

UNDERSTANDING SALARY ARBITRATION

Frequent Asked Questions

1. What is salary arbitration?

NHL salary arbitration is a tool made available to help settle contract disputes. The player and team provide a proposed salary for the coming season and, provide back up to their proposed contract value. The league provides an arbitrator who is a neutral third party responsible for setting the player's salary.

2. Who is eligible for salary arbitration?

In order to qualify for arbitration, a player must first be a restricted free agent. In addition, if a player signed his first NHL contract (ELC) before the age of 20, he must have played a minimum of four professional seasons. The later a player signs his ELC, the less professional experience required.

3. What are the rules?

Teams can request arbitration, however, not with a player who has already gone before. A player may exercise arbitration rights an unlimited amount of times during their careers.

4. How much can a player be awarded?

A player can receive a minimum of 85% of his previous salary. There is no maximum. The Arbitrator may award any amount within that range, however, the amount it is often somewhere between the player's requested salary and the team's proposed salary.

5. What items can be used during the negotiation?

- The number of games played and a player's injury history
- Overall performance (including NHL "official statistics")
- Length of service of the player to the club or in the NHL
- The Players contribution to the success or failure of his club in the preceding season
- Any special qualities of leadership or public appeal
- The overall performance of alleged comparable players
- The compensation of any comparable players

6. What items cannot be used during the negotiation?

- A contract entered into when "the Player" was not a "group 2" restricted free agent
- Any contract signed by an unrestricted free agent
- A contract signed by a player that is not being offered as a comparable player
- Qualifying offers
- Testimonials, videotapes, newspaper columns, press game reports or similar materials
- The financial condition of the club or the league
- The club's salary cap situation, or the players' share of hockey related revenue
- Any arbitration award issued in 2005-06, or any reference to a salary arbitration opinion that took place prior to the beginning of the salary cap era