

# FREQUENTLY ASKED QUESTIONS: BILL 32

## **What is the RAND Formula for collection of union dues?**

Currently our collective agreements require employers to deduct and remit union dues from all employees within a bargaining unit, whether or not they are members of the union. This is called the Rand formula. Non-members pay dues to the union because they receive services, representation, and benefit from the collective agreement and the union's advocacy. Members get the same rights but also can participate in the democratic function of the Union.

## **What is Bill 32?**

Bill 32 makes sweeping changes to the Labour Relations Code and Employment Standards Code in Alberta; negatively impacting unionized and non-unionized workers across the province. The goals of the bill are to reduce the compensation that workers receive for their labour and to radically transform labour relations in the province by making it difficult for unions to raise members' issues of concern and to advocate publicly for their interests.

One of the biggest changes to be implemented is to how unions can collect dues. Bill 32 requires unions to use resources to collect opt-ins, which increases the burden of financial reporting and ties up resources responding to disputes and complaints.

## **How does Bill 32 affect union dues?**

Bill 32 requires employees to opt-in before union dues can be deducted or spent on political activities. It imposes disclosure requirements on all unions before the collection of union dues.

Unions will have to allocate expenses into two categories: political activities, and other expenses. The union will then be required to provide the percentage, or amount, of union dues spent on political activity to employees. Unions will also have to provide other information about political spending prior to employees opting-in. The union will only be able to deduct the portion of union dues not related to political activity until employees opt-in.

## **How is CUPE responding to Bill 32?**

CUPE has joined with other unions in Alberta to challenge this legislation in court. CUPE National is dedicating resources to help locals comply with financial requirements, contact members, and respond to the legislation while the legal challenges proceed. Keeping on top of the legislative requirements, while meeting our responsibilities to our members and fighting this bill with every resource possible will require great effort and unprecedented co-operation between locals, CUPE Alberta, and CUPE National.

## **What is political spending under Bill 32?**

The definition of political activity in the legislation is broad. Bill 32 is not only about restricting partisan political spending: union donations to political parties are already banned in Alberta. Charitable donations, spending on general social causes, and issues and organizations or groups affiliated with or supportive of a political party all fall within the definition of political activity.

## **What do union dues pay for?**

Union dues are used for the daily operations of the Local, including collective bargaining, grievances, health and safety, arbitrations, job evaluations, education, conventions and conferences, communications, and campaigns on issues important to members. Locals also have access to National servicing representatives, specialists, and resources to support this work.

### **Do members have a say in how the Union spends money?**

CUPE is democratic – all decisions are made by its members in accordance with their Local bylaws and the CUPE Constitution. Budgets and spending are approved at General Membership Meetings, with Trustees being elected to audit each year's financials. All members have a choice and vote at meetings that allows them to make, debate, and pass motions. Decisions at the National level are made by a democratically elected National Executive Board that reports at each Convention.

### **Why is political action important to unions?**

Unions are involved in our communities. Unions organize fundraisers and events for community organizations by volunteering and making donations. Across Alberta it is important that members are there to support charities and community organizations. These charities and community organizations support the community and provide voices to those who are often unheard. They rely heavily on volunteerism and donations to be able to operate. Unions are engaged in campaigns and lobbying to strengthen our position in bargaining and make change that is important to all members. CUPE has campaigned on important issues such as the LAPP, funding of public services, and anti-privatization and anti-contracting out initiatives. Unions have always worked to make important gains for workers like minimum wage, maternity leave and pensions, by pushing at the bargaining table, forging alliances with community groups and working for political change.

### **How does CUPE make decisions about spending on political activity?**

CUPE makes decisions democratically in accordance with the National Constitution, and Division and Local bylaws.

### **Can unions avoid Bill 32 by reducing or eliminating political spending in the short term while Bill 32 is challenged in court?**

The short answer is no. CUPE and other unions are planning legal challenges to Bill 32, but these challenges may take years. In the meantime, there are no shortcuts around this bill. The provisions of the bill do not simply allow unions to disaffiliate from organizations and give up charitable donations to avoid all the paperwork. The administrative burden and disclosure requirements apply to all unions, regardless of how much money is spent on political activity.

The legislation is meant to encourage unions to reduce spending on political activity. The two-tiered union dues framework introduced in Bill 32 is the precursor to Right-to-Work legislation where payment of all union dues is optional. If Bill 32 is successful at reducing unions' spending on "political activity", anti-union politicians and employers will push for Right-to-Work legislation to limit unions' spending on bargaining, grievances, and representation of members.