



**August 2, 2017**

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## **SUPREME COURT RULES THAT INCREMENTS CANNOT BE UNILATERALLY STOPPED**

Today, the Supreme Court issued its decision on the “increments” cases in Atlantic County and Bridgewater. In these cases, the employers denied increments after expiration. The State of New Jersey, Judiciary and other employers have relied upon PERC’s decisions to deny payments of our increments. The Appellate Court overturned PERC, and the employers appealed to the Supreme Court. PERC, Atlantic County, Bridgewater and the Christie Administration LOST.

The Supreme Court **UNANIMOUSLY AFFIRMED** the Appellate Court’s judgment in Atlantic and Bridgewater. The Court ruled that the denial of increments is grievable and can be arbitrated. This is very good. It is not perfect, however, because the Court felt it didn’t need to rule on every issue and we may find that the Christie Administration will still try to withhold increments. If that happens, we will have to use this decision and the Appellate Division decision to further challenge the withholding of increments.

Please carefully read the explanation below.

The Appellate Court overturned PERC’s decision eliminating increments post expiration in Atlantic and Bridgewater. (The State of New Jersey relied upon PERC’s decision to not pay our increments.)

1. The Court said that increments are a mandatory subject of negotiations and parties can agree to have them continue, or sunset, after contract expiration.
2. If the employer denies salary increments- it is grievable and arbitrable. CWA filed grievances on this when increments were first denied. The grievances were held in abeyance waiting the Supreme Court decision.
3. The Appellate Division held that increments must continue as part of the “dynamic status quo” even where the contract does not specifically address whether they are paid after expiration. The Supreme Court affirms that increments must be paid if the contract explicitly states this or if it states that all terms and conditions of employment continue. The Court chose to not specifically address what happens if the contract language is not specific, but did not overturn the analysis of the Appellate Division.

### **Summary:**

**The Supreme Court affirmed the Appellate Court decision overturning PERC. However, because the Court ruled only on the Atlantic and Bridgewater cases, and did not “reach” the issue of the “dynamic status quo”, we do not know whether or not the Administration will pay the increments now or try to fight our getting increments. (Guess what we expect.) The Court decision, however, put us in an excellent position should the Administration refuse to pay our increments, and our lawyers are deciding where we will move forward on our Grievance and Unfair Practice charge.**

The Supreme Court's decision not to reach that question just means that it reserves the right to consider the issue in another case. In the meantime, the highest court decision addressing a public employer's obligation to pay automatic increments, says that the increments must be paid.

4. We have a very clear history that our increments are automatic. We have refused language last Contract that would have required that increments "sunset." We have also rejected the language accepted by other unions that increments are "frozen" after expiration. The language that we have was found to meet the conditions of an automatic increment system that must be continued under the dynamic status quo doctrine. In other words, we have good language and both the "past practices" and "custom" that the Supreme Court said would guide any future decisions.

**What does this mean? It means that the Supreme Court overturned the PERC decision that the State relied upon to deny us increments and to block arbitration our grievance. With this Administration, we have learned to expect the worst and they may continue to delay or refuse to pay us our negotiated increments. We may not be paid immediately based on this decision because of the issues left unaddressed. However, the decision gives us a good foundation for our contractual challenge and we are exploring other options as well.**

**We will hold a Town Hall Call with all of our members on MONDAY, AUGUST 7 at 7:00PM.**

If you have previously given your phone number to us and have received Town Hall calls, then we will call you on that same number.

If we don't have your phone number, or you will not be at that phone number, you can join the Town Hall on Monday by calling 855-269-4484 by 6:55pm.

**In addition, the Bargaining Committee and the Mobilization Committee are meeting this week to discuss next steps with Contract negotiations and mobilization.**