



Testimony to the Joint Committee on Public Service

by Steve Poftak

Tuesday, October 4, 2011

Testimony on H.B. 2492 “An Act Relative to Management Rights
of Public Employees”

Chairwoman Clark, Chairman Scibak, members of the committee, thank you for the opportunity to testify before you today. My name is Steve Poftak and I am the Research Director of Pioneer Institute, a Massachusetts public policy think tank.

I come before you to support H.B. 2492, which sets sensible limits on what can and cannot be collectively bargained in the public sector. It does not eliminate collective bargaining as some might suggest. Rather, it puts back into balance a process that has been knocked badly out of equilibrium.

When the abundance of labor money is combined with the fact that public officials are negotiating with someone else’s money, the result can be one in which those officials are essentially bargaining with their benefactors.

Public sector unions have a strong voice in political races. Seventeen of the 20 political action committees that gave the most to candidates for state and county offices during the last election cycle for which we have data were labor organizations, according to the Office of Campaign and Political Finance. Of those 17, 9 were public sector unions.

The result of this power has been steady tilt of the bargaining process in favor of their interests. In the private sector, employers have a seat at the bargaining table and can defend their interests. But in government, officials bargain with taxpayer money, not their own. When the abundance of labor money is combined with the fact that public officials are negotiating with someone else’s money, the result can be one in which those officials are essentially bargaining with their benefactors.

Steve Poftak is Pioneer’s Director of Research and Director of the Shemie Center for Better Government. Previously, Steve worked at the Commonwealth’s Executive Office for Administration and Finance. His prior experience includes service as Director of Corporate Finance for a privatization fund in Southeastern Europe. Steve holds an MBA from the Olin School at Babson College and a BA in Political Science from Middlebury College.

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For example, the Boston Fire Department’s uniformed personnel are all covered by the same union – from the chief of department to the line firefighters. The civilian Commissioner can’t decide the assignments of his 14 deputy fire chiefs or 52 district chiefs. As union members, they choose themselves, based on seniority.

Given this imbalance, it is important that we carefully tailor the scope of public sector collective bargaining. Collective bargaining is appropriate for issues like compensation and safe working conditions, but when the power of the public sector unions reaches into the management decision-making process, that’s a step too far.

President Franklin D. Roosevelt famously wrote that “collective bargaining, as usually understood, cannot be translated in the public service.” I’m not ready to go that far, but because of the unique dynamic that exists between public employee unions and political leaders, public sector bargaining must be carefully monitored. We believe HB 2492 achieves that goal, and that is why Pioneer Institute supports it.

About Pioneer

Pioneer Institute is an independent, non-partisan, privately funded research organization that seeks to improve the quality of life in Massachusetts through civic discourse and intellectually rigorous, data-driven public policy solutions based on free market principles, individual liberty and responsibility, and the ideal of effective, limited and accountable government.



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