

Testimony

LABOR AND PUBLIC EMPLOYEES COMMITTEE

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Good afternoon Senator Prague, Representative Zalaski and members of the committee. I am Sharon Palmer, President of AFT Connecticut, a diverse 28,000 member union. We negotiate labor agreements in the private sector, and public sector including teacher, municipal and state employee negotiations.

Thank you for providing this opportunity. We are here today to discuss a perennial issue: binding arbitration of labor contracts. The most comprehensive review of TNA and MERA can be found in the 2006 Program review and Investigations Committee.

Binding arbitration was enacted in the 70's as a reasonable method for settling labor contracts after many teacher strikes and municipal negotiations which went on for years without settlement. Both acts have been modified over the last 30+ years. All of the changes have advantaged management. Non were enacted to advantage labor.

Let me offer a few notable findings from the 2006 report:

- Binding arbitration is infrequent 10% of TNA and 4% of MERA contracts enter binding arbitration
- From 1996 to 2005 there were 63 TNA awards and 214 MERA awards

The win-loss percent is as follows:

- Under TNA: 51-49 favoring Board of Education
- Under MERA: 62-38 favoring management



Additionally the report indicates there was no evidence to indicate binding arbitration drove up costs.

The perception of binding arbitration would have you believe something much different than the facts of the report. I am also confident that a new report would show similar results. Perception is not the reality of binding arbitration. Both sides are reluctant to enter into the process as evidenced by the low number of contract arbitrations. Because the seven factors used in determining awards were enacted to favor management, it is not surprise that the data shows management wins more often.

A relatively recent modification has rendered binding arbitration to be non-binding. Both TNA and MERA allow for rejection of an award by the local legislative body. This was more than likely taken from the State Employee model. I would point out that nowhere does it allow the union to reject an award. This further slants the "table" toward management.

Clearly the report states, the process is not biased toward unions. I urge you to look at the facts and not the perceptions. The Acts would be close to unworkable if any further changes are made which advantage management.

We look forward to your questions and working with you in your deliberations regarding this issue.

Thank you!