

From: Stupak, Joseph [ME]
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Subject: A Commentary on CB and regionalization

In the past few days, several UDs have sent me copies of reports from local association leaders about discussions at their RPC meetings concerning salaries and collective bargaining. In view of these reports, it may be useful to you in communicating with members in your district to have the information below. This information, together with the one page handout on the collective bargaining provisions of the school reorganization law that Mark Gray distributed to MEA staff on Wednesday, January 9, summarizes the input that Mark and I provided that day to the Legislature's Education Committee on this aspect of school reorganization. If you did not save the handout, it is available in the S drive folder dedicated to school reorganization materials.

First, though, I want to briefly reiterate MEA's guidance regarding bargaining and regionalization, as it has been articulated since the Leadership Conference in October, 2007:

- For local associations that are negotiating successor agreements to contracts that expire in 2008, negotiate long term contracts now.
- Avoid one year contracts that expire in 2009, which will require another separate round of negotiations with the current SAU before an RSU is formed.
- Get to know and work in collaboration with your association counterparts from other SAUs that will be your unit's regional partners.
- Use MEA resources to be informed about the terms of other collective bargaining agreements and to set goals and begin progress toward eventual alignment of contracts.
- Do not deal with RPCs about bargaining issues.

Now, I'll move on to MEA's comments to the Education Committee last Wednesday.

1. If higher salaries for teachers and other school employees are a byproduct of school reorganization, and school reorganization creates the conditions and momentum to increase salaries more than would otherwise occur, that would be a positive result. The need for increased salaries and wages is present now. The latest national rankings, issued by NEA in December, 2007, show that the average teacher salary in Maine has fallen three rungs on the national ladder to 40th position among the states. The average teacher salary in Maine is only 83% of the national average. The difference between the average teacher salary in Maine and the national average has grown to almost \$8,300. Many educational support staff in Maine schools are paid at hourly rates that don't amount to a livable wage.
2. Aligning salaries in an RSU is not the business of RPCs. They do not have the authority, power or control over the resources and variables that the RSU school boards will have to deal with the issue.

3. Projections of costs for the alignment of salary schedules in an RSU that are made by RPCs tend to be unrealistic “worst case” overstatements. They usually are based on moving all current staff employed by the SAUs that are planning an RSU to the highest salary schedule rates for their length of experience on the first day of operation of the RSU, an outcome inconsistent with and not required by the provisions of the school reorganization law. In fact, since some of these exaggerated projections come from avowed opponents of school reorganization, their true purpose may be to influence the Legislature to change or repeal the consolidation law. (Recall that less than two years ago, the opponents of a mandated minimum teachers’ salary of \$30,000 projected that the ripple effect it would have on increased salaries for all teachers would total \$50-75 million statewide.)
4. What the detailed, logical provisions of the school reorganization law require concerning collective bargaining are: assumption of all existing contracts and observance of them until their expiration by the RSU, unless both parties agree otherwise; and then the negotiation of a region-wide contract in which salary schedules and other terms and conditions of employment are made **uniform and consistent** “as soon as practicable.” This sequence of events will result in increased salaries based on a common schedule only over an extended period of time. The contracts that must be honored until their expiration, with their different salary schedules, may run until 2012, as all school units that are subject to regionalization are proposing that their future RSUs not be operational until July 1, 2009. Thereafter, while the law does require that uniform and consistent salary schedules be developed through negotiations, that outcome need only be achieved as soon as practicable. Since the reorganization law does not alter the collective bargaining process, the meaning of “as soon as practicable” will be whatever meaning the two parties in negotiations give it; and, since the final step of the collective bargaining process for school employees is advisory arbitration on salaries and other specified cost items, the RSU employer has ultimate control over the pace at which alignment of salary schedules occurs.
5. Influences over the ultimate cost of alignment of salary schedules in an RSU that either the employer or the parties together can apply to manage its cost include:
 - Time – the pace at which salary scales are aligned and employees are placed on uniform salary schedules. That process can begin now, with the negotiation of new agreements in existing SAUs that work toward a goal of eventual alignment with existing higher salary schedules. It can continue by phasing in salary schedule alignment in the negotiation of a region-wide contract once an RSU is formed. Less conventional salary schedule placement techniques, like those that were agreed upon in some school units that negotiated substantial increases to salary schedules in response to the mandated \$30,000 minimum teachers salary law, can be applied to defer some salary cost increases while still achieving the statutory requirement of uniform and consistent salary schedules.
 - Staff changes – turnover through retirements and resignations. Turnover virtually always leads to cost reductions in the aggregate for employers, as experienced teachers and other employees with higher salaries or wages are replaced by others

with lower rates of pay. The savings from employee turnover can be applied to the costs of salary scale alignment.

- Managerial control - over a larger organization with the potential for greater flexibility in the deployment of a larger staff.

Finally, although the idea of a Legislative mandate for statewide contracts did not surface at the Education Committee, I have received a couple of reports that the idea has been raised, either in RPCs or in media editorials. Given the diversity and range in existing salary and wage schedules across the state, common statewide salary and wage schedules, as a practical matter, could not be achieved without substantial additional cost increases to the State. That reality makes the idea a Legislative non-starter at a time when the Governor and Legislature have shown they are willing to sidestep and avoid cost obligations to education that they already have. Regarding that final observation, I'll follow up with a separate analysis of the State budget and proposed supplemental budget soon.

Joe Stupak
Director of Collective Bargaining and Research
Maine Education Association
jstupak@nea.org
1-888-622-4418, ext. 2209