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AND

DRIVERS, SALESMEN, WAREHOUSEMEN, MILK PROCESSORS, CANNERY, DAIRY EMPLOYEES AND HELPERS UNION

LOCAL NO. 695, UNION

Case XXV No. 22389

ARBITRATION AWARD

MIA - 350

Decision No. 16175-A

JUN 26 1978

WISCONSIN EMPLOYMENT RELATIONS COMMISSION

Appearances:

For the Union: Merle Baker, Business Representative, Drivers, Salesmen, Warehousemen, Milk Producers, Cannery, Dairy Employees and

Helpers Union

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For the Employer: E. Wayne Worth, Esq., Corporation Counsel

BACKGROUND

On December 21, 1977, Teamsters Union Local No. 695, the Union, filed a petition with the Wisconsin Employment Relations Commission (WERC) requesting final and binding arbitration pursuant to Section 111.77(3) of the Municipal Employment Relations Act in order to resolve the impasse between the Union and Adams County (Sheriff's Department), the Employer. On March 2, 1978, the WERC found that an impasse existed and ordered that binding arbitration be initiated according to the provisions of Section 111.77(4)(b)(Form 2) of the Wisconsin Statutes. The Union and the Employer selected the undersigned as the arbitrator from a panel furnished by the WERC, and she was appointed by the WERC on March 15, 1978. Under Form 2, the arbitrator must select the final offer of one of the parties and issue an award incorporating that offer without modification after giving weight to the factors set forth in Section 111.77(6).

By agreement, the arbitration hearing was held on April 25, 1978 at the Adams County Courthouse, Friendship, Wisconsin. Briefs were later submitted to the arbitrator by both parties. Subsequently, a letter dated May 25, 1978 was received from the Union and a letter dated June 6, 1978 was received from the Employer. These briefs and letters have been made part of the record in this case.

THE ISSUE

Prior to the current round of negotiations, the Union and the Employer entered into a collective bargaining agreement which became effective January 1, 1977 covering a unit of 23 non-supervisory law enforcement personnel. By its terms, the agreement remained in effect until and including December 31, 1977 and then was to be automatically renewed from year to year thereafter unless either party initiated timely negotiations. The parties commenced timely negotiations in 1977 for an agreement for 1978. The sole issue at impasse at this time and in this proceeding relates to wages. The Union's final offer is: increase all wages by \$75 per month effective January 1, 1978. The Employer's final offer is: increase all wages by \$68 per month ... effective January 1, 1978.

POSITIONS OF THE PARTIES

The Union

The Union supports its final offer on the following grounds. First, it believes its offer is more consistent with the wages being paid to law enforcement personnel in the counties surrounding Adams County (with the exception of Juneau County and Marquette County). Second, it contends that its offer is directly in line with the wage increases given to other Adams County employees by the Employer. Third, the Union points to the need for professionalism, the stress particularly encountered by law enforcement personnel

¹No data was available.

in the last few years and the recent increases in duties 2 all of which mean increased responsibilities for the unit members and provide additional justification for the Union's final offer.

The Employer

The Employer contends that its final offer should be chosen because it is in line with the total compensation package (including fringe benefits) received by law enforcement personnel employed by surrounding counties. Indeed, the Employer argues that its final offer is very favorable to the wages paid to law enforcement personnel of Juneau County, the county which the Employer believes is the most similar to Adams County. Second, the Employer argues that its final offer to the Union is in line with its offers to other County employees, particularly when other contructual improvements (such as bullet proof vests and increased vacations) already agreed to for this bargaining unit and other unique continuing benefits (such as the use of squad cars for transportation between home and work and a substantial clothing allowance) are considered. Finally, the County Employer notes that its offer to the Union is well above the 1977 increases in the cost of living. For all these reasons, the Employer concludes that its final offer is more reasonable and should be selected.

DISCUSSION

The only difference between the parties in this impasse is in the area of wages where the parties' final offers differ by seven (7) dollars per month for each member of the bargaining unit. Section 111.77(6) directs the Arbitrator to consider the following factors:

- (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 these costs.
- (d) Comparison of wages, hours and conditions of employment of the employes involved in the arbitration proceeding with the wages, hours and conditions of employment of other employes performing similar services and with other employes generally:
 - In public employment in comparable communities.
 - 2. In private employment in comparable communities.
- (e) The average consumer prices for goods and services, commonly known as the cost of living.
- (f) The overall compensations presently received by the employes, 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.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (h) 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, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

²According to a New York Times News Service article appearing in the <u>Wisconsin State Journal</u>, December 28, 1977, in 1973 Adams County tanked 65th of all Wisconsin counties in violent crime per 100,000 residents and fifth in property crimes. In 1976, it ranked 6th of the 72 Wisconsin counties in violent crimes and second in property crimes.

³The Employer argues that other surrounding counties have a larger population and/or industrial base.

Applying these factors to the facts presented in this proceeding makes this a difficult case. On the one hand, the County's arguments point to:

1) factor b — the stipulations of the parties (i.e., the already agreed upon contractual improvements of increased vacation and bullet proof vests);

2) factor e — the cost of living; and

3) factor f — a favorable comparison between these public employees and other similarly situated public employees in comparable communities utilizing an overall compensation package approach. By express direction of the statute, each of these factors must be given weight.

On the other hand, the Union has two countervailing statutory arguments. The Union points to the fact that its offer conforms more closely to wage increases already given to other Adams County public employees and to wages received by similarly situated public employees in comparable communities, factor d. The Union also argues that there has been a significant increase recently in the job duties of many unit members, factor h.

Further analysis disposes of some of the Union and Employer arguments noted above as well as additional arguments made at the hearing and/or in the parties' briefs. First, if there is evidence to indicate that the wages offered by the Employer when considered alone, are less than wages paid to similar employees in comparable communities but there is also evidence to indicate that the overall compensation package of both groups is substantially similar, then the arbitrator believes that basic economic analysis requires that the evidence relating to overall compensation packages must be given greater weight than comparative wage data alone. Second, as to the argument relating to the professional nature of the required job and related stress, the arbitrator believes these are relevant factors which should be considered. However, they have already been taken into account by looking at the wages and overall compensation of similarly situated employees in comparable communities, absent special circumstances which are unique to this bargaining unit only. While there is some evidence in the record that stress resulting from law enforcement in Adams County has increased recently, the evidence also relates to many other rural areas in the United States and thus is too generalized to receive special weight. Third, the Employer points to certain benefits received by members of this bargaining unit which it believes should be taken into account in this arbitration. These benefits include the fact that the Employer will be required to make increased retirement and Social Security contributions because of wage increases. The Employer also notes that these direct costs of fringe benefits paid by the Employer, if they were to be reflected in employee paychecks would increase the employee's taxable income subject to state and federal income taxation. Since the Employer herein pays for all the fringe benefits of its employees, these economic advantages — both direct and indirect — must be recognized and weighed as an important economic bonus. Although the Employer is correct in noting these economic advantages, other Adams County employees enjoy these same benefits. Furthermore, to the extent that other counties pay for fringe benefits for their employees, law enforcement personnel elsewhere enjoy these same benefits. These factors, therefore, cannot be given independent weight in the comparisons made in this case.

Based upon the above analysis, the arbitrator has narrowed her consideration to choosing either the Union's final offer because it conforms more closely to the Employer's treatment of its other personnel or the Employer's final offer because it is more in line with the cost of living and the total compensation package received by similarly situated employees in surrounding counties. In resolving this close question, the arbitrator believes that it is helpful to look at several other factors often considered relevant in the determination of wages. First, under the Employer's final offer, will the Employer suffer adversely from a rapid turnover of personnel because economically dissatisfied employees will resign to take comparable jobs elsewhere which offer better wages or compensation packages? Based upon the economic data submitted in this case, this result appears unlikely since rounding counties are not paying their law enforcement personnel more when total compensation (including fringe benefits) is considered. Second, is there any reason why these employees should not receive a wage increase based upon the Union's final offer because it more closely approximates the increases received by other Adams County employees? In effect, the Union argues for maintaining some rough degree of parity among various groups of Adams County employees. This argument has some merit. absence of glaring disparities or inequities resulting from implementation of the Employer's final offer, however, the arbitrator believes that greater weight should be

given to the Employer's undisputed argument that its wage offer plus fringe benefits is comparable to the total compensation package paid by counties—surrounding Adams County to their law enforcement personnel. This argument is reintorced by cost of living data. The arbitrator, therefore, concludes that the Employer's final offer more closely conforms with the statutory criteria enumerated in Section 111.77(6) than does the offer of the Union.

AWARD

Based upon full consideration of the statutory standards contained in Wis. Stats. 111.77(6), the exhibits, arguments, briefs, and subsequent letters of the parties and for the reasons stated above, the Arbitrator selects the final offer of the County and orders that it be incorporated into the collective bargaining agreement between the parties effective January 1, 1978.

Madison, Wisconsin June 23, 1978 June Miller Weisberger

Arbitrator