

Remarks of Professor Adrienne E. Eaton, President of Rutgers AAUP-AFT, before the Rutgers Board of Governors on July 14, 2009.

As new President of the AAUP-AFT, the union that represents faculty and TA/GAs, I felt it was important to speak to you today about the university budget and the role of labor relations in that budget.

It has been evident for many months that we are in the midst of a global financial crisis. There is no doubt that the crisis has struck the state of New Jersey very hard, leading Governor Corzine to propose, in his original budget address, to cut the Rutgers operating budget by \$15 ½ million and to decline to fund our pay increases.

Almost immediately after the budget address, the university administration came to the various campus unions arguing that they would need our help in coping with the budget shortfall. While it appeared they were interested in us volunteering to give up our negotiated pay increases, we took a different approach. You may not be aware that the union, both through its members here at Rutgers and through our national union, the American Federation of Teachers, in Washington, lobbied intensively in Trenton and in Washington to make sure the university received stimulus money in its budget. This was a big effort and it was successful; \$15.4 million were restored to the university budget by the state.

Nevertheless, the university administration continued to insist that it needed contract concessions in order to maintain the health of the institution. Frankly, our members have been skeptical of this claim. They see money invested in the football stadium, in the welcome center and in other building projects. They see secret and very generous deals with the football coach. They also see the

creation of numerous, highly paid Vice President-level positions. In short, the faculty and TA/GAs do not have confidence in the way the administration manages the university's money and question the need for concessions.

Both because our members are skeptics and because any self-respecting union confronted with a demand for give backs would behave this way, we made clear to the administration that we would need extensive budget information to convince us that we needed to make concessions. At the end of April, we sent the administration a long list of budget documents and information that we needed in order to evaluate their claims about the budget situation, or what is often known in the labor relations business as their "poverty plea". The university has shared at different times some of the requested information but we have never received the information that is most key to helping us determine whether the concessions are really needed and after promising the information for months, the administration negotiating team told us last Friday – the same day that paychecks arrived without the contracted increases - that no further information would be forthcoming because they saw no need to share it with us – rather, we are supposed to simply accept their stipulation that the budget situation is as they describe it. We hope that the budget approved today includes the contractual salaries since no agreement has been reached that would change those salaries.

Unfortunately, this stonewalling is consistent with the labor relations approach taken by the administration. On the positive side, we have established a regular schedule of meetings to discuss matters of mutual concern. We worked reasonably well together on the application of the state ethics law to Rutgers although even on that issue, there has been less information sharing than we would like. But on virtually all other issues of substance, the administration stonewalls, delays and obstructs. It is frustrating and often damaging to the university's interests.

Despite the lack of full budget information we have accepted the political reality that we will need to defer parts of our negotiated pay increases. After months of outlandish and even offensive proposals, the university team moved into sensible territory last Friday and we are hopeful that we will reach an agreement soon. We look forward to moving beyond this crisis and hope that you will join with us in urging the administration to examine and to alter its current labor relations practices so that we can build a relationship based on mutual respect and problem solving and so that we can join forces both in pressing Trenton and Washington for Rutgers fair share and in working together to improve the academic excellence of this institution.

I have in my hand petitions from 1200 members of my union and of the Union of Rutgers Administrators asking your help in keeping the administration team at the bargaining table, avoiding layoffs and sharing budget information.