

Labor Contract Negotiations: The Process and How to Ensure Success

We have several municipal contracts coming up for negotiation next year as the 2016-2019 contracts expire. This is important because the people you elect for Town Council will be instrumental in guiding us through this process. To learn more about what's involved, we posed the following questions to professional in the field of labor contract negotiations from a community outside East Greenwich:

Question 1. Who is the ideal person to negotiate these contracts? Town Council members? The Town Manager? The Town Solicitor? Someone independent?

Answer: The best person to negotiate a labor contract is someone with experience in that very field. Experience is critical. It is best not to have all Town Council members present during the negotiations because it results in "too many cooks in the kitchen." The Town Solicitor is not necessarily the best person either, unless he or she has a full grasp the Town's financial situation. The Town Manager is often a good choice if he or she is well-versed in negotiating contracts; if not it's better practice to hire someone with that specific experience.

Question 2. What makes for a successful negotiation?

Answer: Contrary to popular belief, the parties don't have to like each other. They do, however, have to trust one another. **Honesty, trust and respect are key elements of a successful negotiation.** There is no way to anticipate every scenario during the negotiations, so the parties need to trust that when they reconvene to clarify and discuss an issue, they must trust that the other side will honor the spirit of the agreement. Without trust, successful negotiations are not possible.

Question 3: What happens if the parties can't agree? What does it look like if they walk away?

Answer: Most unions have the option to strike. For public safety reasons, the police and fire departments cannot do that; instead they go to binding arbitration if they can't agree on a contract after 30 days. This is not ideal. First, the financial costs to the Town are significant, as we have to pay the arbitrator and an attorney to represent the Town at arbitration. Second, arbitration can take years, leaving the town in financial uncertainty regarding potential retroactive pay raises and costs. Finally, unions don't mind going to arbitration because there's a sense that arbitration tends to fall in their favor. **So a good goal for the Town would be to avoid arbitration.**