

# BEFORE THE ARBITRATOR

In the Matter of the Arbitration of a Dispute Between the

RICHLAND COUNTY PROFESSIONAL EMPLOYEES UNION LOCAL 2085-C, AFSCME, AFL-CIO and WERC Case 112 No. 52696 INT/ARB 7652 Dec. No. 28848-A

RICHLAND COUNTY

Appearances:

Mr. David B. White, Staff Representative, Wisconsin Council 40, AFSCME, AFL-CIO, 8033 Excelsior Dr. Suite B, Madison, WI., for the Union. Mr. Jon Anderson of Godfrey & Kahn, S.C., 131 West Wilson St., Madison, WI., for the Employer.

**Background:** 

December On 19, 1994, representatives of Richland County (hereinafter referred to as the "County " or the "Employer") and representatives of Wisconsin Council AFSCME, 40, AFL-CIO (hereinafter referred to as the "Union", or the "Employees") exchanged proposals on issues to be included in a new agreement accreting certain (Public Health Nurses) employees to an existing The Union represents full-time and regular part-time unit. professional employees of the County but excluding supervisory, managerial, confidential, non-professional and other employees. The Parties met on five other occasions and failed to reach an agreement. On May 19, 1995, the Union 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 Thomas L. Yaeger, a member of the WERC staff, conducted an investigation on September 6, 1995 and on May 16, 1996, and then advised the Commission that the parties were deadlocked in their negotiations. The parties submitted final offers to the Commission by August 14, 1996. On September 13, 1996 the Commission certified the parties' final offers and directed them to select an impartial arbitrator. The Undersigned, Richard Tyson, was selected and appointed on October 1, 1996. The Arbitrator conducted a hearing on the matter on December 18, 1996 in Richland Center, Wisconsin. The parties had a full opportunity to present exhibits and testimony and to outline their arguments in this dispute. They agreed to a schedule for submitting briefs and reply briefs, the last of which was received by the Arbitrator on April 8, 1997.

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## The Issue(s)

The parties are agreed on all but one item for inclusion in a successor agreement for 1995-96; that item is the wages to be paid to two full-time Public Health Nurses who have been accreted to the unit. The 1994 wages of Nurses Cunningham and Sawle were \$12.09 and \$11.50 respectively; they previously were non-represented employees, employed by the County since 1975 and 1984. The Employer and Union propose wage schedules having several steps which yield the following results:

Kay Cunningham			Theres	a Sawle
Date	<u>    Union</u>	<u>County</u>	<u>Union</u>	<u>County</u>
1/1/95	\$12.59	\$12.33	\$12.09	\$ 11.82
7/1/95	12.76	12.84	12.76	12.32
1/1/96	13.44	13.36	13.44	12.57
7 <u>/1/96</u>	14.12	<u>13.63</u>	14.12	<u>13.09</u>

(remaining step movements under the proposed schedules)

1/1/97	14.41		14.41	13.36
7/1/97		14.18		13.63
1/1/98	14.66		14.66	
7/1/98	14.95		14.95	14.18
1/1/99	15.26		15.26	
1/1/00	15.88		15.88	

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 similar employees in the contiguous counties (Crawford, Grant, Sauk, Vernon, and Iowa)<sup>1</sup>. The Union argues that normally the most appropriate comparable group would include those contiguous counties, except for Vernon on the grounds that its public health nurses are not represented; the Union acknowledges that Arbitrator Malamud included Vernon County, and Vernon County's other employees are represented so the union would consider the 5 as comparables (moreover the wages of Vernon County Nurses are "at the top of the comparisons").<sup>2</sup> The Union would also include Monroe County, which is very near and has been found to be among those comparables used by Arbitrators Malamud and Petrie.

## <u>Cost</u>

The Employe	r costs annual wages	for 1995 and 1	.996 as follows:
<u>Nurse</u>	<u>Employer's Offer</u>	<u>Union's Offer</u>	<u>differenc</u> e
Cunningham	\$ 22,904.70	\$23,068.50	\$ 163.80
Sawle	21,967.40	22,613.50	646.10
		<u>1995 cost</u>	\$ 809.90

' <u>Employer Brief</u>, p. 19. The Employer deleted reference to Iowa County, but includes it in its exhibits of comparables' wages (EX 22-3).

<sup>2</sup><u>Union Brief</u>, p. 10.

<u>Nurse</u>	E <u>mployer's Offer</u>	<u>Union's Offer</u>	<u>difference</u>
Cunningham	\$ 24,560.90	\$25,079.60	\$ 518.70
Sawle	23,350.60	25,079.60	<u>1,729.00</u>
		<u>1996 cost</u>	\$2,247.70

total 1995-96 cost difference \$3,057.60

### 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.<sup>3</sup> 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.

<sup>&</sup>lt;sup>7</sup>The Union submitted the "new" statutory criteria into evidence while the Employer submitted the "old" criteria. In its reply brief, the Employer noted that the "new" criteria applies to petitions filed after July 29, 1995.

- 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 Union

The Union contends that its offer is more reasonable, fair, and best meets the statutory criteria and addresses the issue of the significant underpayment of wages to the 2 Nurses by a method which is very gradual and does not pose a financial problem for the County. On the other hand, the County's offer continues the inequitable pay for Richland County Public Health Nurses <u>viz</u> their counterparts in the area.

The Union notes that the cost differential between the offers of the parties is only about \$3000. There is no statutory or financial limitation on the ability of the Employer to meet the final offer of the Union. The mill rate in 1995 is substantially lower than in 1993, and considering the increased valuation, the Employer is certainly under no constraints to provide an equitable wage to these nurses. Similarly, the economic conditions in Richland County are no worse than in comparable counties, thus warranting equitable wages for Richland County nurses. The county's Adjusted Gross Income (per income tax return) shown in the Employer's Exhibit (#27) shows that Richland County is in the middle of the comparables. Its per capita

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Personal Income below average, but is not the lowest, and it is rising more rapidly than any other area county. Its poverty rate is less than .5% below average. Its farm economy is stronger than average.<sup>4</sup>

The Union would make comparisons of Richland County public health nurses' wages and other conditions with nurses in comparable counties which are the adjacent counties and Monroe County. Vernon County public health nurses are not represented; the Union would normally argue for their exclusion but for the fact that Arbitrators Malamud and Petrie found Vernon to be a comparable of Richland County.<sup>5</sup> In addition, other Vernon county employees are represented. Finally, Vernon County nurses are paid well. Monroe County is very near, and was also found by Arbitrators Malamud and Petrie to be a comparable of Richland County and should therefore be included for making wage comparisons.

The Union asserts that "the wages paid to Richland County Public Health Nurses lag far behind those in the comparables, and therefore justify catch-up."<sup>6</sup> It compares the two nurses' wages with those of the Grant County and Sauk County PHNII nurses since that category also is for nurses with a Bachelor's degree. Monroe

### <sup>4</sup>Employer Exhibit 33.

<sup>&</sup>lt;sup>5</sup>Arbitrator Malamud in <u>Richland County (Highway Department)</u>, Dec. No. 27897-A, September 8, 1994, and Arbitrator Petrie, <u>Richland</u> <u>County (Sheriff's Department)</u>, Dec. No. 28119-A, March 28, 1995.
<sup>6</sup><u>Union Brief</u>, p. 13.

County also has 2 rates of pay, having recently instituted a twotiered pay plan; the lower rate, however only applies to one parttime nurse while the other seven receive the higher rate. In comparing wages of Richland County to Vernon, Monroe, Iowa Sauk, Grant, and Crawford Counties, Richland County is the lowest paying at the maximum rate (\$12.09), being nearly \$3 per hour less than the other counties' median of \$15.03; it is over \$1 less at the minimum. While Crawford County is another "outlier", the other maximum wages range from \$14.22 to \$16.17. The Richland County nurses are the lowest paid public health nurses in the state, and clearly deserve a catch-up.

The Union further asserts that arbitrators are amenable to awarding significant increases when employees are found to lag comparable employees in wages without good justification; remedying the inequity should not be delayed; and other statutory factors are of lesser importance when an inequity <u>viz</u> comparables is evident.<sup>7</sup> The County's citations of arbitral opinion on the primacy of internal patterns of settlements fails to understand their conclusions. Arbitrators Malamud and Vernon (cited below) specifically noted that when substantial differences <u>viz</u> external comparables are shown to exist, the internal pattern of settlements lose their

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<sup>Arbitrators Mueller in <u>Rock County</u>, Dec. No. 16397-A, March 26, 1979, Kerkman, in <u>Barron County</u>, Dec. No. 17479-A, March 31, 1980, Vernon, in <u>Washington County</u>, Dec. No. 21515-A, Nov. 9, 1984, Malamud, in <u>Brown County</u>, Dec. No. 26206-A, April 18, 1990, Stern, in <u>Sheboygan County</u>, Dec. No. 27842-A, May 21, 1994, and Zeidler, in <u>City of Dodgeville</u>, Dec. No. 27590-A, Oct. 25, 1993.</sup> 

controlling influence. In two of the other cases cited by the Employer, health insurance was the disputed item, an issue for which internal consistency is generally accepted. In the final case, the internal pattern was found to hold because there wasn't a substantial external differential. Maintaining the internal pattern will "forever condemn" these nurses to wages which are dollars per hour below other nurses.<sup>8</sup>

The Union's offer "provides meaningful relief" while the County's offer continues the inequity.<sup>9</sup> Under the Union's offer for 1995, the start rate for Richland County Nurses will surpass Crawford and Vernon County start rates, being \$.37 below the average and \$.67 below the median. At the maximum wage rate, however, they will earn \$1.77 below the average, and \$2.11 below the median. The Employer's offer is \$.70 below the Union's at the start rate and \$.44 below at the maximum. Under the Union's offer, the maximum wage rate will go from being 24.3% below the median in 1994 to 15.6% below in 1995, while the Employer's offer places them 19.5% below.

Under the Union's offer for 1996, the start rate for Richland County Nurses will surpass Crawford, Monroe, and Vernon County start rates, being \$.63 above the average and \$.26 above the median. At the maximum wage rate, however, the scheduled wage would be \$.11 above the average, but \$.22 below the median. The

<sup>e</sup><u>Union Reply Brief</u>, p. 5.

<sup>2</sup><u>Union Brief</u>, p. 20.

Employer's offer is \$1.57 below the Union's at the start rate and \$1.70 below at the maximum. Under the Union's offer, the maximum scheduled wage rate be 1.4% below the median of the comparables, while the Employer's offer places them 13.5% below. The Employer's offer will result in "catch-up" being a persistent issue for the public health nurses in subsequent years.

The County errs in its own attempt to compare wages. It has averaged 8 positions for 6 comparables! Grant and Sauk counties have 2 classifications; in the former, the Bachelors degree position (PHNII) is the only relevant position, in the latter, only the PHNII position is used. The result of the County's use of noncomparative positions is to disguise its unreasonable offer and to claim that the Union's offer "catapults the Richland County nurses into third place."<sup>10</sup> Another error committed by the County is to use the comparables' average, rather than median wage for comparison. The problem occurs because the very low wages paid by Crawford County makes it an obvious "outlier." There is a clustering of wages for the other comparables; the use of the median better captures the central tendency of the comparables' wages.

The Employer's contention that under the Union's office, the nurses wages will jump ahead of other nurses "too much, too soon" is wrong, and that its reference to Arbitrator Briggs' award ("Rome wasn't built in a day") is misplaced. The Union notes that the two

<u><sup>~</sup>Union Reply Brief</u>, p. 9.

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nurses will not be at the scheduled maximum wages during the contract, where by experience they would normally be placed; rather, the Union's offer "spreads out" the cost by placing these nurses at the start rates in July, 1996, and only <u>"catching up</u>" to the comparables in the year 2000.

The Union also asserts that "internal comparison strongly supports the Union's offer."<sup>11</sup> The County's Community Programs Psychiatric Nurse earn \$1.70 more than the Public Health Nurses. The conditions and functions of each are similar, though the former does not require a Bachelor's degree. Clearly a similar job with lower educational attainment requirements should not command a significantly higher wage rate. Richland County is <u>not</u> uniformly a significantly lower paying employer, however. Social Workers are paid about average at the start and maximum wage rates, in comparison to comparables' Social Workers. The Union simply seeks the same basic treatment for Richland County Public Health Nurses.

The County claims that the Public Health Nurses will receive higher wages than the Pine Valley Manor nurses and Psychiatric Nurse (Grades 22 and 23) under the Union's offer. The Employer is incorrect regarding the latter, which is now a bargaining unit position paying the wage in the Union's offer. The Pine Manor nurses may not be comparable employees: they don't work independently, they are not represented employees and therefore the same forces do not determine wages and conditions of employment,

"<u>Union Brief</u>, p. 24.

and the Employer has submitted no other evidence of similarity of jobs or job requirements such as the requirement of a Bachelors degree. Regardless, the Employer's contention that should the Union prevail, the internal pattern of equity in relative wages would be destroyed is baseless since there is nothing equitable about Richland County Public Health Nurses wages being the lowest in the entire state of Wisconsin.

In sum, the evidence shows that the two nurses are grossly underpaid. An award in favor of the Union will result in a wage schedule "in the middle of the pack" though the Union has responsibly offered that actual wages paid will be much less, only rising to the schedule in the year 2000. The County's offer is just a modest improvement over the current situation which will be extremely difficult to change in subsequent contracts. Moreover, the Union's offer will promote internal equity by eventually paying these nurses on the same scale as the Community Psychiatric Nurses who work under similar conditions.

#### The Employer

The Employer contends that it has made a reasonable offer to the Union which is fair to the affected nurses. It incorporates a wage matrix with 6 steps and increases those wages by the same increases afforded other employees. It places the nurses on the schedule so as to guarantee significant step increases in their wages. Under its offer, Nurse Cunningham will receive a cumulative 12.74% increase over her 1994 wage, while Nurse Sawle will receive a cumulative 13.83% increase. Clearly under the statutory criteria, these are sizeable and sufficient.

The Union's offer, on the other hand, incorporates a wage matrix, step movements, and placement of the nurses which are "substantial and without justification."<sup>12</sup> Its proposal freezes the nurses at the start step on 7/1/95, 1/1/96, and 7/1/96. The Union justifies this odd placement under the guise of lifting the nurses wages by minimizing the costs to the County; however, the scheme will impose substantial costs on the county in the future. As a consequence of the Union's step and placement proposals, Nurse Cunningham will receive a cumulative 16.79% increase over her 1994 wage, while Nurse Sawle will receive a cumulative 22.78% increase. Clearly under the statutory criteria, these double digit increases are "more than is reasonably necessary to provide fair and equitable increases to for the newly accreted" nurses.13 While both proposals create new schedules for the nurses and artificially place them so as to boost their wages, the Union's offer goes too far, too fast; citing Arbitrator Briggs, the Employer contends that in such new contract situations employees cannot expect significant gains overnight.<sup>14</sup>

The County's offer attempts to maintain the strong pattern of internal consistency of settlements it has with its employee groups

<sup>&</sup>lt;sup>12</sup> Employer Brief, p. 7.

<sup>&</sup>lt;sup>13</sup>E<u>mployer's Brie</u>f. p. 10.

<sup>&</sup>lt;sup>4</sup><u>Butternut School District (Support Staff)</u>, Dec. No. 27313-A, March, 1993.

in an effort to be equitable to all. The Highway, other Professionals in this unit, nursing home, Sheriff's, and non-union employees all received split 2%/2% increases in 1995 and 1996. The new Courthouse employees unit is without a contract. The Union's offer in the case herein encourages "whipsawing" of the Employer, and may be detrimental to the future of labor relations in the County as it will also encourage units to "hold out" for a better, arbitrated contract instead of recognizing and agreeing to the internal pattern of settlements. Citing Arbitrators Gunderman, Malamud, Friess, and Vernon, the Employer contends that the internal pattern should govern unless there is a substantial external or other reason for deviation from the pattern.<sup>15</sup>

Relatedly, the County's offer is more in line with wages paid other county nursing positions: the Pine Valley Manor nurses and the Community Program Psychiatric Nurse. Nurses Swale and Cunningham were in the County's Pay Grades 20 and 21; at the current rates, their pay would have trailed Grade 23 nurses at Pine Valley Manor by \$1.95 in 1996. The County's offer would close the gap between the Public Health Nurse maximum and Grade 23 to \$.21; the Union's offer would "catapult" these nurses to a \$1.49 advantage, "obliterat(ing) prior internal equity" and sending a "message to other bargaining units that holding out and using the interest

<sup>&</sup>lt;sup>15</sup>City of Oshkosh(City Hall), Dec. No. 26923-A, March, 1993, City of Green Bay (Water Utility), Dec. No. 28070-A, November, 1994, <u>Pierce County (Sheriffs Department)</u>, Dec. No. 28187-A, April, 1995, and <u>Holmen School District (Custodians)</u>, Dec.No. (not included), respectively.

arbitration process may prove to their favor."<sup>16</sup> Moreover, the Psychiatric Nurse position has qualifications which "span a much broader range of responsibilities" and higher expectations of performance<sup>17</sup> In neighboring Sauk County, the Psychiatric Nurse pay is significantly higher (\$.62 more than PHNII, \$1.52 more than PHN I) than the Public Health Nurse. While the County would pay the former \$1.00 per hour more than the latter, the Union would pay them the same.

The wage relation between Richland County Public Health Nurses and nurses in the comparables does not compel the disregarding of the internal pattern. The County has considered the contiguous counties (Crawford, Grant, Iowa, Sauk, and Vernon) as comparable. Monroe County is not contiguous to Richland County and should be excluded; the union's arguments for its inclusion is illogical. While the Richland County nurses' 1994 wage rates are last and considerably below average, the County's offer increases their wages sufficiently to gain ground in terms of ranking (to next to last) and from being \$2.30 (or 16%) below average to being only \$1.23 (or 8%) below average at the schedule maximum. The Union's offer increases their wages so as to go from 8th to 3rd (behind

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<sup>17</sup>Employer Reply Brief, p. 2.

<sup>&</sup>lt;sup>*k*</sup><u>Employer's Brief</u>, p.17. In its <u>Reply Brief</u>, p.1, the Employer recognizes that the Psychiatric Nurse position is a bargaining unit position, but contends that the Union ignores the length of time which it has been in the unit. The Union wants to have an equal schedule for the Public Heath Nurses in this, their first contract.

Iowa County) in terms of ranking and to being \$.47 (or 3%) <u>above</u> average at the schedule maximum. The Union's offer moves the PHNII Nurses from \$3.13 below Iowa County in 1994 to only \$.63 below in 1996, while the County's offer lowers the differential to \$2.33.<sup>18</sup> The Employer's offer makes a reasonable adjustment towards the average of the comparables while the Union's offer strives to make Richland County a wage leader; it is unrealistically too much, too soon.

The County's offer provides for schedule adjustments (split 2%/2%) for both years which is consistent with the internal settlements and the settlements for the City of Richland Center, and is greater than the lift adjustments of the comparables (which averaged 3.63% and 3.21% in 1995 and 1996). The Union's offer provides lift adjustments of 7.5% and 9.05%, which is clearly excessive.

The other statutory criteria also compel an award in favor of the Employer's offer. Richland County's economic conditions support the need for a moderate settlement. Its land is 72% agriculture, second among the comparables. The AGI per return is third lowest, and up only 2.4% from 1994. Its owner occupancy rates are low. Its full value tax rate, however, is the highest. The Union may contend that these rates dropped the most among the comparables, but taxes did not, since Richland County valuations grew the most. The Union's offer is also clearly excessive with respect to the Consumer Price Index increase; the CPI increased only 3.3% through

<sup>A</sup><u>Employer Reply Brief</u>, pp. 8-9.

November (4.2% for non-Metro areas) which is significantly less than the increases which even the Employer is offering.

In sum, the Employer's offer provides "needed improvements" in wages for the accreted nurses while maintaining consistency with other employee settlements. The Union's offer provides for wage rate increases of 16.8% and 22.8% which is excessive on all accounts, causes the affected nurses to "leap-frog" over other nurses, and is unrealistic and insensitive to local economic conditions. It is "too much, too fast."<sup>19</sup>

## **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.) and internal (e.) comparisons as well as interests and welfare of the public and the ability to afford the costs (c.), inflation (g.), and other factors (j.). 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 Arbitrator's analysis of wage levels and increases will then be discussed, followed by a discussion of internal comparability. Lastly, other statutory criteria and arguments of the parties are discussed.

<sup>&</sup>lt;sup>19</sup>Employer's Brief, p. 30.

#### Public sector comparables

In applying the statutory criteria, 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 that the parties have not been in arbitration so comparables have not been established for the record. However, other Richland County units (the Highway Department and Sheriff's Department) have had fairly recent arbitrated awards wherein a set of comparables was found. Neither have the parties provided evidence of the use of established comparables in their bargaining history. Neither of the parties have made arguments that there are dissimilarities of jobs of similarly titled employees in the comparisons which they have made. There is some contention as to the application of the Public Health Nurse I and II positions, but the nature of work is not in dispute.

The Arbitrator is inclined to accept the use of the adjacent counties plus Monroe County for purposes of the following analysis for several reasons. First, the parties are agreed in the main about the contiguous counties. Second, the Union would include Monroe County on the basis of Arbitrators Malamud and Petrie's findings which the Undersigned would generally follow. Third, the pool is reasonable. Arbitrators often opine that an intraindustry comparison group once found should be maintained unless and until characteristics of its members which were used to establish

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comparability no longer are similar (citations omitted). The purpose of this "rule" is the fostering of stability in the bargaining relationship between the parties. This occurs as each party comes to expect that the range of any settlement must be predictably bounded by the pattern of settlements of the comparison group. A changing comparison group or the use of differing comparison groups by the parties will increase the difficulty of arriving at a settlement. In addition to changing conditions which no longer may cause two groups to be considered comparable, the other exception to the rule is that a review of the original findings of comparability shows that the finding was inappropriate.

Have conditions changed, or were Arbitrators Malamud and Petrie clearly in error in including Monroe County among the comparables? Arbitrators Malamud's decision in the Highway Department case was in September, 1994, while Arbitrator Petrie decided the Sheriff's Department case in March, 1995. It is unlikely that there were significant changes in factors normally considered: proximity, population, income levels, valuation, etc. Besides being quite close but not contiguous, is Monroe different? Its population is closer to the average of the comparables than any other county. Its full value is also closer than any other county, being 5% less than average. Finally, its per capita value (\$26,710 in 1995) is also less than the \$31,322 average, and nearly the closest of the 7 counties. The Arbitrator notes, additionally, that the per capita income of Monroe County was very near that of Richland, Grant, and Crawford Counties ìn 1994; Iowa, and Sauk Counties are approximately \$800 and \$3,100 above this cluster while Vernon County is around \$1,600 below .<sup>20</sup> No evidence was adduced which would distinguish Monroe as non-comparable.

Both parties direct the Arbitrator's attention to wage rates of the external comparables, though the Employer also considers internal comparables and the percent increases of wages for both internal and external comparables as well as the ranking of wages. While in general each are considered relevant and used by the Undersigned in analyzing wage disputes, this dispute is different. 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. Hence, percent increase and ranking comparisons are also important considerations along with salary level comparisons. Here, however, the only issue in dispute is where to place two accreted Nurses and therefore wage level comparisons take on greater importance. The parties offers for where the Nurses wages will be (as of July 1, 1996) as follows:

Offer	1	6	18	24	30	42
	Start	Months	Months	Months	Months	Months
Union	\$14.12	\$	\$ 14.66	\$ 14.95	\$ 15.26	\$ 15.88
		14.41				
County	12.55		13.09	13.36	13.63	14.18
		12.82		<u> </u>	<u> </u>	

Employer Exhibit 31.

#### <u>Wage comparisons</u>

Analysis of Richland County Public Health Nurses' wages shows that they are significantly lower than similar employees in the area, which appears to favor the Union's offer. Below is a listing of the comparables' minimum and maximum wage rates. Additionally, the

Table 1: Public Health Nurse Wage Rates 1994-96

1995

19	94
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1996

County	minimum	maximum	minimum	maximum	minimum	maximum
			·			<b>.</b>
Crawford	\$10.59	\$12.66	\$10.91	\$13.04	\$11.23	\$13.43
	·					
Grant	13.05	14.22	13.58	14.79	14.13	15.39
Sauk	13.50	14.83	13.94	15.31	14.39	15.81
Iowa	14.18	15.22	14.91	15.98	13.59	16.39
Monroe	12.98	15.78	13.27	16.07	15.44	16.51
Vernon	11.81	16.17	12.16	16.66	12.47	17.08
average	\$12.69	\$14.81	\$13.13	\$15.31	\$13.54	\$15.77
Union	11.50	12.09	12.76	13.54	14.12	15.88
Offer				(12.76)		(14.12)
County	11.50	12.09	12.06	13.10	12.55	14.18
Offer				(S12.32		(S13.09
				C12.84)		C13.63)

(Actual wages of Sawle and Cunningham based on proposed placements) Source: Union Exhibit 15 and Employer Exhibit 22 Arbitrator notes that longevity payments are made in Crawford County (graduated from 1% after 2 years to 4% after 20 years), Grant County (graduated from \$.05/hr. after 3 years to \$.30 after 25 years), Sauk County (\$60 after 3 years plus \$20 for each additional year). The Employer also included comparisons with Nurse I positions in Grant and Sauk Counties. The appropriate category for the Bachelors degree nurse is the Nurse II.

The Richland County Public Health Nurse wage was the lowest at the maximum and second lowest at the start rate in 1994, being \$1.09 below average at the start rate and \$2.72 (or more than 18%) under at the maximum. It is fairly clear that wages in Crawford County are outside the pattern of the other five counties. For 1995, the

Union's offer would pay the nurses \$12.76 as of July 1, 1995; the proposed minimum would be only \$.37 below the average minimum, but the maximum is \$2.55 less than the average maximum. The nurses would have had 11 and 20 years tenure in 1995. The County's offer would pay Nurse Sawle \$12.32 and Nurse Cunningham \$12.84 in July, 1995 which is \$2.99 (20%) and \$2.47 (16%) below the average maximum. It incorporates a proposed minimum which would be only \$1.07 below the average minimum and a proposed maximum which would be \$2.21 (or 14%) less than the average maximum.

The Union's offer would pay the nurses \$14.12 after July 1, 1996 or \$1.65 less than the average maximum. The proposed schedule minimum would be \$.58 above the average minimum. Its offer proposes a maximum rate of \$15.88 which is \$.11 (.7%) more than the average

maximum (excluding longevity). The Union notes that the median may be a better measure of central tendency. This would be \$16.10 or \$.22 more than the Union's offer. The County's offer would pay Nurse Sawle \$13.09 and Nurse Cunningham \$13.63 in July, 1996 which is \$2.68 and \$2.14 below the average maximum, but approximately the average minimum. It incorporates a proposed minimum which would be only \$.99 below the average minimum and a proposed maximum which would be \$1.59 (10%) less than the average maximum.

It is fairly evident that the Union's offer of actual wages paid the nurses is to be preferred on the basis of wage level comparisons. Moreover, its proposed schedule of wages, while somewhat rich in a historical sense (particularly at the minimum), is also preferable when the County's offer is considered. The County's offer would leave the nurses eventual wage significantly behind the general clustering of nurse wages in the \$15.50-16.50 The Union's offer pays the nurses \$1.65 below average at range. the end of the contract, and only at the average in another 3 1/2years (granted that the parties may have or will bargain increases in the schedule over the period). The County's offer does cut the scheduled wage differential viz the comparables from 18% down to 10% which is reasonable, but a substantial differential would still remain.

The parties have addressed the issue of internal wage comparisons. The Union stresses that the appropriate comparison is with the Psychiatric Nurse. Both are Registered Nurse positions and work in the community with limited supervision. The Public Health Nurses, however, are required to be degreed. The nurses at the Pine Valley Manor are non-union, have considerable supervision, and may not be degreed so they should not be used for wage reference. The Employer contends the opposite, and further notes that in Sauk County, the Psychiatric Nurse is paid \$.62 more than the Public Health Nurses, indicating that the former is more specialized or demanding of higher pay. Additionally, the internal pattern of nurses pay is less upset with the County's offer. It is also closer to the pattern of increases for other employees in this unit and in other county units, as well as city employees.

The Undersigned would ordinarily give greater consideration to the pattern of internal settlements if the entire unit's wages were in dispute and if there were not such a large difference in wages from the average of the external comparables. The union correctly asserts that significant deviations of wages from external comparables is a cited reason for arbitrators to vary from maintaining the internal pattern in their awards. In this case, only the wages of two individuals are in dispute, and the issue is initial placement of a wage schedule. Therefore the other local settlements provide less guidance for the Arbitrator. The earnings differential viz nursing home nurses and the Public Health Nurses will be substantial under the Union's offer. Evidence of the similarity of these positions was not presented, and the Arbitrator notes the Union's objection to the comparison with non-union employees. He recognizes that at least in Monroe County, Public Health Nurses also earn more than the nursing home nurses, which would be consistent with the Union's position. However, that logic would then suggest that the Psychiatric Nurse should earn more than Public Health Nurses, and not the same as proposed by the Union. But under the Employer's offer, the differential between them (\$1.70) would be considerably more than the \$.62 differential in Sauk County and therefore, too great.

There are other issues addressed by the parties. The County contends that the percent increases of internal and external comparables are more in accordance with its offer. The Arbitrator agrees. Again, this would have greater influence were this dispute not to involve just two persons accreting to the unit. The County contends these nurses should not expect to enter the collective bargaining unit and earn what the Psychiatric Nurse earns, or earn parity with other nurses. The Psychiatric Nurse has not been in the unit for very long, however, since the County's 1994 Pay Grade schedule continued to have the position listed as Pay Grade 23 (as was the Pine Valley Manor Nurse II). Additionally, the nurses will not be earning the scheduled wage appropriate for their experience until another 42 months and therefore in the opinion of the Undersigned, are not progressing "too fast" in wages.

The parties have addressed the issue of local economic conditions. Richland County's per capita income is lower than most of the comparables, but not significantly below average. The lowest income county (Vernon) pays the highest nursing wages, and the highest per capita income county (Sauk) pays below-average wages. Tax rates, farm dependency, and valuation tend to favor the Employer's position that moderate wage increases or wage rates somewhat less than average would be in order. In this case, however, the Employer's offer includes wages significantly less than average. The Union's contention that the county's farms are in better shape than elsewhere and that its income is growing faster than others is noted. The parties have also addressed the issue of price level changes. The CPI increases have been modest during this period which would ordinarily also favor the Employer's offer and indicate that the increases proposed by the Union are excessive. The dispute, however, does not involve the whole unit but rather is an issue of "catch-up" or initial placement of two nurses.

## 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 <u>Wisc. Stats</u>., it is the decision of the Undersigned that:

The final offer of the Union is to be incorporated into the 1995-96 Collective Bargaining Agreement with Richland County Dated this <u>9</u> th day of June, 1997.

Richard Tyson, Arbitrator

Richlan E County (Cave # 112) Name of Case: \_\_

The following, or the attachment hereto, constitutes our final offer for the purposes of arbitration pursuant to Section 111.70(4)(cm)6, of the Municipal Employment Relations Act. A copy of such final offer has been submitted to the other party involved in this proceeding, and the undersigned has received a copy of the final offer of the other party. Each page of the attachment hereto has been initialed by me. Further, we (do) (do not) authorize inclusion of nonresidents of Wisconsin on the arbitration panel to be submitted to the Commission.

Jan (Representa AFSCME LANNEN RFL-CIG On behalf of: 20.



All terms and conditions of the 1993 - 1994 Collective Bargaining Agreement shall be continued in full force and effect (including all side letters, memoranda of agreement, etc.) for a two year agreement commencing January 1, 1995, except for the following modifications:

Date	Start	6 Months	18 Months	24 Months	30 Months	42 Months
December 31, 1994	11.85	12.09	12.34	12.59	$\langle \rangle$	
January 1, 1995	12.09	12.33	12.59	12.84	·	
July 1, 1995	12.76	13.01	13.28	13.54	127	
January 1, 1996	13.44	13.71	13.97	14.24	14.71	
July 1, 1996	14.12	14.41	14.66	14.95	15.26	15.88

Schedule A - Wages. Public Health Nurses will be paid as follows:

Each Public Health Nurse will be placed on the schedule as follows:

а.	<u>Kay Cunningham</u> :	Effective December 31, 1994, 18 month step (\$12.34); Effective January 1, 1995, 18 month step (\$12.59); Effective July 1, 1995, Start rate (\$12.76); Effective January 1, 1996, Start rate (\$13.44); Effective July 1, 1996, Start rate (\$14.12). Thereafter, progress according to the time intervals between each step.
b.	<u>Theresa Sawle</u> :	Effective December 31, 1994, Start rate (\$11.85); Effective January 1, 1995, Start rate (\$12.09); Effective July 1, 1995, Start rate (\$12.76); Effective January 1, 1996, Start rate (\$13.44); Effeective July 1, 1996, Start rate (\$14.12). Thereafter, progress according to the time intervals between each step.