

Union Bargaining Techniques and Mechanics

The following pages are adapted from the SEIU Contract Campaign Manual originally produced by the American Labor Education Center. Descriptions of legal issues and rights are for background only and are no substitute for legal advice from an attorney. These pages cover...

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Bargaining

Persuasive words at the bargaining table are not enough to win good contracts. Instead, bargaining should be conducted applying the same principles as the rest of the contract campaign.

Membership involvement

Members must be trained to be an active part of the negotiating team, so that when management representatives look across the table, they are reminded of the organized power of the workers.

Active membership involvement in bargaining also reminds workers that they are the union and that bargaining is being conducted by them and not for them.

Research and analysis

Your proposals and bargaining strategy must be based on clearly defined goals and an understanding of management's objectives, strengths, and weaknesses.

Pressure tactics

Timing and choice of tactics at the bargaining table should be closely related to your use of worksite activities, community action, publicity, and other economic pressure. For example:

Shows of strength. Negotiations will have key points where you must show you have membership support and the ability to apply other kinds of pressure. Typically, these include...

- The beginning of negotiations when union proposals are first presented.
- The point at which negotiations stall as each side waits for the other to blink.
- The end of negotiations when the major issues are about to be settled or a confrontation becomes unavoidable.

Escalation. In most cases, you have to gradually build pressure away from the table that is appropriate for what is happening in the negotiations themselves. As management's resistance to a fair agreement becomes clearer, members and allies will become more willing to take stronger action.

In some cases, however, you will need a highly visible action at the beginning of the campaign in order to get management and your members to take you seriously. Failure to respond strongly to an early challenge from the employer can make management take a harder line, thinking you cannot fight back, and could make members feel that fighting back is hopeless.

The Negotiating Team

Serving on a union negotiating team can be a fascinating and rewarding experience. It gives workers a chance to have a direct say in their destiny and that of their co-workers, and an inside view of the process that determines their pay, rights, and working conditions.

It is an opportunity to learn new skills and to have the satisfaction of improving the lives of other people. It is also a position of great responsibility which requires training and discipline.

The union negotiating team must be chosen in a way that ensures it is representative of the workers. Once chosen, the committee must be trained in the following areas.

Acting as a team

Each committee member must learn about the concerns of other workers, so that the committee can relate as a unified group to management, the news media, and the union membership.

Some methods of team building include...

- Meetings where team members describe work that is done in their work areas or classification and concerns that their co-workers bring to negotiations.
- Visits to each other's worksites so team members can see conditions for themselves.
- Social events so team members can get to know each other and their families, if any.

Problem solving

As team members work together trying to develop contract language and bargaining table strategy, they normally will develop increased trust and confidence in each other.

If certain team members don't get along, those conflicts should be brought out in the open and solved. Team members cannot afford to be fighting among themselves when the strain of bargaining hits.

Choosing the chief negotiator

Most negotiating committees select someone to head the committee and be the primary spokesperson during bargaining. This person has important responsibilities beyond presenting the union's position at the bargaining table. He or she must also...

- Facilitate committee decisions, attempting to keep the committee focused on representing the interests of the bargaining unit as a whole.
- Build and maintain the unity of the committee.
- Keep the process moving along.

- Develop leadership among committee members. (Some committees rotate the task of bargaining table spokesperson from negotiating session to negotiating session. This builds members' confidence and demonstrates the involvement of the entire team.)

Staying in touch with the membership

Negotiating committee members spend so much time with each other and with management negotiators that they sometimes forget how the bargaining process looks to members who are not involved in the same way.

Some ways committee members can avoid this include the following:

- Don't let management insist on unnecessarily long bargaining sessions that take team members away from the worksite. When management is ready to bargain seriously, then long hours are worth it. But before then, negotiating team members can do more to win a good agreement by visiting worksites, explaining union goals and the bargaining process to other workers, and taking part in other contract campaign activities.
- Talk often with other worksite leaders—the contract campaign support committee, stewards, safety committee, and other committees. Keep them informed about the progress of negotiations.
- Take new written, e-mail, or telephone surveys at key points in the campaign when it is important to make workers feel involved and to find out what they are thinking.

Taking responsibility for decisions

Negotiating team members are in the hot seat. No matter what the settlement, some workers are not going to be satisfied and are going to shift blame from management—which refused to agree to reasonable proposals—to the union team.

Team members have to realize that making tough choices about what proposals to insist on and what to drop is part of the job. When the time comes to settle and present a tentative agreement to the membership, team members have to step forward and say, "These are the decisions we made as a team and here's why..."

Making a personal commitment

Serving on the negotiating committee can take a lot of time, including weekend and evening hours. At times, team members have to make themselves available because bargaining has reached a crucial point—whether the timing is personally convenient or not. If the campaign is well organized, other union members can help by taking on many of the other support tasks. Even so, negotiating team members must be prepared for the strain involved.

Learning specific skills

The following pages outline bargaining team skills and strategy which the negotiating team should discuss as a group. You should tailor trainings for the committee before bargaining begins to help them learn any new skills they might need.

Joint Bargaining with Other Unions

In developing campaign structure, you should consider the possibility of working together with other locals or other unions which are bargaining with the same employer in the same time period.

Joint bargaining can combine the strength of several local unions and keep the employer from playing off one group against the other.

This kind of cooperation often is called coalition bargaining when the unions involved negotiate a common contract, or coordinated bargaining when the unions agree on common goals for their separate contracts. If coalition or coordinated bargaining is not immediately possible, you should meet with the leadership of the other unions to compare notes on your employer and to discuss ways to show mutual support.

Legal rights

The National Labor Relations Board has ruled that unions, with only narrow exceptions, have a right to include people on their negotiating committees who are not directly connected with the bargaining unit. It is generally an unfair labor practice for an employer covered by the NLRB to refuse to negotiate with the union because the union team included representatives of other local unions.

On the other hand, employers are under no legal obligation to bargain over merging units or creating a common contract to cover two or more separately certified units.

Clear working relationship

To keep the employer from exploiting differences between partners in a bargaining coalition, the rules all locals have agreed to should be explained to the membership and ratified. Areas the rules might cover include the following:

- Representatives of all coalition partners will approve any public statements or material distributed to members about the progress of negotiations.
- Costs will be shared according to a pre-arranged formula.
- To avoid confusion, the coalition will use only one set of attorneys, media advisors, or other consultants.
- Members of the joint negotiating committee will attempt to reach decisions by consensus rather than by voting so that every effort will be made to satisfy all coalition partners. However, a formula should be agreed on in advance in case voting becomes necessary.
- Unless prohibited by contract language, all locals will respect each other's picket lines until each local has ratified a new agreement.

Need to build unity

If there are likely sources of friction among members of coalition unions, leaders of the partner unions should attempt to bring members together to resolve potential problems before bargaining reaches a crisis stage.

One of the best ways to build unity is to organize joint activities. Workers who march or leaflet together gain respect for each other and think of their groups as fighting the same battle.

Coalition partners also should exchange speakers for meetings, interview each other's members in union publications, and arrange joint meetings not only of negotiating committees but also of stewards, safety committees, women's committees, and other groups with common interests.

Legal Requirements for Bargaining

Both the union and management are required to follow certain legal requirements in connection with contract negotiations.

- Most private employers that are not government or public agencies are covered by the National Labor Relations Act (NLRA), which is enforced by the National Labor Relations Board (NLRB). (Some businesses in the railroad and airline industries are covered under the Railway Labor Act, and some very small enterprises may not be covered at all.)
- Public employers may be covered by state or local laws.

Since public employee bargaining laws vary from place to place, this manual discusses only the NLRA. However, the principles discussed here are useful guidelines on how to prepare yourself and your legal team to meet legal requirements. You also should obtain from the state and local labor relations agencies all laws and regulations on bargaining that apply to your members as public employees.

Advance notice

Under Section 8(d) of the NLRA, neither party to a contract—the union or management—can change or terminate that contract unless one side has given written notice at least 60 days before the contract is due to expire.

Once that notice is given, both sides are legally required to meet to negotiate on a new contract.

Within 30 days the party that started the process must notify the Federal Mediation and Conciliation Service (FMCS) and any similar state or territorial agency in writing that a labor-management dispute exists. To make sure you meet the deadline, you should notify the FMCS at the same time as you notify the employer.

Note: If you are dealing with a health care institution, you must give management written notice at least 90 days before the contract expires and inform the FMCS and state or local

agencies in writing 60 days before contract expiration. If you are negotiating a first contract with a health care institution, you must give those agencies 30 days' notice that a dispute exists.

A union dealing with a health care employer also faces the added requirement of having to notify the employer and FMCS 10 days before conducting a strike, picketing, or other "concerted refusal to work." Activities such as a prayer vigil or demonstration may be seen as picketing if they involve signs, chanting, marching, or similar elements.

This notice must give the date and time the action will occur and a general description. A description such as, "strike, picketing, or other concerted refusal to work" meets this requirement and keeps management guessing.

For all these time limits, what counts is not when you send the notice but when it is received. Therefore, notices should be hand delivered or sent certified mail so that you obtain a receipt when you send it and another proving it was received by management.

In addition to these legal requirements, an existing contract may contain a required timetable for giving the other side notice that you want to change the contract. If there are both legal and contractual time limits, both must be met.

Depending on the situation, failure to meet notice requirements—even by a few hours—may result in union members losing the chance to reopen their contract, to file charges against the employer for bad faith bargaining, or to conduct a legally protected strike. Therefore, the local union should have a foolproof system for keeping track of notice deadlines for all contracts it handles.

Status quo

Even if a contract has expired, subject to the notice requirements discussed above, management must maintain the "status quo"—the existing wages, hours, and working conditions—unless legal "impasse" has been reached in negotiations. An impasse means that negotiations have reached a deadlock in which neither side is willing to change its position.

The employer can unilaterally impose on workers its last offer at the negotiating table on the issues for which impasse has been reached. (See "Avoiding Impasse" later in these pages.)

At any time after a contract expires, subject to the notice requirements discussed above, the union can strike or the employer can lock out workers in order to pressure them to accept management's proposals.

Bargaining in good faith

Under Section 8(a)(5) of the NLRA, the employer must negotiate with the union in good faith. That does not mean that the employer must agree to union proposals. But it does prohibit certain management tactics which are considered by the NLRB to be proof that the employer does not intend to negotiate a contract with the union.

Violation of the duty to bargain in good faith is an unfair labor practice (ULP). Typical examples include the following:

- Refusing to supply information requested by the union in order to perform its duties as bargaining representative.
- Refusing to meet at reasonable times with union negotiators, or attempting to dictate who those union negotiators may be or how large a team the union can use.
- Refusing to abide by ground rules for negotiations agreed to by both sides.
- Attempting to bargain directly with the membership instead of with the union's official negotiators.
- Attempting to discourage membership support for the union negotiators by using threats, promises, punishment, or discrimination.
- Withdrawing approval of particular parts of the contract on which the two sides had already reached tentative agreement.
- Refusing to negotiate over a mandatory subject of bargaining or refusing to settle without agreement from the union on a non-mandatory subject.
- Unilaterally changing wages, hours, or working conditions before reaching impasse in bargaining or without talking to the union first (unless you have waived this right in the contract).
- Engaging in "surface bargaining"—going through the motions of negotiating but taking positions that clearly could never be the basis of give-and-take bargaining.

Section 8(d)(3) of the NLRA requires the union to negotiate in good faith as well.

Providing time for workers to participate in negotiations

Management is legally required to meet with workers' elected representatives. So if the union negotiating team includes workers as well as staff, management must be willing either to meet during hours when workers would not be on duty or to provide a reasonable number of workers the opportunity to participate in negotiations. But the law and NLRB rulings do not define how many workers must be given time off, how much time they can demand, or who will pay for their time.

Therefore, paid leave for workers to take part in negotiations, including union meetings and caucuses, is one of the first subjects for bargaining between the union and management.

Winning on this issue often requires the same tactics as on any other negotiating point. You may have to ask for more than you expect to get. You may have to build up your rights over a series of negotiating rounds. And you may have to demonstrate membership support through worksite tactics discussed in Part 4 of this manual.

Training Members on Unfair Labor Practices

The negotiating team, union officers, and worksite leaders should be trained and the general membership provided basic information regarding potential management unfair labor practices. Some points to cover include the following:

- Management is very likely to commit unfair labor practices. Employers often are advised to do so because enforcement of the law is so weak.
- Union members cannot assume that even the most blatant management ULPs will be stopped by the NLRB or state or local labor relations agencies.
- Often enforcement officials are management oriented.
- There are loopholes in virtually every rule against bad faith bargaining. For example, the NLRB might find that an employer didn't really try to bargain directly with the membership but only sent workers its version of what went on in negotiations, or that an employer was justified in retracting agreement on certain bargaining issues because economic circumstances had changed.
- Even when enforcement agencies do find in the union's favor, the "penalty" typically will be that the employer is told not to do it again.
- Employers can delay legal proceedings so that, even if the NLRB rules in the union's favor, the case may take years to resolve.

Therefore, a winning contract campaign strategy must depend on internal organizing and pressure tactics, and not primarily on the filing of legal charges.

- Proving unfair labor practices is very important, nevertheless. Workers who strike over unfair labor practices (not for a better contract) that the union can prove to the NLRB have a right to get their jobs back from replacements when the strike ends and they unconditionally offer to return to work. If the employer has hired replacements, the employer must lay off or fire them if necessary to make room for the returning strikers.

Workers who simply strike for a better contract (economic strikers) do not have to be reinstated if their jobs were taken by permanent replacements. The employer would only have to hire back economic strikers one at a time when openings become available.

- Union leaders and members must keep written, dated notes of all management statements and actions that might possibly be evidence of unfair labor practices. That evidence should be reported immediately by members to their stewards and in turn to the top local union leadership. If there are several alleged violations of good faith bargaining, the NLRB may consider the "totality of conduct." This means they will look at the history of the bargaining relationship. Therefore several more minor charges may add up to an unfair labor practice win by the union.

The need for the negotiating committee to keep careful notes during bargaining is discussed later in this part of the manual.

- If union members launch an unfair labor practice strike, the strike must be called in such a way that provides legal evidence that ULPs—and not economic demands—were the members' main reason.

The NLRB will later ask, for example...

- In membership meetings, did members discuss the ULPs as the reason to consider striking?
- Did letters, leaflets, news releases, or other materials give ULPs as the reason to strike?
- When a strike vote was taken, did the ballots ask authorization for a strike over ULPs?

Filing Unfair Labor Practice Charges

You file ULP charges with the nearest regional office of the NLRB either in person or by mail. Charges must be filed within 6 months after you knew or should have known of the violation, but normally you should file as soon as possible.

Once a charge is filed, the NLRB regional director will assign an agent to investigate. You should give the agent all the evidence you can develop, including notarized written statements from witnesses, notes from negotiating sessions, and other records and documents.

Provide witnesses for the NLRB agent to interview. A union representative can sit in on those interviews unless the witness objects or the NLRB agent has a good reason to insist that the interview be done privately. With the witness's permission, the union has a right to a copy of any affidavit the witness signs.

The NLRB regional director will decide whether to issue a formal complaint (like an indictment) against the employer. If the NLRB is not going to issue a complaint, it will ask you to withdraw the charge "without prejudice," meaning you could file it again if you changed your mind or found new evidence. For public relations purposes, it is generally better to withdraw the charge than to have the NLRB reject it. However, if you plan to appeal the decision you must not withdraw the charge.

You can appeal to the NLRB general counsel to reverse the region's decision, but few decisions are reversed.

If a complaint is issued, the regional director will schedule a hearing (usually 3 to 6 months later) before an NLRB administrative law judge. In the meantime, the NLRB probably will try to arrange a compromise settlement between the union and management to avoid going through the hearing process.

If a hearing is conducted, the Board agent will argue the case, but the union has the right to present evidence, call witnesses, and cross-examine management witnesses.

After the hearing, the judge makes a decision and recommends an order for the NLRB to issue. Either party can appeal this decision. If appealed, the case comes before the

members of the NLRB to decide. Their decision can be appealed to the U.S. Court of Appeals or all the way to the Supreme Court, although this is rare.

Making a Campaign Issue of ULPs

There are a number of ways to use the filing of ULP charges as part of the contract campaign.

- Members can go as a group to file the charges and to attend hearings, assuming that conflicts with work schedules are not a problem. (Only workers who are called as witnesses have a legal right to get off work to attend an NLRB hearing.)

Having workers present may have a psychological effect on the NLRB as well as on management and the members themselves.

- The charges can be publicized to the community and the news media.

A word of caution, however: Even clear-cut charges of bargaining in bad faith often are not upheld by the NLRB. While ULP charges, if successful, have an important role in making a potential strike less risky, making a high-profile issue out of ULP charges can backfire if the NLRB turns the charges down.

Workers should be told from the beginning that there is no guarantee that the NLRB will rule in the union's favor, or else they will see an unfavorable ruling as a sign of management's power and their own powerlessness.

If you use news releases or advertising to publicize the filing of charges, the employer will have an easier time getting coverage for a decision clearing it of wrongdoing.

Drafting Contract Language

The initial goals for bargaining should be established by the membership. However, in addition to member goals, the bargaining team must also consider past grievances and arbitration decisions, problem areas pointed out by stewards, and union-building language that is often overlooked by the membership. After taking all of this into consideration, the negotiating committee, with the assistance of staff, should oversee the drafting of language.

The wording of contract clauses can make a big difference in the rights and benefits members will later enjoy—especially in the way arbitrators will rule on grievances involving those clauses.

Therefore, the committee and its advisors should...

- **Make language giving rights and benefits as specific as possible so the intent of the agreement is clear.** For example, compare the following phrases with ones that would leave the employer and the arbitrator much less room for interpretation.

1. The employer will consider ...

Better to negotiate, "The employer must..." or "The employer shall..." Otherwise the employer can say, "I did consider doing what you wanted; then I decided not to do it."

2. The employer will provide reasonable opportunity to ...

What seems "reasonable" to you may not seem reasonable to the employer, and you can't control what will seem reasonable to an arbitrator.

Better to leave the word out or give the power to decide to the union member instead: "The employer will provide the opportunity to..." or "Stewards shall have the right to..." or "The senior employee shall have the right to..."

Another fallback position is to define what is reasonable in advance: "Health and safety committee members shall have the right to inspect the workplace on work time at least once per month."

3. The most senior qualified employee...

Words like "qualified" or "able to perform the work" give the employer a great opportunity to discriminate, and arbitrators will tend to consider judgments about qualifications and ability to be part of management's role. Again, omit words like that or define them.

4. Leave may be granted if...

"May" usually is interpreted to mean that it's up to the employer. Use "shall" instead.

• **Be careful about asking for more specific language you know you can't win.** For example, let's say the current contract says that "Computer operators shall be provided with a reasonable number of breaks to minimize eye and muscle strain."

Ideally, you would like to get rid of the word "reasonable" and negotiate breaks of a specified length every so many hours.

If you have filed a grievance on this, citing union and government studies on computer operator stress, and were unable to get the specific limits you wanted, then you have nothing to lose by trying to negotiate those limits.

But your decision is more difficult if the existing language has never been interpreted by an arbitrator.

If you leave it as it is, you run the risk of a bad arbitration decision because of the word "reasonable."

But if you ask for specific limits and don't win them in negotiations, you will have a very difficult time raising the same issue in arbitration because the employer will say, "The union is trying to win in arbitration what it could not win in negotiations."

- **Before proposing or agreeing to language, have a number of people check it.** For instance...

Stewards or other members who might be affected by the contract clause may be able to see problems you wouldn't have thought of.

Union reps or labor attorneys with long experience in handling arbitration cases also may be able to see hidden problems.

Another check might be to show the language to a few people who have no connection to this workplace or the union at all. Ask them for their common sense interpretation. They may help you catch confusing wording.

- **Propose specific language in a way that doesn't rule out broader rights.** For example, let's say you propose and win the following:

"The employer shall provide necessary equipment to protect employees' safety and health, such as gloves and masks."

Then let's say you file a grievance arguing that the employer must provide aprons because they are "necessary equipment to protect employees' safety and health." There is a chance that a bad arbitration decision might find that, if the two sides had wanted to include aprons, they would have included them along with gloves and masks.

Therefore, it would have been safer to either include aprons in the list to begin with or make clear that gloves and masks are only examples:

"The employer shall provide all necessary equipment to protect employees' safety and health. Examples include gloves and masks of the type and for the jobs listed below..."

or

"The employer shall provide all necessary equipment to protect employees' safety and health, including but not limited to gloves and masks of the type and for the jobs listed below..."

- **Make sure language in one part of the contract doesn't contradict language you've won in another part of the agreement.** If it does, you are leaving it to an arbitrator to decide which clause to give more weight to.

- **Consider whether any proposal would have a discriminatory effect on particular groups of workers.** You not only want to do a good job of representing everyone, but you also must provide fair representation to all and avoid any discrimination based on gender, age, race, or ethnic origin.

- **Draft language using the simplest words and sentences that will communicate accurately.** Even if a lawyer is involved in drafting the language, workers should read the drafts to see if there are phrases they don't understand or that could be said more simply.

Loaded Words

May — Implies permission and/or leaves it up to the employer.

Should — Expresses a “moral” obligation, but not more than that.

Will — Simply means the future. Does not imply compulsion or a mandate.

Shall — Denotes compulsion.

Must — Implies necessity or compulsion. Stronger than “shall” but often too direct and strong to win in contract language.

When appropriate — Grants full discretion to management.

When practical — Only slightly more compelling than “when appropriate.” Although there is some room for argument that something is practical, it is still management that has the final say.

When practicable — Really means when “workable.” Management decides when something is workable, though there may be some room for discussion and argument.

Normally — Allows management to decide when the situation is “other than normal.”

To the extent practical — Allows management to decide if the action is practical. It would be better to substitute “possible” for practical.”

When possible — Very compelling. The only argument for inaction is that something is impossible—a very difficult case to support.

Bargaining to Organize

Bargaining a contract is part of a larger campaign to build the union. Contract language can be negotiated which expands union recognition and increases the union’s ability to organize. In addition, contract campaigns develop long-term local union leadership and member involvement.

In situations where new facilities or groups of workers are considered separate bargaining units, the union should bargain (in advance) for provisions that will apply when it sets out to organize the new group, such as card check recognition, employer neutrality, and access to lists of employees and to the facility itself.

In union facilities where similar work may be added by the employer, such as a new hospital building, it is possible to negotiate a recognition clause that will require the employer to add any new work to your existing bargaining unit. This is known as “accretion.”

When to press for organizing language

The bargaining team must first decide whether the union is in a good position to make organizing language a bargaining demand. Some external factors that signal opportunities are...

- Non-represented facilities are part of a chain or are commonly owned by the employer.
- There are unorganized workers (residual units) within an organized facility.
- The union has political power or other leverage.
- The employer plans to merge or expand.
- In the public sector, work will be subcontracted, or there are residual units.

Organizing language provisions

The strongest contract language gives the union full organizing rights in non-represented units, including...

- Card check for other units of the employer (appropriate units in the employer's current or future facilities, including residual units)
- Employer's agreement not to file a petition with the NLRB for an election or other proceedings (such as unit clarification)
- A list of employees (names, hours of work, job classifications, work locations)
- Access to the facilities for the purpose of distributing literature and meeting with unrepresented employees
- Neutrality (employer will not oppose efforts by the employees to organize)
- New bargaining units will be covered by the current contract's non-economic language, with the intention of working towards uniformity on economics
- Arbitration procedure if the election process is violated
- Timetable for negotiations
- Union leave

Fallback positions could include agreeing to an election overseen by a neutral, mutually agreed-upon third party, or an expedited NLRB election.

Recognition proposals should be part of an overall package such as "union rights," "job security," or "union acceptance," and should be raised early and often in the bargaining process. The committee should make presentations explaining why the issue of recognition is important. You could bring non-union workers or signed cards to the table for dramatic effect.

Because workers can't strike for card check and other organizing provisions (they are not mandatory subjects for bargaining) be careful not to mention recognition in any strike literature— refer to "union rights" or other parts of the package instead.

Costing Proposals

The following content provides you with tools and concepts you will need to cost out contract proposals and to think strategically about using the information. *Also see the exercises and examples at the end of these pages.*

The negotiating team must be trained to understand certain basics about the arithmetic of collective bargaining in order to be able to...

- Develop proposals that will have the most dollar value for workers.
- Understand the value of proposals made by the employer.
- Explain to members, the news media, and the community the value of each side's proposals.
- Analyze the employer's finances and ability to pay.
- Make comparisons with other workers in the same industry and/or geographic area.

Begin by reviewing a few basic arithmetic skills. For example...

Decimals, Percents and Averages

Decimals

- The first two numbers to the right of the decimal point show hundredths. So 12.43 is the same as 12 and 43 hundredths.
- Fractions can be expressed in two ways—12.50 is the same as 12½.
- \$0.40 is another way to write 40 cents or 40¢.

Rounding off

When costing out, numbers should be rounded off to the one-hundredth place (two columns to the right of the decimal point). To round off numbers, drop the number in the third column (and everything to the right of it) if it is 4 or less, and add 1 to the second column if the number in the third column is 5 or more.

Percents

To find out what percentage A is of B, you divide A by B. The answer will be expressed in decimals. Multiply that number by 100 to convert decimals into percent form.

For example: If workers were paid \$6.25 per hour (B) and won a 40¢ raise (A), their percentage increase would be calculated as follows:

$$\text{\$ } 0.40 \div 6.25 = 0.064$$

$$0.064 \times 100 = 6.4\%$$

To find out how much a percentage raise would be worth to someone, multiply their current wage by the percentage (expressed in decimal form).

For example: A worker making \$9 per hour will get a 5% raise.

- Divide the percentage by 100 to get a decimal form:

$$5 \div 100 = .05$$

- Multiply the dollar amount by that decimal figure:

$$9 \times 0.05 = .45 \text{ (45¢)}$$

- The worker's new wage will be \$9.45 per hour.

Percentage change

To figure the percentage change between an original number (A) and a new number (B)...

- Subtract A from B to get the difference between them.
- Divide that difference by A.
- Multiply by 100 to get a percentage.

For example: Yolanda earned \$16,500 (A) one year and earned \$20,000 (B) four years later. The percentage increase in her salary would be:

- $\$20,000 - \$16,500 = \$3,500$

- $\$3,500 \div \$16,500 = 0.212$

- $0.212 \times 100 = 21.2\%$

Average

A simple average or "mean" is figured by a two-step process:

- Add all the numbers in a group.
- Divide by the number of items in the group.

For example: If janitors earn \$6.75/hour, supervising janitors \$9.30/hour, and window cleaners \$11.00/hour, the average wage for the three jobs is...

- $\$6.75 + \$9.30 + \$11.00 = \27.05

- $\$27.05 \div 3 = \9.02

Sometimes it would be more accurate to figure a weighted average that would show what is most typical for most people.

In the example above, let's say there are 10 janitors, 2 supervising janitors, and 3 window cleaners. While the average wage for the three jobs was \$9.02, that is much higher than what 10 of the 15 workers actually make. A weighted average would give the most weight to the categories that include the most people.

To figure a weighted average...

- Multiply the number of items in each group by the rate for that group.
- Add up the results from all groups.

For example:

- 10 janitors X \$6.75 (per hour) = \$67.50; 2 supervising janitors X \$9.30 = \$18.60; 3 window cleaners X \$11.00 = \$33.00
- $\$67.50 + \$18.60 + \$33.00 = \119.10 total pay per hour
- $\$119.10 \div 15$ workers = \$7.94 weighted average hourly pay

That figure clearly gives a more accurate picture of pay among the 15 workers.

The median is another way to describe a group of numbers such as workers' pay levels. That is the number right in the middle of the group that has the same amount of numbers above it and below it.

The average pay (\$9.08) actually is higher than the pay scale for four of the seven classifications because the top three pay levels make the average misleadingly high.

The median pay level would be the custodian's (\$7.30) because three pay scales are above that and three are below it. In this case, workers' typical pay would be more accurately reflected by median pay level than by average pay.

Example:

Aide I	\$6.50
Aide II	\$7.00
Aide III	\$7.25
Custodian	\$7.30
LPN	\$11.00
Cook	\$11.50
RN	\$13.00

Consumer Price Index (CPI)

The CPI is a figure published by the U.S. Department of Labor that is supposed to show changes in the cost of living by measuring changes in prices for housing, food, transportation, clothing, and other items.

Both national and regional figures are available. National data is available from the U.S. Department of Labor's Bureau of Labor Statistics (BLS) at <http://bls.gov/help/hlpcont.htm> or by phone at 202-691-6569.

The BLS also reports changes in the CPI for major metropolitan areas and compiles data by occupation, industry, and geographical area. This information can be obtained from <http://bls.gov/data>.

Many state governments track local changes in the CPI. Try contacting your state's Department of Budget or Finance.

For a number of reasons, the CPI may not provide a good indication of the increases your members actually have faced or will face during the next contract. But since the CPI is the only nationally recognized measure of inflation, it is often used by management, unions, and the news media to compare bargaining proposals with workers' increased expenses.

The CPI is also used to calculate increases in the cost-of-living allowance (COLA) in contracts with COLAs.

The CPI uses prices in the years 1982-1984 as the starting point, and considers those prices as 100. Prices 10 percent higher than those levels, then, would mean a CPI of 110. Prices double 1982-84 levels would mean a CPI of 200.

For your purposes, you won't be comparing today's CPI to the one for 1982-84 but to the CPI for some more recent year. You can make the comparison in three steps:

- Subtract the old CPI from the new one to get the amount of change.
- Divide the amount of change by the old CPI.
- Multiply by 100 to get a percentage.

For example: If the CPI was 338.50 last July 1 and this July 1 it is 346.77...

- $346.77 - 338.50 = 8.27$
- $8.27 \div 338.50 = 0.0244$
- $0.0244 \times 100 = 2.44\%$ increase in the CPI

The following are some of the key types of calculations negotiating committees have to make.

Workweek Conversions

Converting between hours, days, weeks, and months.

Percent vs. Flat Dollar Comparison

Comparing percentage increases and flat dollar increases. Percentage increases widen pay gaps among members because the highest paid members receive the greatest dollar increase.

Example: Worker A makes \$7 per hour; Worker B makes \$14. So, Worker B now makes \$7 more than Worker A.

If each worker gets a flat 75¢ raise, Worker A will make \$7.75 and Worker B will make \$14.75. Worker B will still make \$7.00 more per hour than Worker A.

In contrast, if each worker gets a 10% raise, Worker A will make \$7.70 per hour, while Worker B will make \$15.40 per hour. Worker B now makes \$7.70 per hour more than Worker A, demonstrating that percentage increases widen pay gaps.

Annual Cost to Per Hour Conversions

Converting annual cost (per worker) to per-hour cost (per worker). If a benefit will cost \$X per worker per year, you would divide by the average hours per worker per year to get a dollar (or cents) per hour figure.

If you know cost per worker per hour, you would multiply by the average hours per worker per year to get an annual cost per year.

Comparing Benefit Dollars and Value

Comparing the value of one benefit (such as an added holiday) to another (such as a certain size raise).

One way to compare different benefits is to figure their value in cents per hour or dollars per year.

A raise in the basic pay rate also means a raise in Social Security tax paid by the employer, overtime pay, and other costs, but even so, the holidays clearly could cost the employer more than the 5 cent raise.

Obviously, these figures would not necessarily determine your bargaining strategy. You may feel you can win both the raise and the holidays. Or, knowing that management is willing to give holidays worth 9¢ per hour, your members may prefer to drop the holiday proposal but bargain for a larger raise than the 5¢ management offered.

Example: Management officials say they cannot agree to both a 5¢ an hour raise and three extra paid holidays, but they could accept one or the other. For a worker making \$8 per hour, which is worth more money?

The holidays would be worth...

- 3 (days) X 8 (hours) X \$8 = \$192 per year.
- \$192 ÷ 2080 (work hours per year) = 9¢ per hour per worker

Certain kinds of benefits may be considered more valuable by particular groups of workers despite the comparisons of dollar value. For instance, some workers may simply prefer more paid time off to extra raises. No matter what your strategy, however, you should know, as management will, how the dollar values compare.

Comparing percentage increase in one category (such as wages) to percentage increase in another (such as profits or supervisors' pay).

Example: Annual profits have increased from \$1 million to \$1.27 million. Using the procedures shown in previous sections for calculating percentage increases, that would mean a 27% jump. If, meanwhile, workers' pay has increased only 2%, you could point out in all your communications materials that profits are growing 13 1/2 times faster than wages.

Frontloading vs. Backloading of Wage Increases

Comparing increases received now (frontloading) vs. increases received later (backloading).

In a multi-year agreement, you need to know not just the total percentage or dollar increase but the way it will be spread out. The principle to remember is that increases now are worth more than increases later because increases now continue to be paid over a longer period.

Example: Under proposed three-year contract A, a worker making \$9 per hour would receive raises of 10¢/10¢/10¢. Is that worth the same as offer B—5¢/5¢/20¢—since by the end of the contract the total raise would be 30¢ per hour either way?

The answer is NO. During the first year under contract A, the worker would receive 5¢ per hour more than under contract B. During the second year, the contract A worker would receive 10¢ per hour more than the contract B worker. Under both proposals, the pay for the third year would be the same.

Contract A (10¢ X 2080 = \$208) + (20¢ X 2080 = \$416) + (30¢ x 2080 = \$624) = \$1248 total raise over 3 years.

Contract B (5¢ x 2080 = \$104) + (10¢ X 2080 = \$208) + (30¢ x 2080 = \$624) = \$936 total raise over 3 years.

Calculating Total Costs

Calculating labor costs as a percentage of total costs or as a percentage of revenues.

Using the method of figuring percentages, you may be able to show that labor costs are only a small percentage of the total money that the employer spends or takes in.

You may also be able to show that percentage increases in labor costs are smaller than percentage increases in other costs or in revenues.

Calculating the overall percentage increase that the total package is worth.

Sometimes management officials want the total package to appear to be worth as much as possible so they can show how generous they are. In other cases, they may try to underestimate the package's value to show how tough they were in dealing with the union.

The basic method for calculating total dollar increases for the workforce is as follows:

- Multiply the dollar value of each contract gain times the number of workers who will enjoy that gain.
- Add those totals to obtain the total dollar value of all contract gains for all workers.

To obtain an overall cents per hour figure...

- Divide the total annual dollar increase by the average number of hours employees work each year.

Two ways to figure total percentage increase would be as follows:

- Compare the total annual cost of workers' pay and benefits in the last year of the old contract with the total annual cost in the last year of the new contract.
- Compare total cost of all years of the old contract with total cost of all years of the new contract.

Always Check Management's Figures

Don't ever accept management's figures at face value. For example:

- Are they using inaccurate numbers for pay scales, number of employees in particular classifications, etc.?
- Are they counting the cost of employee positions that are not currently filled?
- Are they including labor costs for employees who are not part of the represented unit?
- Are they adding into labor costs expenses that really belong in another category, such as administration?
- Are they assuming unrealistically large future increases in categories such as cost of living allowance or health insurance premiums?
- Are they ignoring the benefits to the employer from money they will invest under the new contract?
- Are they including costs that are mandated by federal or state laws and regulations?

Can you develop estimates to show that...

- More money spent on training will mean more productive employees.
- Higher pay, better benefits, and greater job rights would result in reduced turnover, which means lower total recruiting and training costs and reduced downtime for getting new employees up to speed.
- Improved pay and working conditions means improved morale, which means improved productivity. Increased time off, for example, may not necessarily result in a net cost increase because it could mean that workers will be more productive when they are on the job.

Establishing the Bargaining Relationship

The first dealings between the two bargaining teams establish a relationship that will carry over into the rest of the bargaining sessions, as well as contract administration at the workplace. The union team should be trained on the following points:

- **Establish written ground rules** covering such points as paid release time for rank-and-file negotiators and procedures for setting meeting times, establishing meeting agendas, and signing tentative agreements for ratification.
- **Insist that meeting times and places be convenient for your team.** If you let management dictate inconvenient meeting times or places, management will conclude that it should push hard on the big issues in the negotiations as well.
- **Make clear that meeting agendas and goals for each session will be set by mutual agreement.** The order in which you discuss bargaining issues can affect the outcome of negotiations. Your side must have equal say in determining that order.
- **Don't let management's chief negotiator act as official or unofficial chairperson of the negotiations.** Employees may be used to having management officials conduct meetings. But the chief negotiators for each side should act as co-chairs who, when necessary, agree on who will speak or when to move to new topics.
- **Expect to be treated as equals.** For example:

If management officials keep leaving the room to take phone calls, causing everyone else to have to wait or to repeat the discussion when they return, the union team should object and ask that both sides agree to have their calls held while negotiations are in session. Raising this issue can be a good way to emphasize that your time is as valuable as management's and that the negotiations are as important as any other responsibilities either side has.

If management officials interrupt while a union negotiator is talking, calmly suggest that both sides consider it a ground rule that people will not interrupt each other. Otherwise, management negotiators may use interrupting as a device to undermine the confidence of union team members.

If there is a coffee pot nearby, let members of the management team get their own coffee. If members of the union team serve it to them, they may take it as a reinforcement of their "superior" position, and that attitude will carry over into negotiations.

If members of the management team call you by your first names, use their first names as well, rather than Mr., Mrs., or Ms.

- **Don't agree to a ban on talking publicly about the negotiations.** Such a ban takes away an option you may need, and can be violated without penalty by management when it becomes convenient, leaving you unprepared to fight back.

Instead, you could answer along this line...

“Obviously, we agree that mutual trust will be important in these negotiations, and that all of us should feel free to be direct and honest with each other. As long as you are bargaining in good faith with us, it will be in our interest to reach an agreement as smoothly as possible, and we will have no reason to blast you in the news media or in the community. We want to negotiate an agreement, not to score public relations points.

“However, until we have a fair settlement, we will have to use whatever means we can to win one. And we all know that, even though you are proposing a ban now, we couldn’t enforce that if you chose to change your mind later. So while we cannot accept your suggestions, we do agree with the spirit behind it, and commit ourselves to conduct as harmonious negotiations as possible.”

If you do publicly repeat statements by management negotiators they may claim that you have damaged the bargaining atmosphere. But they will say that about any pressure the union applies, and they will settle not because they became friends with the union committee but because they felt that pressure.

A possible response to criticism for going public is...

“All we did was tell people what you said. As soon as it becomes clear that we’re going to reach a fair settlement, then we no longer will need to publicize your statements.”

Sample Format for Ground Rules Agreement

Local _____ of [union] and [employer] agree on the following ground rules for meeting and negotiating until settlement is reached to modify the current collective bargaining agreement or until an impasse in negotiations is declared by the [NLRB or PERB].

1. Meetings shall occur at mutually acceptable dates, times, and locations. Any changes will be discussed at least 24 hours in advance.
2. The employer shall provide release time without loss of pay for _____ union members for the purpose of attending negotiation meetings. The release time shall begin one hour before the scheduled meeting time and end one hour after each session is completed.
3. The agenda for each session shall be agreed on at the conclusion of the previous session, although it may be altered by mutual agreement.
4. Management and the union will each designate a chairperson for each session. The two chairpersons will jointly determine the order in which people speak and the amount of time to be devoted to each topic on the agenda.
5. As agreements are reached they shall be put in written form, dated and timed, and labeled as Tentative Agreements, and two copies of each shall be signed by the spokesperson for each party.

6. Agreements on specific items of negotiation shall not be binding on either party until the entire package of Tentative Agreements is ratified/approved by both parties.

7. When the complete package of Tentative Agreements is accepted, the negotiating teams of both parties shall promote the ratification/approval of the package by their respective sides.

For the union: _____ Date: _____

For the employer: _____ Date: _____

Preparing and Presenting an Opening Package

Although contract negotiations can vary widely depending on the industry and personalities involved, the following represents a “normal” procedure. However, the union can be ready for anything with careful preparation. At the beginning of negotiations, you will present management with an opening package of proposals. In some negotiations, management also will prepare an opener. In others, management will receive your opener at the first bargaining session and prepare a response for the next negotiating session.

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Your opener should not be an unedited wish list with every proposal any member could possibly dream up. That kind of opener may raise members’ expectations unrealistically. It also may make management officials feel that they have no incentive to bargain seriously because they are dealing with people who either don’t want to negotiate toward a realistic settlement or are incompetent.

On the other hand, the opener must ask for more than you expect to win. Management’s negotiators will come to the table expecting to play the game that way. Even if you opened with exactly what you were willing to settle for and told management officials that was the case, they wouldn’t believe you—and by saying you wouldn’t make any compromises you might be guilty of bargaining in bad faith.

Before you present the opener...

- **Discuss your priorities.** What are your most important issues? What combination of issues will it take to satisfy the membership? What package might make management most likely to accept your priority issues?

Your team will have to reach a consensus on those questions in order to present a united front throughout negotiations.

- **Think through what your fallback positions, if any, would be on each subject.** For each item, ask ... is this something we are prepared to trade? To modify? If so, how? To stick with no matter what? To strike or take other strong action to win?

- **Prepare evidence and arguments to support and defend each proposal.** The committee should brainstorm likely management arguments and objections. Then plan responses, including facts or examples negotiating team members can present from their own experience.

These preparations are not necessarily designed to convince management that you are right. Management decides what to give in negotiations based on your bargaining power, not your debating skills.

Your ability to explain and defend your proposals is important, however, because it shows management that you are prepared to argue your case with the membership, customers,

clients, investors, the news media, the general community, or others whose opinions management may be concerned about.

Similarly, good research and preparation sends a signal to management negotiators that they will not be able to get away with misleading propaganda. For instance, if a management official says, "This proposal would cost us X dollars over the next year," it has a significant psychological impact to be able to say, "No, actually we already figured it out and it would only cost Y dollars."

Examples you use to argue for a proposal must be thought through carefully. There is nothing more embarrassing than having management use your own example to show why your proposal doesn't make sense.

- **Plan to involve as much of the team as possible in presenting your proposals.** This sends a message to management that your committee is firmly behind the proposals and prepared to organize membership and community support.

This doesn't mean that committee members should feel free to speak whenever they feel like it—just the opposite. It means that participation of committee members should be planned so management doesn't get mixed messages.

Some teams change which member serves as chief spokesperson from negotiating session to negotiating session in order to demonstrate the involvement of the entire team.

Planning to have a variety of team members speak is especially important in coordinated or coalition bargaining, when you want to show management that workers from different worksites, locals, or unions are united and actively involved.

The Psychology of Negotiating

- **Put aside personal feelings about management’s negotiators, and focus on winning a good settlement.** Management negotiators may flatter you and be friendly, or they may be obnoxious and make you angry. Either way, you can’t be distracted from the job at hand.

If they really want to be friendly, let them show it by agreeing to a good contract. Your job is not to be liked or to make friends.

If they happen to be unpleasant, keep in mind a variation on an old cliché: “Don’t get mad; get what you want.”

- **Don’t show emotion unless it’s planned.** Your team members should not let management know their reaction to management statements until they have had a chance for discussion among themselves.

- **Present yourselves as one unified team,** not as a collection of individuals or representatives of separate departments or units.

If members of the team or their co-workers have problems with union positions on bargaining issues, those problems should be raised and resolved at negotiating committee meetings or in caucuses, not in front of management. Otherwise, you encourage management to try to play one group of workers against another.

- **Look for divisions on management’s side.**

- If the management spokesperson seems to be inflexible on a particular issue, ask someone else on their team a question that will draw them into the discussion.

- Assign members of your team to observe the body language of particular management representatives. Do they appear to be uncomfortable with statements made by their own side?

- Exploit the different roles the individuals on management’s team play in the negotiations and in normal operations. While it usually doesn’t work to ask management officials to directly challenge their own team’s position, you can ask questions that reveal that their support is less than enthusiastic.

Example: Cost cutting accountants seem to be playing a bigger role in management at this particular employer, and they are the ones who have explained at the table why the employer wants to cut, rather than spend more on, training. You believe from casual conversations union people have had with the personnel director that she thinks expanded training is needed. You might say...

“Well, we can see why maybe the financial people think this sounds like a good idea, but from an operations point of view and a labor relations point of view it sounds very shortsighted. Louise, you know as well as we do that our operation would be much more efficient and productive if we had more resources for training, and people

would be better motivated if they knew they had access by seniority to that training. Is this plan to cut back on training something you came up with, Louise?”

In this example, the personnel director then would have the opportunity to distance herself from management’s position by saying, “No, this is really more of a cost consideration than anything else.”

- **Work from the union proposals as the basis for discussion.** If the union proposals are on the table, the chances are better that, even after some compromises, the outcome will resemble what the union wanted.

- **Don’t let fatigue or frustration wear you down.** After all the effort you and other union members and staff have put into the contract campaign, you cannot afford to give in on certain points just so you won’t have to negotiate anymore.

Team members and their families should recognize that, during the final crunch of bargaining, negotiators need to get extra rest and relaxation whenever there is an opportunity and to limit or postpone as many other activities and obligations as possible.

- **Build momentum by starting with easy items you can agree on**—usually things that don’t cost the employer much, if anything.

Then move on to working conditions issues that your members clearly have good reason to be concerned about. Try to resolve all but one or two major working conditions issues before you get to the straight money issues, because once you start talking about the economic issues it becomes harder to focus on anything else. If you are including recognition proposals in your package, push them early in bargaining, and tie them into other parts of the package.

- **Don’t settle special interest issues before the major issues facing the whole group.** If, for example, you reach agreement on reclassifications or extra pay raises for certain workers, those workers may be less willing to support actions needed to win gains in other areas.

- **Reward management for compromising.** At a minimum, tell them you appreciate it when they change their position. Make clear that their willingness to compromise makes you more willing to compromise as well, but remember that the subject they compromised on doesn’t have to be the one you are willing to compromise on. It’s all right to say...

“We appreciate the change in your position on X, and we want to act in a similar spirit of compromise. We can’t change our position on X—that issue is too important to our members. But there will be other areas where we’ll be able to make some movement.”

- **Don’t guess at management’s position.** If there is any doubt at all where management stands, don’t be embarrassed to ask their team to restate their position.

- **Don’t ask questions that might narrow or limit workers’ rights and benefits.** For example, if you have negotiated the right of stewards to investigate grievances during work time, don’t ask, “Now this means stewards can take time off even if you don’t have a

replacement for them right then, right?" By asking the question, you give management the opportunity to start negotiating a limit that wasn't going to be there.

- **Avoid empty threats or promises that make you look weak.** If you are going to threaten new pressure tactics or promise to get your membership to accept a new concept, do so only after a thorough discussion on the union side.

- **Bring workers who are not on the negotiating team to observe a bargaining session if management is stalling or being abusive.** Those workers can then help their co-workers understand the obstacles the union team faces and the need for membership support activities and pressure tactics.

- **Challenge management to prove its claims,** and make a campaign issue of its failure to do so.

- If management says it cannot afford improvements proposed by the union, it is required by the National Labor Relations Board to open its books to prove it.

So, if management claims poverty, you should ask, "Are you saying you cannot afford the improvements we are asking for?" If management says yes, then you have the right to look at the employer's financial records. To avoid that, management will usually say no. Then you can go to the membership and the news media and say, "Management negotiators admitted at the table that they could afford our proposed improvements if they wanted to."

- If management says it needs economic concessions, you have the legal right under the NLRA to insist that it provide proof.

- **Convene at the end of each bargaining session.** Take a few minutes at the end of each bargaining session to recap what happened and what was tentatively agreed to, where movement was made and what should happen next. Also, it is very important for the union committee to agree on what to tell members—everyone should have the same message.

The Role of the Caucus

In addition to frequent meetings before and after bargaining sessions, negotiating committee members often will need to leave the negotiating table to hold a “caucus.” Some uses for a caucus include...

- **You need time to discuss a new management proposal.** What exactly does management’s proposal mean? What does it tell you about management intentions in the negotiations? How should the union team respond to it, when should that response be provided, and who should do the talking?
- **You need to keep the union team united.** Management has used statements or proposals to try to divide and conquer by appealing to special interests of different worker subgroups. You need to talk openly about management’s tactics and how to avoid being divided.
- **You need to get emotions under control.** Team members are angry with management or with each other. Let people blow off steam until you can have a calm discussion about your next moves.
- **You want to send management a message.** For example, you might call for a caucus after management makes a disappointing proposal on a particularly important issue. Management will realize that you wouldn’t have caucused if that proposal had sounded reasonably good or if the issue weren’t important.

Similarly, you might caucus when you want to give management officials more time to think about a proposal with the hope that they will consider improving their offer.

- **You need to plan for the next subject to be discussed.** You may need to discuss what that subject should be, or, if that’s already decided, how to handle the union’s presentation.

Team members should be trained not to contradict each other at the table but to pass a note to the chairperson asking for a caucus if there is a problem or question concerning what is being said by either side.

A caucus normally should be chaired by the head of the negotiating team and should be run in an orderly way. But decisions should be made by consensus whenever possible, not by making motions and voting. The goal is not simply to reach a majority decision but to resolve, if possible, conflicts and problems that committee members have raised.

You should break for as long as you need to. Toward the end of bargaining, time spent in caucuses may be longer than time spent at the table.

Don’t ever be embarrassed to call for a caucus. If there is any doubt about the team’s game plan at the table, it is better to take five minutes and straighten it out behind closed doors than to reveal divisions in front of management.

Taking Notes During Bargaining

Taking complete, accurate notes is a key part of bargaining. At a minimum, one member of the team should be assigned to take notes during each session. If necessary, you may want to have two team members taking notes to make sure you get everything.

Notes are important because...

- The discussion that led up to agreement on a particular part of the contract may be used later as evidence in arbitration cases. Sometimes arbitrators have to decide what the two sides “really meant,” and notes from negotiating sessions may influence that decision.

(If you don't agree with what management is saying about what a contract clause means, say so up front rather than waiting to resolve the disagreement through the grievance procedure later. Otherwise, management officials will be able to argue that they gave an interpretation during bargaining and you didn't object.)

- The team may want to refer to notes between bargaining sessions to clear up any uncertainty about what position management actually took on an issue.
- Evidence may be needed to support legal charges of bargaining in bad faith.
- In dealing with the news media or your members, management officials are less likely to distort what was said at the table if they know you have a written record.

Notes should be dated, show the beginning and ending time for each major discussion, and indicate each major point made, who made it, and what evidence or argument they used to support it. If the discussion is fast moving, the note taker can write down key words and then immediately after the session fill in the rest. Notes should be compiled as soon as possible after the session so the note taker and others can check that they are complete.

Note taking can be faster and more efficient on a laptop computer, if one is available. The notes can be distributed electronically and team members can make any corrections via e-mail. A hard copy and computer file of the notes should be stored in a central location for easy reference as part of the local's permanent records.

Many negotiating teams compile a notebook with a separate divider for each contract clause. In each section, you can keep the old contract language, proposals and counterproposals by each side, telephone logs, caucus notes, correspondence, research materials and evidence, and notes from negotiating sessions on that clause. Material should be filed immediately in its proper place so that it doesn't get lost.

Sample Form for Note Taking During Negotiations

A form like this can be stored as a computer document or printed and photocopied.

Date

Time

Name of note taker

Location of session

People in attendance from union

People in attendance from management

Number of contract proposals

Speaker

Point made/evidence used

Speaker

Point made/evidence used

Off-the-Record Talks

At times, it may be useful to talk with management “off the record.” This can give both sides a chance to explore possible solutions that they cannot discuss publicly.

If you decide to do this, the ground rules should be clear. Are both sides agreeing that no notes will be taken? That what is said will not be repeated outside the negotiating room and will not be used in unfair labor practice or arbitration cases?

Keep in mind, however, that an agreement to go off the record can easily be broken. Anything you say might be repeated later by management officials if they decide it would be to their advantage. Your best protection against that happening is if the off-the-record session is called to discuss things that neither side would want revealed. Even so, it will be one side’s word against the other’s if a public dispute arises later over what was said.

Sidebar

A sidebar is an off-the-record meeting that does not involve the complete negotiating teams. For example, management’s chief negotiator may suggest that he or she meet privately with the union’s chief negotiator to work out a deal.

Sidebars can be a useful tool to explore possible solutions that one or both sides cannot discuss openly. However, sidebars also can be used to split union negotiators from their committees or the membership.

Union negotiators should agree to a sidebar only if...

- At least two people from the union take part so management cannot inaccurately describe what the union representatives said.
- The negotiating team as a whole has authorized participation and instructed the union representatives on what to say and not to say.
- The sidebar meetings do not last very long. If a negotiating team has to wait days or weeks while a few individuals are meeting privately, tensions and suspicions are bound to develop.
- Union representatives to the sidebar report immediately to the rest of the team on the outcome.
- The union representatives do not claim authority to agree to anything without approval and ratification through the union's normal procedures.

Avoiding Impasse

Impasse means the point at which no further progress toward an agreement appears likely because neither side is making further movement on major unresolved issues.

Normally the union does not want to bargain to what could legally be defined as an "impasse" because then management may be free to stop following the old contract, stop collecting dues, and unilaterally change wages, hours, and working conditions.

In private sector cases, the union would have to file charges with the National Labor Relations Board if the employer declared impasse and imposed unilateral changes. In public sector cases, the state or local agency that oversees labor law enforcement would decide whether impasse had been reached.

The NLRB or other appropriate agency will ask such questions as ...

- How many times have the two sides met?
- How firm do they seem to be about their positions?
- Has each side made its "last, best, and final offer"?

You can try to avoid impasse by...

- Not giving management a firm rejection on proposals you mainly disagree with. Instead, stress that your position on individual items depends on the total package management is willing to agree to.
- Continuing to make new proposals on controversial subjects, even if there is not a huge difference between your new positions and your old ones.
- Insisting that management take the time necessary to prepare detailed information the union needs in order to bargain intelligently on proposals each side has made.
- Not saying to management, your members, or the news media that you've reached the point where it is clear that management has no intention of settling. (You can say that so far they have not been willing to negotiate a fair settlement.)

Breaking a Deadlock at the Table

When little progress is being made and you want to get negotiations moving toward a settlement, some of the following techniques may be helpful:

- **Employ more pressure tactics.** Your problem may not be a failure to communicate at the table but rather a failure to force management to want to settle.
- **Trade one or more items for one or more others.** "We are willing to consider moving on X if you are willing to agree to our proposal on Y." (Be aware that in saying this you are signaling that X is not a make-or-break issue for you.)
- **Group several issues into a package or present an entire proposed contract that contains some compromises by both sides.** "We've developed what we think is a fair package, and we're willing to accept the compromises in it if you accept the entire package."
- **Make minor changes to save face for one side or the other.** If one team is finding it hard to admit that it has to change its position on an issue, a relatively unimportant change in wording may allow them to say, "Well, with that change I think we can accept it."
- **Suggest resolving an issue through a side letter** rather than in the contract itself. A side letter is an agreement that is added on to the main contract. It is binding and can be grieved unless you have agreed that it can't. Whether side letters must be specifically renewed when they expire depends on the understanding of the two sides during bargaining.

If management officials are reluctant to break new ground on a controversial issue or to agree to special provisions for a particular group of workers, they may feel more comfortable using a side letter format to emphasize that the agreement is unusual or experimental.

Be sure to include any side letters when the contract is printed.

- **Bring in a new face**, such as a higher-level union official. If management officials are ready to settle but their relations with local union negotiators have become too strained, they may find it easier to settle with someone new.

In addition, the presence of someone from higher up may remind management that the larger union stands behind this local.

If a settlement is reached with the higher official's help, it is important that the negotiating team be closely involved in considering and approving the tentative agreement. Like any settlement, it probably will involve both compromises and victories. The political heat for those compromises and the credit for those victories should be shared by a united union leadership. In the long run, members' confidence in their union will be damaged if they see political division and jockeying among different levels of the union or if they view the settlement as something higher-level officials negotiated over the heads of their own negotiators.

- **Step up the pace of bargaining.** This might mean meeting every day instead of once a week. Or it might mean using marathon bargaining sessions, in which negotiators agree to stay in session all day and all night if necessary to reach an agreement.

This approach is supposed to help negotiators get into a rhythm of reaching agreement that will help them find solutions when they get to the toughest issues. It is also supposed to wear negotiators down, so that getting bargaining over becomes more important than the details of the settlement.

For these reasons, high-pressure bargaining obviously will help you if management's negotiators are the first to feel the effects, and will hurt you if your own team is the first to wear down or get in the mood of compromise.

If you are going to engage in marathon bargaining, all members of the team who are going to be present should go into it well rested and without family conflicts that will make them too eager to reach a settlement.

Factfinding, Mediation, and Arbitration

In certain cases, you may want to break a deadlock in bargaining by involving a third party through factfinding, mediation, or arbitration.

Types of third party involvement

- **Factfinding** means that an outside individual or agency studies the positions of both sides and produces a report on the major bargaining issues.

- In **mediation**, an outside person or agency tries to help the two sides to agree voluntarily to a settlement. The mediator may recommend a possible settlement, but the two sides don't have to accept it.

- In **arbitration**, an outsider hears arguments from each side and then decides what the settlement will be.

In the public sector, some state or local laws may require the union to accept one or more of these procedures if negotiations reach impasse.

In the private sector, the Federal Mediation and Conciliation Service (FMCS) can insist that the two sides take part in mediation. However, it is rare that the FMCS would do so unless a potential strike would have a major impact on the public.

The two sides can voluntarily choose to involve any facilitator, mediator, or arbitrator acceptable to both the union and management.

When to use a third party

You may consider involving an outsider if you believe you are not in a strong enough position to win a good settlement through direct bargaining.

Calling for involvement by a “neutral” third party also can win you some public relations points whether the employer agrees to the idea or not.

However, it is nearly always a mistake to believe that a professional factfinder, mediator, or arbitrator who comes into the process will take your side over management’s. After all, that third party by definition must be as acceptable to management as to the union.

Professional “neutrals” cannot continue to make a living if they get a reputation for favoring one side or the other—so at best their reports, recommendations, or rulings attempt to split the issues rather than determining which side is “right.” Many come from a management background or want to keep the door open to future employment in management positions—which makes favorable rulings for the union even less likely.

If you propose intervention by a neutral, you should consider naming possible choices—prominent religious or community leaders, for example—who would be respected by the news media and the general public. To reinforce your image of reasonableness, you probably should also say that you would consider “mutually acceptable” alternatives.

Influencing a neutral

In nearly all cases, “neutrals” are interested only in bringing about a settlement. This means that...

- Whatever you tell the neutral might be passed on to management. If you reveal your “bottom line” on certain issues, thinking you are doing so in confidence, the neutral will pass that information on to management if, in his or her judgment, doing so might lead to a settlement. Knowing this, you often can send signals to management by carefully planned statements to the neutral.
- Power is as important with a neutral involved in bargaining as it is without one. In dealing with a neutral, as in dealing with management’s team, explaining your proposals and backing them up with evidence is necessary but not enough by itself.

Neutrals often are influenced by the activities you use to pressure management. If a neutral sees that you are holding successful worksite actions, rallies, and community action campaigns, and that your members are educated and concerned about certain issues, he or she will think it will take more to satisfy the union. By contrast, when neutrals see management as clearly the stronger side, they will be more concerned about satisfying management's team.

It normally takes a strong internal organizing effort to maintain or escalate your contract campaign during factfinding, mediation, or arbitration. Some members will be naturally inclined to sit back and see how well their representatives do at presenting their case. Others may feel that you shouldn't "offend" the neutral by continuing to use pressure tactics aimed at management. Through your two-way communications system—publications, meetings, phone banks, e-mails, and direct personal contact—you have to educate members about their important role in influencing the outcome.

The Last Days of Bargaining

In the final stages of bargaining, with the contract expiration date approaching, the negotiating committee and elected local leadership must decide how to proceed.

Decide whether to settle

- Have you obtained the best agreement that can be obtained without a major confrontation?
- Have you negotiated a good contract considering where you started, the needs of your members, the employer's financial condition, and other recent union settlements?
- Would a settlement on the terms now available leave in place the most fundamental worker rights, or would it destroy the key elements of union protection such as seniority, the grievance procedure, and limits on management's right to make and interpret policies?
- Would the settlement be ratified by a large majority? (If possible, you want to avoid a close vote one way or the other because then you will have a divided group and a weaker union.)
- If you refuse to settle now, will the workers be prepared to escalate the campaign? Do you have ways to pressure the employer to agree to a better settlement? Do you have or can you obtain the money you would need to mount an expanded campaign?

If you decide not to settle, decide what to do next

- **Are you close enough to an agreement that you should ask management to extend the contract or ask workers to work without a contract so bargaining can continue?**

Advantages might be that you may avoid an unnecessary confrontation and show members and allies you are willing to go the extra mile to reach a settlement.

Disadvantages might be that you may look weak to the employer and remove any incentive for management to change its position.

- **Should you put management's last offer to a vote of your members, with no recommendation or a recommendation that they vote no?**

You might do this if you were sure the offer would be turned down by a huge majority.

You would never do this just to see what the members are thinking. If it were rejected by a close vote, you would have shown management that you don't have strong support to continue with your campaign. If it were accepted, management would have shown it knew more about what your members wanted than you did. In effect, management would have negotiated the contract directly with the members.

- **Should you ask members to go on strike or take other strong action?**

Only if you believe you could win. If members are prepared, have shown they will support campaign actions, are committed to the issues, and have the ability to seriously disrupt the employer's operations at this time, then a strike or other action may be appropriate.

But a strike should not be called out of desperation or to save face for the negotiating committee. It should be called only when it is in the best interest of the membership.

If you decide to settle, keep as much control of the process as you can

- **Volunteer to draft the actual language** expressing agreements that have been reached. The wording is more likely to be favorable to you if you write it. Don't get carried away, though; if you seem to be deliberately drafting language that is not what was agreed to, you may poison the atmosphere needed for a smooth settlement.

- **Make sure each side initials written, revised sections of the contract as soon as tentative agreement has been reached on those sections.** This makes it less likely that management will try to change its mind.

- **When you have a complete tentative agreement covering all subjects, make sure you have a signed copy before any announcement is made.**

Unless you have specific language in writing and signed, managements have a way of remembering what was agreed to differently than the union team remembers it.

- **Insist that management agree in writing to drop all lawsuits, NLRB charges, and campaign-related firings or discipline and to reinstate strikers**, if any, who have been replaced. Those conditions should be part of the price management must pay for peace. Otherwise, in future campaigns workers will doubt that the union will be able to defend them from management attacks.

- **Plan what you want to say to members and the news media about the settlement.** First impressions that you give people about the new contract are often lasting ones.

Without overselling or being misleading in any way, do you want people to look back on these negotiations as a success for the union, even though you didn't get everything you wanted, and as a step toward long-range union goals? If so, your announcement and comments must describe in the simplest possible terms what goals you achieved and how you hope to build on your gains in the future.

In the heat of the moment, members of the negotiating team may be caught up in frustration over what they didn't win and in anger at management. But a negative first impression of the settlement may hurt the chances of a strong ratification vote and may slow organizing to enforce the new contract and build the union for future negotiations.

As always, plan who will speak to the news media and what they will say, rather than having a variety of negotiating team members giving off-the-cuff comments.

• **Don't let management officials announce the tentative agreement before you do.** They might slant their announcement to make the union look bad.

Try to get management to agree not to comment on the settlement until you have completed ratification. Assuming that both union leaders and management officials want the tentative agreement ratified, you can explain that it is not in management's interest to leak bits and pieces that could affect members' opinions of the settlement.

You can also try to negotiate an agreement with management on a schedule for separate announcements or a joint announcement that a settlement has been reached.

Remember, however, that management may not abide by this agreement and may not confine itself to the wording of a joint announcement. Instead, management may leak its version of the settlement, along with unattributed quotes.

Knowing this, you should not agree to restrict what you will say in addition to the joint announcement.

Another precaution is to make sure that management officials don't leave the negotiating table before you do so they can't get to the news media or the membership first.

If necessary, keep bargaining going while you let your worksite leaders know the approximate shape of the tentative agreement.

A second precaution is to make sure your systems for quickly communicating with members and the news media are well established and tested. You should be ready to quickly hold meetings, print and distribute flyers, and call reporters.

(Sample) STRIKE SETTLEMENT AGREEMENT

1. Time on strike shall be counted as time worked for seniority, vacation accrual, sick-time accrual and step increases.

2. Recall to work shall be based on bargaining unit seniority within each nursing unit and shall be determined by the seniority list in effect on [date].

3. All striking nurses will be recalled to work before new employees are hired. Striking nurses shall be recalled to their positions, units and shifts that were in effect on [date] in accordance with the principles set forth in Article 17, Sections 4, 5 and 6(A) of this Agreement. If a nurse is unable to be reached, the recall process will be continued.

4. Nurses who dropped hospitalization and life insurance shall have such coverage reinstated upon return to work without loss of coverage provided compliance with the Medical Center's reinstatement procedures.

5. All vacations approved prior to [date] and scheduled to be taken after the date the strike ends shall be taken at those times. Vacation days which occurred while the strike was in progress will be paid to the nurse at the newly negotiated rate of pay.

6. RN Recall Orientation Process:

(a) The Unit manager (or Nursing Office for Float RN's) shall contact the nurses by unit, on a seniority basis, regarding their intent to return to work. If the nurse is unable to be reached by phone, the Human Resource Department will send information to the nurse with proof of mailing.

(b) The Unit Manager shall develop/adjust the work schedule.

(c) The Nursing Office shall schedule recall orientation class at an off-site location.

(d) The return to work schedule is to be submitted by the Unit Manager to the Nursing Office for distribution at the recall orientation class.

(e) The nurses' "return to work schedule" will become effective within seven days.

7. If a nurse is unable to return to work when called because of verified medical reasons, the nurse will be placed on a medical leave of absence. Once compliance with the Medical Center Leave of Absence policy is attained, the nurse will be processed in accordance with the collective bargaining agreement. Nurses on sick leave will be returned to their former positions, units and shifts.

8. Nurses who terminate their employment voluntarily, rather than return to work, will not be required to give a two (2) week notice and will receive their final check in accordance with Medical Center policy.

9. Nurses who changed their dependent status during the strike will be allowed to revise their status upon returning to active duty.

10. The Medical Center will make one deduction from each paycheck for dues until the nurses' dues are current.

11. This Strike Settlement Agreement shall be considered a part of the parties' collective bargaining agreement. The parties agree that should any disagreement arise [handled through usual dispute resolution].

Contract Ratification

Once you have a tentative agreement, you will need to move quickly to provide the details to your members before rumors can spread or management can distort the settlement. Three methods are possible:

- **Membership meetings away from the worksite** are the most common method. They can be organized quickly, provide opportunity for questions and discussion, and, if well planned, allow you to build group pride in what was achieved and determination to win further gains in the future.
- **Worksite meetings** may be used if workers feel comfortable having a free and open discussion in that setting. The main advantage is the potential for higher attendance.
- **Mail ballots** may be used when the bargaining unit is very large or if workers are unlikely to come to meetings and therefore not enough people would vote to prove support for the new agreement.

No matter which method is used, arrangements should be in place before the tentative agreement is reached. For example, location(s) for membership meeting(s), sound systems, ballots, refreshments (if needed), child care, and so on should already be lined up.

Before members vote, the negotiating committee should meet with the bargaining support or contract campaign committee, stewards, and other worksite leaders to review the settlement. That will give the team the opportunity to identify potential areas of confusion or controversy and to line up support.

Membership meetings should be conducted in a way that demonstrates leadership unity. In some cases, that may mean having a number of members of the team present parts of the contract. Where that is not practical, each member of the team might make a very brief statement of support at the beginning of the meeting so that no member is left wondering where each team member stands.

Members should be provided with a written explanation of the terms of the settlement which should begin by highlighting in summary form the major improvements and, if appropriate, the major management proposals that were defeated.

At the same time, the weaknesses of the agreement should not be hidden. If you bring them up during the ratification process, then responsibility for choosing whether to make certain compromises is shared by leadership and membership alike. If you gloss over problems in the agreement and members only discover them after ratification, then they are free to be angry both over the compromises and over being misled.

Sample Rules for Ratification Vote

1. Only union members may attend the meeting and vote.
2. Members must register to receive their ballot.
3. A worker whose name does not appear on the membership roster may vote but the vote will be challenged and sealed until the question of membership is resolved.
4. Voting will begin only after full presentation of the agreement is completed.
5. Voting may begin during the question-and-answer period only if moved, seconded, and approved by the membership.
6. Ballot boxes will be sealed when the last member in the room has cast his or her vote.
7. No ballots will be accepted after ballot boxes are sealed.

Campaign Wrap-Up

Once a new contract is ratified, you should begin to lay the groundwork for the future.

• **Involve leaders, members, and staff in analysis of the campaign.** This should be done in a systematic way, using meetings, articles in local union publications, and, if appropriate, membership surveys.

Each aspect of the campaign, from planning goals and internal organizing to pressure tactics and the bargaining itself should be examined for what went right and what could have been done better. For each subject, ask questions such as...

- What additional training should we have done for members, leaders, or staff?
- Did we allocate enough resources to this part of the campaign?
- Did we start planning soon enough?
- What problems and obstacles came up that we should plan for next time?

A report summarizing the views of leaders and members should be compiled and kept in local union files for future reference.

• **Thank everyone who helped.** Although leaders and staff may be exhausted by the end of the campaign, you need to find the energy to say thank you while it's still timely.

Among those to thank might be...

- Committee members, worksite leaders, staff, and volunteers. They can be thanked in person, given recognition in union publications, and presented with certificates of

appreciation. A party may be appropriate as long as it does not take on the appearance of abusing the members' money to benefit a few.

- Allies in the labor movement or broader community. If you hope to go back to them for help some other time, you have to let them know that their help contributed to winning a settlement and that your local is available when they need help.
- Suppliers and consultants. This might be the printer who added a shift to get a key leaflet out overnight, or the computer whiz who spent hours straightening out your mailing list. These also are people whose help you may need again, and it makes a difference when you show that their effort is appreciated.

• **Prepare to enforce the new agreement.** A program to make use of new contract provisions helps maintain momentum after the campaign and reminds everyone why it was worth the effort.

Members need to be trained immediately on how to use new rights or benefits, and staff and worksite leaders may need special training on how to help them do so.

Copies of the new contract should be printed and distributed as soon as possible. While you may want to negotiate to have management pay all or part of the printing cost, you should be careful about an agreement in which management is in charge of getting the printing done. In many cases, management will delay distribution as long as possible.

Until printed copies of the contract are available, you should provide worksite leaders with photocopies so they and their co-workers can start immediately to take advantage of contract improvements. If your local has a Web site, the full text of the new contract should be posted as soon as possible.

Whenever members get paychecks that for the first time contain a new or higher benefit or pay rate, the union newsletter or a special leaflet should point out the improvement, making the point that "we got this improvement because many union members got involved in the contract campaign, and if we want to win future improvements, we need to expand that involvement even more."

• **Encourage emerging leaders and volunteers.** As a result of the campaign, you will have identified new people who are willing to get involved in union work. Make an organized effort to keep those people involved. For each individual, figure out what motivated them to become more active, what committee or activity would suit them best, what training they might need, etc.

• **Start planning the next campaign.** It is no exaggeration to say that the next contract campaign starts the day the last contract is ratified and signed.

Gather a representative group of leaders and look at each topic in this manual to find ways to get a head start on planning for the next time. In doing so, you will be laying a blueprint for building a more effective local union with a clearer sense of future goals... greater internal unity and membership involvement... improved internal communications... stronger ties with potential allies... a sharper analysis of management's plans and strategies... and a more developed strategy for building the power it takes to achieve your goals.

Appendix: Math Exercises

The following questions may be used for practice after studying the section on costing.

1. Round off the following numbers to the nearest cent:

- a. \$ 45.899
- b. \$ 1,009.8769
- c. \$ 5,699.955
- d. \$ 10,789.4905
- e. \$ 750.8593

2. Janitors working for the XYZ Maintenance Co. earn \$6.75/hour and supervisors earn \$9.30/hour. What percent of the supervisorial rate do janitors earn?

3. A recent survey of family incomes contacted 64,491 families. Of these, 4,406 earned more than \$80,000/year and 8,030 earned under \$25,000. What percentage earned over \$80,000/year and what percentage earned under \$25,000 year?

4. The City Council offers a \$0.34 hour wage increase during negotiations. If clerical workers made \$9.15/hour, what is management's offer in percentage terms?

5. The following table lists financial data for a food service contractor:

Revenues	\$ 335,500
Materials	\$ 125,875
Labor Costs	\$ 180,570
Profit	\$ 29,055

Calculate materials, labor costs and profit as a percent of revenues.

6. Management of Elder Care Nursing Home is offering either a \$0.35/hour across-the-board increase for all nurse aides or a 3% across-the-board increase for all nurse aides. Nurse aide hourly wages range from \$8.75/hour to \$11.25/hour, with most nurse aides falling between \$8.75 and \$10.00 an hour. Which proposed increase would be most beneficial to the nurse aides?

7. Janitors working for XYZ Maintenance Co. now earn \$6.75/hour. They have been offered a 5 percent pay increase. How much an hour is this equal to?

8. The following table illustrates major revenue sources for the last two years for the City of Bellview. What is the percentage change for each revenue source?

	Year 1	Year 2
Property Tax	\$ 320,530	\$ 342,755
Sales Tax	\$ 102,005	\$ 110,500
State Aid	\$ 200,500	\$ 183,750
Federal Aid	\$ 157,250	\$ 83,250

9. In 1960, workers worked an average of 38.6 hours/week. In 1986, they worked an average of 34.8 hours/week. What is the percentage change?

10. Local 2010 represents a group of school workers earning an average of \$9.45/hour. They are offered a wage package of \$0.25/hour in the first year and \$0.35 in the second. What is the percentage increase for each year? What is the total percentage increase over the 2-year period?

11. XYZ Maintenance Co. employs janitors earning \$6.75/hour, supervising janitors earning \$9.30/hour; and window cleaners earning \$11.00/hour. What is the average wage for the three jobs?

12. If janitors earn \$6.75/hour, supervising janitors earn \$9.30/hour, and window cleaners earn \$11.00/hour. If there are 10 janitors, 2 supervising janitors and 3 window cleaners, what is the weighted average wage for XYZ's employees?

13. The following table lists the number of students enrolled for each month during the school year. What was the average enrollment for the year?

September	1,569
October	1,535
November	1,530
December	1,489
January	1,480
February	1,505
March	1,523
April	1,550
May	1,497
June	1,490

14. At the Have Mercy Hospital, there are the following jobs earning the following salaries. What is the weighted average annual salary?

Job	Salary	No. of Employees
RN	\$ 42,000	300
LPN	\$ 30,000	125
Nurse Aide	\$ 17,500	200

15. What is the median wage for the following group of employees?

Annual Salary
Rivera \$ 17,500
Jones \$ 19,000
Brown \$ 27,000
Collins \$ 96,000
Wong \$ 23,000

What is the mean?

16. Your local is in the middle of negotiating a three-year contract with Cal-City. The city argues that due to budget cuts, they can only offer a \$0.60/hour wage increase in the first year, a \$0.35/hour increase in the second, and \$0.15/hour in the third. Your members earned \$9.00/hour prior to the new contract. You accept the offer. During these three years the CPI was:

Year 1	125.3
Year 2	133.1
Year 3	147.7
Year 4	161.2

Did your members keep up with inflation?

17. Roll-up costs are costs to an employer that typically increase whenever wages increase. These might include: payroll taxes, Social Security, workers' comp, pension contributions. These are often a hefty percentage of payroll and employers usually include them when costing a contract, even though the benefits for our members don't change.

If you negotiate a 4% increase on a total payroll of \$500,000, and the employer's roll-up costs are 32%, what is the real cost of the salary increase to the employer—in dollars and as a percentage?

18. You have a bargaining unit with the following number of workers and wage rates:

Rate	# of workers
------	--------------

\$6.50	22
--------	----

\$7.00	18
--------	----

Rate	# of workers
------	--------------

\$7.50	11
--------	----

\$8.00	4
--------	---

\$9.50	4
--------	---

\$11.00	6
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Assume management is willing to increase its wage costs by 4%.

- How much of an hourly raise would that be for each group of workers?
- Who gets the most money?

Math Exercises Answer Sheet

1.
 - a. 45.90
 - b. 1009.88
 - c. 5699.96
 - d. 10789.49
 - e. 750.86
2. 72.6%
3. Over \$80,000 — 6.8%
Under \$25,000 — 12.5%
4. 3.7%
5. Materials — 37.5%
Labor Costs — 53.8%
Profit — 8.7%
6. Answer = \$0.35/hour across the board. Under the 3% ATB proposal, Aides making \$8.75 would get only a \$0.26 increase; Aides making \$10.00 would get only a \$0.30 increase and Aides making \$11.25 would get only a \$0.34 increase.
7. 33 cents/hour
8. Property Tax — 6.9%
Sales Tax — 8.3%
State Aid — 8.4%
Federal Aid — 47.1%
9. 9.8%
10. Year 1 = 2.6%
Year 2 = 3.7%
Total for 2 years = 6.3%
11. Average wage — \$9.02
12. Weighted average wage — \$7.94
13. 1516.8
14. Weighted average annual salary — \$31,760
15. Median = Wong with \$23,000
Mean (straight, not weighted average) = \$36,500

16. No. CPI increased by $35.9/125.3 = 28.7\%$ while wages increased by only $1.10/9.00 = 12.2\%$

17. $\$500,000 \times .04 \times 1.32 = \$26,400$

$\$26,400/\$500,000 = 5.28\%$

18. a) $\$6.50$ would get $\$0.26$

$\$7.00$ would get $\$0.28$

$\$7.50$ would get $\$0.30$

$\$8.00$ would get $\$0.32$

$\$9.50$ would get $\$0.38$

$\$11.00$ would get $\$0.44$

b) The 6 workers making $\$11.00$