



Local Public Employee
**COLLECTIVE
BARGAINING**



July 27, 2021
City Council Briefing

What is Collective Bargaining?

- Collective bargaining is a process whereby employers recognize formally organized employee groups or union for the purpose of negotiation aimed at agreements to regulate working salaries, working conditions, benefits, and other aspects of workers' compensation and rights for workers.
- The interests of the employees are commonly presented by representatives of a union to which the employees belong.

History of Public Sector Labor Relations in Virginia

- VA law has always prohibited public employee from striking.
- VA law was silent for many years about whether public employees had a right to organize and join unions.

History of Public Sector Labor Relations in Virginia (continued)

- The right of public employees to join unions was first addressed by Supreme Court of VA in 1935, when the Court denied Norfolk firefighters right to join a union.
- By the early 1970's, there was at least 19 local governing bodies within VA operating under collective bargaining agreements with some of their employees. (Primarily fire and school employees)
- In 1977, the Supreme Court of VA in Commonwealth of VA v. County Board of Arlington Co. outlawed public collective bargaining agreements in VA.

History of Public Sector Labor Relations |in Virginia

- There are no public sector collective bargaining agreements in the 7 cities of VA to date.
- No known prior history of public collective bargaining in Portsmouth.

**What are the overall impacts
of incorporating collective bargaining
relative to conducting
City business?**

Impacts:

1. There is no requirement for collective bargaining to be an external contract.
2. It is a contract which provides binding results to all parties.
3. There are no guarantees found in a collective bargaining agreement.
4. Collective bargaining changes and increases the cost of doing business.
5. Fair representation is not always part of the collective bargaining process.
6. Collective bargaining requires workers will redirect performance of mission critical duties.
7. Precludes management's ability to address systemic issues surrounding the workforce.

What are the current employee initiatives?

- Classification and pay plan updated (effective July 1, 2021);
- Addressing pay equity for all employees across the City,
- Pay compression and performance measures,
- Providing annual general wage increases,
- Offering competitive wages and a comprehensive benefit package,
- Investing in the improvement of employee work conditions,
- Developing coherent strategies surrounding diversity, equity, inclusion and employee moral,
- Administration is currently working with Public safety associations to address employee concerns.

How will collective bargaining affect the budget?

Preliminary associated costs would include:

- Increased Salaries and Benefits of unionized contract employees,
- Creation of new positions for administering and designing program,
- Salary and Benefits of designated staff positions(Est. 5-6)
- Compensation for contractual services including legal advisors
- Preliminary estimate range of **\$2 Million** annually does not include pay increases relative to new union contracts for employees.

RECOMMENDATIONS INSTEAD OF COLLECTIVE BARGAINING

- Improve communications and equity among employees
- Administration is doing a deep dive into all issues concerning the workforce, collective bargaining is not needed,
- Develop an action plan to include but not limited to:
 - Policy changes
 - Pay compression
 - Organizational structure
 - Workplace conditions

City Council Direction?

**Deny
or
Approve**

The logo features the letters 'Q', '&', and 'A' in a stylized font. The 'Q' and 'A' are outlined in dark blue, while the ampersand is a solid red color. The letters are set against a white background within a red-bordered oval shape.

Q&A