WISCONSIN FREE CONTROL

STATE OF WISCONSIN

BEFORE THE ARBITRATOR

In The Matter Of The Arbitration Between

WISCONSIN RAPIDS FIREFIGHTERS LOCAL 1054, IAFS, AFL-CIO, CLC

and

CITY OF WISCONSIN RAPIDS

Case XLVI No. 29552 MIA-674

Decision No. 19899-A

APPEARANCES:

LeRoy Waite, Representative, International Association of Firefighters, appearing on behalf of Local 1054, IAFS, AFL-CIO, CLC.

Mulcahy & Wherry, S.C., by <u>Dean R. Dietrich</u>, appearing on behalf of the City of Wisconsin Rapids.

ARBITRATION HEARING BACKGROUND:

On September 28, 1982, the undersigned was notified by the Wisconsin Employment Relations Commission of appointment as arbitrator pursuant to Section 111.77(4)(b) of the Municipal Employment Relations Act in the matter of impasse between Local 1054, International Association of Firefighters, referred to herein as the Association, and the City of Wisconsin Rapids, referred to herein as the City. Pursuant to statutory requirements, the undersigned is limited in jurisdiction to selection of either the final offer of the Association or that of the City. Hearing was conducted on November 11, 1982, at Wisconsin Rapids, Wisconsin. At that time, the parties were present and given full opportunity to present oral and written evidence and to make relevant arguments. The proceedings were not transcribed, but post hearing briefs were filed with and exchanged through the arbitrator on December 27, 1982. The parties were informed that if reply briefs were not to follow, the exchange would be considered complete on January 5, 1983.

THE ISSUE:

The sole issue at impasse between the parties relates to a limited reopener which occurs under the addendum to the 1980-81 agreement under Article XXVI which states the agreement will be reopened for the purpose of negotiating dental and optical proposals. The offers of the parties are attached as Appendix "A" and Appendix "B".

STATUTORY CRITERIA:

In determining which final offer is to be selected in this dispute, the undersigned is directed by Section 111.77(6) to give weight to the following criteria:

- (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 the 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 with other employes generally:
 - 1. 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 compensation 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.

THE COMPARABLES:

Relying to a great extent upon the statutory criteria (d), both parties propose sets of comparables to be considered. Association, relying upon both private and public sector comparables, proposes comparisons be made between its offer and the benefits received by firefighters in other first class cities, especially Neenah and Menasha, and with other companies within the Wisconsin Rapids area. In support of its position, the Association cites a previous arbitration decision wherein it was concluded the cities of Neenah and Menasha were most comparable since the wage rates in all three communities are a function of the population, tax base, and the paper-making industry which exists in the three communities. Additionally, arguing the Employer's proposed comparables include communities which are not similar to the Wisconsin Rapids area, the Association posits a more appropriate comparison would be with the companies who employ a similar number of employees as the City of Wisconsin Rapids.

The City argues two sets of comparables should be considered. It posits the primary set of comparables should be those communities comparable in size to Wisconsin Rapids and geographically near. Further, it contends the second set of comparables should consist of cities of 10,000 or more population, excluding the Milwaukee metropolitan area. The Employer proposes Wood County also be included in the secondary

set of comparables. It asserts the sets of comparables it proposes are most appropriate since they meet the criteria established as indicia of comparability by previous arbitration and court decisions. Further, the City declares the Association has failed to establish any basis for proposing first class cities as comparables or to provide evidence which substantiates Wisconsin Rapids as comparable to the Milwaukee area labor market.

In considering the proposed comparables and after reviewing the previous arbitration award involving the Wisconsin Rapids firefighters, the undersigned concludes the most appropriate comparison exists between Marshfield, Stevens Point, Wausau, and Wisconsin Rapids. The Employer's primary set of comparables was rejected since the set contained communities which were significantly smaller than Wisconsin Rapids and also contained communities which were further removed from the urbanized area. In all of the communities determined comparable, not only are they geographically near, but the populations are relatively similar in size and the per capita incomes are similar. While the unit sizes in the three communities considered comparable are larger than the unit size in Wisconsin Rapids, the difference is not sufficient to offset the other criteria relied upon to establish comparability.

In differing from the previous arbitration decision which determined Neenah and Menasha most comparable, it is noted the award considered these communities most comparable for the purposes of determining wage rates, not benefits. In establishing comparability for the purposes of evaluating the level of benefits, it is more appropriate to make comparisons within the same or similar geographic areas. In rejecting communities of 10,000 to 25,000 population, the undersigned finds population alone is not sufficient criteria for determining the communities are comparable. The per capita income and unit size data provided for the proposed comparables by both parties further established the communities varied significantly in these areas. In addition, there was no evidence provided, other than per capita income and unit size, which would help to establish comparability among any of the proposed communities.

POSITIONS OF THE PARTIES:

The Association argues its offer should be accepted since there is a disparity in wages between the firefighters and the police within the City, since the benefit it seeks will not bear a cost to the City in 1982, since the City has not argued an inability to pay and because comparisons in the public and private sector show it is a benefit generally extended to employees. Noting the police did not pursue acquiring the dental insurance benefit, although the opportunity was available to them under the same type of reopener as exists in the current matter, the Association argues the disparity in wages between the two units more than justifies the position it has taken. It continues its position is further supported by the fact that the City has not claimed an inability to pay and the insurance benefit will not be a cost factor in 1982.

Further, the Association posits the comparability data supports its position. It contends that not only do fire-fighters throughout the State in communities which are comparable receive dental insurance benefits, but employees in the public and private sector within the Wisconsin Rapids area generally are recipients of the benefit as well. It notes that while City employees have not received the benefit, employees at

Mid-State Technical School District 14, the Wisconsin Rapids School District, and the Riverview Hospital Association do. Further, it argues employers in private companies in the area have extended the benefit to most of their employees. Thus, it concludes private sector comparison support also exists for its position. Finally, the Association states that if Neenah and Menasha are considered the primary comparables, both communities provide dental insurance benefits to the firefighters unit and thus the benefit should be available in Wisconsin Rapids as well.

The City argues neither external nor internal comparisons support the Association's position. It contends that among the most comparable communities it proposes less than fifty percent of them provide dental insurance and among that fifty percent some pay less than the full premium. It declares that more important than the external comparisons, however, is its effort to maintain the same level of benefits for all employees within the City. Stating no other bargaining unit has this benefit, although similar reopeners were available to two of the other bargaining units, the City argues the Association is seeking through arbitration that which it cannot get voluntarily at the collective bargaining table. Declaring the Association has failed to prove denial of the benefit will be unfair or unreasonable, the City also argues the benefit should not be granted through arbitration since it would set a precedent for providing the benefit among the other bargaining units and, thus, would create a ripple effect.

The City states its offer on wages to the firefighters was similar to the wages offered its other employees within the City. Further, it declares that if the dental insurance provision were awarded the firefighters, the result, economically, would be that the firefighters total package cost would reflect a percentage increase higher than the amount any other bargaining unit settled upon in their respective two year contracts. Thus, on the basis of total wage comparisons, the City concludes the Association's proposal is inappropriate.

Finally, the City posits the Union's offer is flawed and therefore should not be implemented. Stating the Union failed to address the level of benefits which would be implemented should it succeed in arbitration, the City contends the end result could be implementation of any level of benefits the Union feels appropriate and could result in excessive coverage or a situation which would create a substantial financial burden upon the City. For this reason, also, the City concludes its position is more reasonable.

DISCUSSION:

While statutory criteria (d) directs the arbitrator to consider private sector comparisons as well as public sector comparisons, the undersigned finds the public sector comparisons more approriate in determining whether or not the Association's offer should be implemented. In reviewing the comparables, whether it is the three considered most comparable by the arbitrator, or whether it is those communities proposed by the parties outside the Milwaukee metropolitan area, it is clear dental insurance is still a benefit to be negotiated in a majority of those communities. Among the three considered most comparable, none have provided dental insurance to the firefighters' bargaining units. Among the other communities proposed as comparables, excluding the Milwaukee metropolitan area, only one-third of those similar to any degree have extended

the benefit to their bargaining units. Further, of the one-third which do provide dental insurance, only four of the six communities assume the full cost of the premium. Thus, the external comparisons in the public sector do not provide strong support for the Association's position.

While the Association did provide data showing some public sector employers within the Wisconsin Rapids area do provide dental insurance benefits, the undersigned finds the level of benefits provided to City employees and the City's effort to maintain a similar level of benefits for its employees more important in determining which of the final offers is more reasonable. It is undisputed the City does maintain a similar level of benefits for all its employees, thus, on this basis, the City's position is more reasonable.

The undersigned rejects the Association's argument that the benefit should be extended since a disparity exists in the hours, wages and working conditions between the firefighters and the police within the City. A review of the total compensation provided to the police unit as well as to the other bargaining units within the City indicates the benefits extended to the employees within the City are relatively consistent and that the City makes an effort to maintain the same level of compensation for all of its employees in the Further, a review of the settlements achieved benefit area. during contract year 1982 shows the percentage increases settled upon by the other bargaining units are similar, if not the same as the percentage increase in wages granted the firefighters' unit. In addition, the total package cost of implementing the firefighters' contract, without dental insurance, places the firefighters' settlement in the middle of all the settlements achieved. Thus, on the basis of disparate treatment, the undersigned concludes the City has been relatively consistent in treating all of its bargaining unit employees alike. without a demonstrated need for dental insurance, the undersigned cannot conclude the Association's offer is more reasonable.

Finally, the Association's argument that the benefit does not reflect a cost for 1982 is not persuasive. While it is true that the benefit will not be provided during 1982 and thus no cost accrues, a benefit such as dental insurance has an on-going cost which is created. Thus, the cost of implementing such a benefit cannot be disregarded, whether it be reflected as a cost in 1982 or a cost in 1983.

In conclusion, the undersigned finds the public sector comparables, and more importantly, the internal comparables supports the City's position in this arbitration. Thus, having reviewed the evidence and arguments and after applying the statutory criteria and having concluded the City's offer is more reasonable, the undersigned makes the following:

AWARD

The final offer of the City, along with the stipulations of the parties which reflect prior agreements in bargaining, as well as those provisions of the previous collective bargaining agreement which remained unchanged during the course of bargaining, are to be incorporated into the collective bargaining agreement as reflected by statute.

Dated this 10th day of February, 1983, at La Crosse, Wisconsin.

> Sharon K. Imes

Arbitrator

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