Sheboygan and other social workers. After the tenth year, Sheboygan Social workers are at the end of the schedule, but receive another 2-1/2% longevity adjustment, and subsequent additional 2-1/2% adjustments at 15, 20, and 25 years while few social workers among the comparables receive any significant increases. Earnings over 25 years for Sheboygan social workers on this track would be \$943,410 ($\$483.8 \times 1,950$ hours per year), or \$121,485 more than the average comparables' social worker's earnings ($\$421.5 \times 1950 = \$821,925$). Kenosha social workers are the only county social workers who would earn comparable wages, more for the first 9 years, and less thereafter.

The Undersigned would make a couple of comments on the comparisons implied in Table 2. The actual average wages of Sheboygan Social Workers tended to be less than the constructed "potential" wages for social workers with 10 - 19 years longevity, suggesting that the analysis is less accurate for them. However, the comparables' actual average wages may also be less than the potential wages constructed for them, mitigating the consequences of this fact. It can readily be seen that by the 10th year, most of the comparables' wages have reached their maximums so they would not be more.

progress so some will earn less than the "potential" if they do not meet these requirements.

Table 2

BA/BS Degree track with longevity; Wages converted to \$ / hr. Based on 37.5 hrs/ wk.

after	Calum et \$/hr	Eau Claire	Fond du	Kenos ha	LaX	Manit owoc	Marth athon	Outag ami	Ozauk ee	Washi ngton	Wineb ago	Shebo ygan	ave. w/o S.	+ / _
start	11.73	11.88	11.80	13.22	12.40	12.08	11.64	11.85	11.28	11.36	11.27	12.08	11.86	+ .22
6 mo.	11.73	12.40	11.80	13.52	13.26	12.77	12.15	11.85	11.28	11.80	12.09	12.42	12.24	+ .20
1yr	12.33	13.18	12.48	15.07	13.53	12.89	12.55	13.32	12.21	12.24	12.54	13.01	12.94	+ .07
2	13.10	14.20	13.16	15.47	14.76	13.40	12.94	14.05	13.14	12.94	13.49	13.39	13.7	- .31
3	13.74	14.97	13.84	17.13	15.49	14.21	12.94	16.04	14.04	13.50	14.26	14.66	14.56	+ .10
4	14.41	15.50	13.84	17.54	16.09	14.89	13.80	16.85	14.06	13.83	15.26	15.16	15.1	+ .06
5	15.07	15.53	14.52	17.96	16.09	15.49	14.71	16.85	14.06	13.93	16.12	16.07	15.48	+ .59
6	15.71	15.53	14.70	18.38	16.09	15.82	15.44	16.85	14.06	13.93	16.78	16.59	15.75	+ .84
7	16.37	15.53	15.27	18.38	16.09	15.82	16.17	16.85	14.06	13.93	17.11	17.10	15.96	+ 1.04
8	16.48	15.53	15.84	18.38	16.09	15.82	16.17	16.85	14.06	13.93	17.11	17.62	16.02	+ 1.60
9	16.48	15.53	16.41	18.38	16.09	16.05	16.17	16.85	14.06	13.93	17.11	18.14	16.1	+ 2.04
10	16.48	15.56	16.41	18.38	16.09	16.84	16.23	16.85	14.06	13.96	17.11	18.59	16.18	+ 2.41
15	16.48	15.58	16.98	18.38	16.09	18.04	16.29	16.85	14.06	13.99	17.11	19.03	16.35	+ 2.68
20	16.48	15.60	16.98	18.38	16.09	18.04	16.36	16.85	14.06	14.02	17.11	19.47	16.36	+ 3.11
25	16.48	15.63	16.98	18.38	16.09	18.04	16.36	16.85	14.06	14.02	17.11	19.91	16.36	+ 3.55
Sum	420.9	409.2	420.1	477.5	423.4	441.4	415.4	437.8	371.3	369.2	436.9	483.8	421.5	+ 62.3

Notes:

Calumet has 3 classes, the third requiring a Masters degree or equivalent. A SWI may move to SWII after 2 years. The Employer calculates hourly wages approximately \$.05 less, based on monthly wages included in the agreement. A limitation exists on the number of SWII position, though herein it is treated as not restrictive.

Eau Claire had a split wage increase for 1994-95. Association chose the (higher) July wage for inclusion. Employer did not include wage progression data.

Fond du Lac has a limitation on the number of Senior Social Workers, and reserves 2 for a person with a MSW. Restrictions are assumed not to apply. A MSW or experience, training and graduate credits is required. Social worker may move to the Senior Social Worker track after 6 years.

The Employer indicates that the Kenosha 12-24 month rate is \$14.27. The Association properly moves the Social Worker to the step with the relevant seniority as per contract. The minimal time to SWIII is 3 years. Contract provides for SWIV and V to have a Masters degree plus 5 years as SWII. Association provided "County Merit System Requirements" indicating that the SWIII may be obtained after 3 years and specified training and graduate credits.

LaCrosse has 3 steps: start, 6-18 month, and > 18 months. The Arbitrator averaged the second and third year's wage rates. The number of SWIII positions (BS + training + credits) is limited, though vacancies currently exist. Both parties assumed movement from SW II to SWIII in the minimum time. There is also a limitation on the number of MA/MS track (SWIV) which requires a MSW or related MS plus 5 years experience.

At Manitowoc, a MSW or related Master's degree or 8 years after hiring is required for the senior track. The Association placed the Senior Social worker on the MA/MS track. Here, the BA/BS is put on the senior track after 9 years.

Marathon County has start, 6 month, and 39 month steps for SWI, II, and III. The Employer placed the promoted (at 18 months) SWII at the starting rate, though the contract indicates this is incorrect.

The Association advances the Outagamie SWI to SWII at 13 months, and to SWIII at 37 months, following the state merit system. The step used is the step which would have applied to the prior classification. The Employer used the prior step on the new class. The agreement indicates the employee is to be placed on the same step, but new class. Presuming a social worker would want to work a day or a pay period at the next step of the "old" class before reclassification (to the new class and "next" step) the Association's construction of wage progression appears to be the correct one. The labor agreement letter of Understanding implies that SWIV is the MSW and SWV is MSW plus 5 years plus credits.

Ozaukee County has 2 classifications and 4 steps. The job description indicates a MSW or equivalent education and experience is required for the second track.

Washington County has 2 classes and 7 steps: start, 6 months, and then 4 more steps at 12 month intervals in 1994 and an additional step in 1995. A MSW and certification is required for the second track.

Winnebago County has 2 classes (SW and SW Specialist) and start, 6 month, 30 month, and 42 month steps. Advancement to the 18 and 30 month steps is contingent on training. SW Specialist requires a MSW or related Masters, or 15 graduate SW credits and training beyond the SW 30-month step requirements. The SWS 30 month step may be obtained with 21 graduate credits plus training and other requirements.

Table 3
 MA/MS Degree track with longevity; Wages converted to \$ / hr. Based on 37.5 hrs/ wk.

after	Calum et	Eau Claire	Fond duLac	Keno- sha	La Cross	Mani- towoc	Mara- thon	Outa- gami	Ozau- kee	Wash	Wine- bago	Sheboy- gan	ave. w/o Sh.	+/-
start	14.77	15.49	14.70	14.61	14.87	14.02	14.00	14.78	14.38	13.87	14.73	14.34	\$14.57	- .23
6 mo	15.52	16.35	14.70	14.97	15.91	16.05	14.65	14.78	14.38	14.45	15.79	14.34	\$15.23	-.89
1yr	16.26	16.91	15.27	15.84	16.21	16.45	14.65	15.37	15.32	14.95	16.12	15.30	\$15.76	-.46
2	16.94	16.91	15.84	16.23	16.52	17.18	15.38	16.04	16.27	15.73	16.78	15.80	\$16.35	-.55
3	17.73	16.91	16.41	17.13	16.52	17.61	16.11	16.85	17.58	16.29	17.84	16.32	\$17.00	-.68
4	18.45	16.91	16.41	17.54	16.52	17.81	16.11	17.43	17.58	16.65	17.84	16.84	\$17.20	-.36
5	18.56	16.94	16.98	17.96	16.52	18.07	16.17	18.05	17.58	16.73	17.84	17.77	\$17.40	+.37
6	18.56	16.94	16.98	18.38	16.52	18.13	16.17	18.05	17.58	16.73	17.84	18.31	\$17.44	+.87
7	18.56	16.94	16.98	18.77	16.52	18.13	16.17	18.05	17.58	16.73	17.84	18.85	\$17.48	+1.37
8	18.56	16.94	16.98	19.34	16.52	18.13	16.17	18.05	17.58	16.73	17.84	18.85	\$17.53	+1.32
9	18.56	16.94	16.98	19.34	16.52	18.13	16.17	18.05	17.58	16.73	17.84	18.85	\$17.53	+1.32
10	18.56	16.96	16.98	19.34	16.52	18.17	16.23	18.05	17.58	16.73	17.84	19.31	\$17.54	+1.77
15	18.56	16.99	16.98	19.34	16.52	18.20	16.29	18.05	17.58	16.73	17.84	19.77	\$17.55	+2.22
20	18.56	17.01	16.98	19.34	16.52	18.23	16.36	18.05	17.58	16.73	17.84	20.23	\$17.56	+2.67
25	18.56	17.04	16.98	19.34	16.52	18.23	16.36	18.05	17.58	16.73	17.84	20.69	\$17.57	+3.12
sum	489.4	455.8	450	499.6	443.2	481	432.8	474.3	464.7	443.3	473.8	502.9	464.3	+38.6

Finally, the differential between the "potential" Sheboygan and comparables' wages is very pronounced in this range, so that even if the actual wages of Sheboygan Social workers with, say, 15 years longevity, is \$.31 below the "potential," their earnings would only be \$2.48 above the comparables' potential average rather than \$2.79 above. The Arbitrator also included comparisons of Sheboygan (BA/BS) SWIII social workers with social workers who are in classifications which either include Master's degree social workers or with classifications which are for those with Master's degrees but can be attained by those with "equivalent" education and experience. Finally, the Arbitrator notes that in some counties there are limitations on the number of higher classification social workers; nevertheless, the wage progressions constructed by the Arbitrator for comparison purposes assume no limitations.

Table 3 is relatively straightforward. Social workers who have a Master's degree are placed on the schedule and move through the 9th step, receiving longevity increases according to the agreement. Similarly, the comparables' social workers are placed in the classifications which require a MS/MA or equivalent, and moved as provided in the submitted agreements. Sheboygan Social workers' wages are below the average until after the 4th year. After employment in Sheboygan for 5 years, they are above average, receiving the 3% step progression and the 2-1/2% longevity increase. Two more steps remain thereafter, followed by the longevity increases at 10, 15, 20, and 25 years. With the exception of Kenosha, wages in the comparables do not generally rise after the 5th year. It is perhaps not too surprising that in the County's wage progression analysis, social workers are moved from SWI through SWII and SWIII and are continued on SW MA/MS after 5 years. Over 25 years, a social worker with a MSW in Sheboygan would earn \$75,270 more than a social worker with a Master's degree in the average comparable county (\$980,655 - 905,385)¹³. The Association's argument that since the County doesn't pay for graduate school coursework (unlike some other counties) or provide for leaves, the costs to unit employees are high, while the benefits of getting a MSW are low, appears to have a reasonable basis.

Table 4 indicates that Sheboygan County Social Workers with a BA/BS would continue to earn more than the comparable county social workers under the Employer's offer. The wages would again be close to average until the fifth year, after which a \$.06 per hour (\$10/month) longevity adjustment and the step increment would increase wages more than the average. After nine years, there is only the modest longevity adjustment; however, by then wages are over a dollar and a half greater than average under the current schedule. With a tenth step added (included in both parties' offers), they would be about \$2.00/hour greater.

¹³Sheboygan wages sum to 502 9 over 25 years, with the hours per year being 1,950.

Table 4 Sheboygan and Comparable County Social Worker 1994 Wages, BA/BS Track (including longevity, but only 9 steps) under the Current Schedule and under the County's Offer

(After)	Current Potential BA/BS track wage	Potential BA/BS track Cnty offer-9steps	Compara- bles' ave. wage (Table 2)		
start	\$12.08	\$ 12.08	\$ 11.86		
6 months	12.42	12.42	12.24		
1 yr	13 01	13.01	12.92		
2	13.39	13.39	13.70		
3	14 66	14.66	14.56		
4	15.16	15.16	15.10		
5	16.07	15.74	15.48		
6	16 59	16.25	15.75		
7	17.10	16.75	15.96		
8	17.62	17.25	16.02		
9	18.14	17.76	16.10		
10	18 59	17.82	16 18		
15	19 03	17.88	16.35		
20	19.47	17.88	16 36		
25 +	19.91	17.88	16.36		
sum of 25	483.8	450.3	421.5		

Table 5 Sheboygan and Comparable County Social Worker 1994 Wages, MA/MS Track (including longevity, but only including 9 steps) under the Current Schedule and under the County's Offer

(After)	Current Potential MA/MS track wage	Potential MA/MS track Cnty offer 9steps	Compara- bles' ave. wage (Table 3)		
start	\$14.34	\$ 14.34	\$ 14.57		
6 months	14.34	14.34	15.23		
1 yr	15.30	15.30	15.76		
2	15.80	15.80	16.35		
3	16.32	16.32	17.00		
4	16.84	16.84	17.20		
5	17.77	17.40	17.40		
6	18.31	17.92	17.44		
7	18.85	18.45	17.48		
8	18.85	18.45	17.53		
9	18.85	18.45	17.53		
10	19.31	18.51	17.54		
15	19.77	18.57	17.55		
20	20.23	18.57	17.55		
25 +	20.69	18.57	17.56		
sum of 25	502.9	480.43	464.3		

Table 5 indicates that Sheboygan County Social Workers with a MA/MS would continue to earn more than the comparable county social workers under the Employer's offer. The wages would again be under average until the fifth year, after which a \$.06 per hour (\$10/month) longevity adjustment and the step increment would increase wages more than the average. After seven years, there is only the modest longevity adjustment; however, by then wages are about a dollar greater than average under the current schedule. With a tenth step added (included in both parties' offers), they would be about \$1.55 greater.

Conclusion on Wage Comparisons

Analysis of wage comparisons shows that Sheboygan County Human Services Department Social Workers wages tend to exceed those of the average of the comparables, particularly those social workers on the BA/BS track as herein defined. Over a 25 year career, the earnings would be over 14% greater (8% for the MSW). The difference does not become significant until after the seventh year, the time horizon employed by the Association in its analysis. Under the County's offer, Sheboygan social workers with a BA/BS will continue to earn above average wages over their careers. The differential, however, would then be about 40% less than it currently is. Only Kenosha County social workers would possibly earn a greater amount. Under the County's offer, Sheboygan social workers with a MA/MS will continue to earn above average wages over their careers. The differential would also be cut by 40%. Only Kenosha County social workers would earn a greater amount when the 96-month step is added.

Other factors and issues

The Association has argued for an award in its favor based on internal comparisons (e.) and other factors (j.) on the matter of longevity. It correctly asserts that no other County unit has a longevity program as is proposed by the Employer, rather, the status quo included in its offer is generally the norm. Additionally, City of Sheboygan employees have increasingly attained percentage longevity programs such as is included in its offer. The Association also asserts that the longevity program is not considered as part of wages, but is part of a county-wide fringe benefit package. Additionally, the Association asks the arbitrator not to create an inequity by accepting the Employer's offer in that under it, employees hired after Jan. 1, 1995 would not attain pay levels including longevity which would be earned by Social Workers hired before that date. This "two tiered" wage system will inevitably lead to morale problems.

There is great merit in these arguments. The internal comparison favors the Association. However, it is also true that the Employer has made the identical proposal for longevity in its final offers to all of the other outstanding units. Moreover, Table 6 also indicates that the longevity program for this

Table 6: Longevity Programs of the Comparable Counties, 1994

Calumet	none
Eau Claire	\$50/yr after 5 years, additional \$50 after each additional 5 years (\$300 maximum after 30 years of service)
Fond du Lac	none
Kenosha	none
LaCrosse	none
Manitowoc	\$14/mo. after 5 years, \$21, \$26, and \$31 after 10, 15, and 20 years
Marathon	\$10/mo. after 5 years, additional \$10 for each additional 5 years (\$40 max. per month after 20 years)
Outagami	none
Ozaukee	none
Washington	\$5/mo after 5 years, additional \$5 for each additional 5 years (\$20 max. per month after 20 years)
Winnebago	\$.03/hr. (\$5/mo.) after 5 years, additional \$.03 for each additional 5 years (\$.12 max. per hour after 20 years)
Sheboygan (current)	2.5% of base salary after 5 years, additional 2.5% for each additional 5 years to a maximum of 12.5% after 25 years
County offer (for new hires)	\$10/mo. after 5 years, additional \$10 for each additional 5 years (\$30 max. per month after 15 years)
Source:	contracts supplied by the parties

unit is clearly outside the norm for social workers in comparable communities, thus favoring the Employer's offer. Half of the counties have no longevity adjustments to wages. The remaining counties have flat dollars per month or year or cents per hour which generally are less generous than the County's offer, but significantly less than the current program. The issue therefore is to determine the relative weight to attach to internal vs external comparisons. On this, Arbitrator Gundermann opined:

...“As a general proposition, arbitrators are inclined to look toward internal comparables rather than external comparables where a clear pattern of voluntary settlements exist. The rationale most often given in support of using internal comparables is that internal settlements most accurately reflect what the parties would have agreed to if they reached a voluntary settlement. It is also asserted that by using internal comparables there is added stability to the bargaining process and less opportunity for dissension arising out of one unit receiving preferential treatment over another unit.” City of Oshkosh, Dec. No. 26923-A (March 3, 1993)

Arbitrators often contend that a primary consideration in rendering an award is what in their opinion a voluntary settlement would have been. Unfortunately, a “clear pattern of (internal) voluntary settlements” does not exist in this case which could guide the Undersigned in this decision, nor is one likely. The County is intent on modifying the longevity program in its bargaining units, an effort it contends it has undertaken unsuccessfully for fourteen years and which it has unilaterally begun to impose for new, non-bargaining unit employees.

Arbitrator Vernon also recognized a limit to relying on an internal pattern, were one to exist:

“...the internal pattern cannot control when adherence to that pattern would cause too much external market disparity. In this case, the general guidance gained from looking at other municipalities strongly suggests that the Employer's offer would perpetuate a great wage disparity.” City of Monona (Fire Department) Dec. No. 26562-A (March, 1993)

While the situation described above appears to be reversed in the instant case, its applicability would suggest an award in favor of the Association on the matter of longevity unless wages of Sheboygan Social Workers were to be significantly “out of line” with respect to comparable counties. The discussion above would suggest that particularly for social workers with more longevity, evidence for such a conclusion exists.

The Association's assertion that longevity is a county-wide fringe benefit which should be maintained to further productive collective bargaining in the future is ostensibly reasonable. The parties have some history of fringe benefit coordination, though there is a recent dispute about this in regard to health insurance. Arbitrators tend to give greater weight to internal comparisons for fringe benefits

than for wages. However, longevity pay determined as a percent of wages would appear to the Undersigned to set it apart from what would otherwise be considered universally applied fringe benefits such as health/dental/vision/life insurance, vacations, education, and other benefits which are more or less independent of wages.

The Employer recognizes that it seeks a change in the status quo with respect to the proposal for longevity as applied to new hires. It cites Arbitrator Gil Vernon's often quoted Elkhart Lake-Glenbeulah School District Decision No. 26491-A (1990) in which he outlined a basis for making a status quo change:

"When an arbitrator is deciding whether a change in the status quo is justified, he/she is really weighing and balancing evidence on four considerations: they are: (1) if, and the degree to which, there is a demonstrated need for the change, (2) if, and the degree to which, the proposal reasonably addresses the need, (3) if, and the degree to which, there is support in the comparables, and (4) the nature of a quid pro quo, if offered....All four of these elements should be present to some degree and the degree to which any one or more of these considerations must be strongly evidenced depends on the facts and the circumstances of each case. What is ultimately determined to be an acceptable mix of these considerations will vary from unique situation to unique situation."

It contends that the nearly 50% increase in longevity payments in this contract alone evidences the need to do something about it. In exchange for making modifications more in line with comparable counties' social workers, it proposes an additional (96-month) step on the schedule. Moreover, none of the current employees are affected adversely by the change; indeed they also gain the added step. The County will not receive any benefits of its offer for five years even though it will immediately pay nineteen employees 3% more for the added step; another seven will reach the new 96-month step in 1996. With top rates already above all other comparables, the quid pro quo can be seen as more than adequate.

The Association contends, on the other hand, that a compelling need for the change has not been shown since the County is fiscally well. Moreover, the quid pro quo is inadequate, as noted above. The Association meticulously shows the difference in earnings over 30 years of Social Workers hired just before and after Jan. 1, 1995. There would be a \$16,000 difference, as noted earlier. Even if it could be shown that a quid pro quo were adequate, other reasons may preclude its change; here, a morale problem will be created because of the pay differential. Instead, the proper way to make such changes is through the bargaining process.

The Undersigned has respected the framework and analysis put forth by Arbitrator Vernon, and has been extremely reluctant to alter the status quo in arbitration awards. In this case, however, he finds

it instructive to consider the remainder of Arbitrator Vernon's award not quoted by the parties in which he states:

"In bargaining, one case is rarely identical to the next. For example, if 11 of 12 comparables have the sought-after language or benefit in similar form in their contracts, then the burden to demonstrate intrinsic need and quid pro quo are diminished. However, if the proposal goes somewhat beyond the comparables' language or benefit, a greater degree of other factors may be required. Additionally, and of course, the particular change must be weighed with other facets of the moving party's offer and the offers as a whole must be weighed against each other."

Here, the evidence is overwhelming that the 11 other comparables have no longevity programs or longevity programs similar to the County's proposal (Table 6). While the County's financial need for instituting the change is not at this time compelling, the Arbitrator has verified that while longevity is a modest part of wage costs, it will rise relatively substantially in this contract and in subsequent ones. The Arbitrator also considers the County's offer of an additional step as a quid pro quo. If it were not offered, the Association would have a burden of demonstrating that its own 96-month step proposal was based on a compelling need and/or that there was substantial support among the comparables and/or that it had provided an adequate quid pro quo which would be difficult to do based on the comparables' generally limited step schedules. Is the County's quid pro quo adequate (if it need be)? Clearly for the current employees who suffer no financial loss and gain 3% now or in a few years it is adequate since they gain up to \$21,000 over the next 30 years, by the association's computation. For new hires, it would be difficult to say; they "lose" about \$37,000 over 30 years. However, as prospective employees, they may choose social work in Sheboygan or in one of the comparables, and as seen previously in Tables 4 and 5, wages in Sheboygan will be higher than in most comparable counties under the County's offer. There still will be the important facet of the County's proposal which is of great concern to the Undersigned, and which was very well expressed by the Association, namely, the eventual disparity in earnings between new hires and those "grandfathered." At some point in time as the former become more significant in number, future negotiations may "bargain out" a change, though with difficulty since the County's offer would become the status quo.

The Association makes appropriate note of Arbitrator Malamud's recent decision in Sheboygan County (Highway Department) (Dec. No. 27719-A). Here, the County attempted to eliminate longevity for new hires, but the Union's offer was chosen. While external comparability was found to support the County, the internal pattern (of all other units having longevity) was determinative. The Undersigned would respect that finding, ceteris paribus. There are substantive differences in the cases, however. The County made no alternative provision for recognizing longevity for new employees (though it proposed to "buy off" current employees with a bonus) so as to rectify the "problem". Here, the Employer has proposed an alternative longevity plan which is as good as, or


better than other counties. Additionally, the Undersigned notes that without longevity, many Sheboygan Highway Department employees would earn below average wages. In the instant case, Social Workers have top scheduled rates which are above almost all other counties. County Patrolmen, Truck Drivers, Equipment Operators, and other employees have short schedules, with less opportunity to recognize on-the-job training and/or loyalty to the County; Social Workers by contrast, have long schedules which could be 10 or more steps, depending on where one starts. Finally, there is some tendency for arbitrators to give greater consideration to external comparability in the case of professional employees than in the case of nonprofessional employees on the theory that the former are recruited and retained in a broader labor market. Certainly the Association has significantly relied on such in past arbitration proceedings.

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 County, along with those items to which the parties are tentatively agreed is to be incorporated into the 1995-96 Collective Bargaining Agreement between the Sheboygan County Association of Social Workers and Sheboygan County.

Dated this 4th day of December, 1995.


Richard Tyson,
Arbitrator