

Bill 32 Guidelines: Core vs. Non-core Determinations

Locals will have to classify all their expenditures according to two types of activities:

- 1) The first are called “core” activities by the government and paying union dues to finance these activities is mandatory. Members will continue to pay this part of the dues regardless of their election.
- 2) The second are called “non-core” activities by the government and paying union dues to finance these activities is optional. Members who make an election to pay this part of the dues will help their local pursue goals that the government deems “political or social causes”.

Most of union dues in CUPE are spent on “core” activities. Some locals may not have any of their dues allocated to “non-core” activities. Members who decide not to pay the optional part of the dues will not see significant changes in their deductions.

Locals will have to give thoughtful consideration to expenditures that don’t fall clearly into “core” activities. Executives will need to ask the question: how does this expenditure help our members, strengthen our position in the labour movement, and protect us from having our power eroded by the government? To help determine the type of activities that fall under one category or the other, please follow the guidelines and scenarios below.

Guidelines

1) Optional union dues: This portion of the union dues will be used to finance social and political causes that do not directly benefit members in the workplace. “Non-core” activities can only be funded by this portion of union dues. These activities will include, for instance:

- Any contribution to charities, such as donations to food banks, the Red Cross, the United Way, or any organization that does emergency relief. Locals that have in the past contributed to charitable organizations during emergencies will no longer be able to do so unless they have specifically allocated funds from optional dues to emergency donations.
- Any contribution to think-tanks for research or advocacy on issues that are not relevant for union members.
- Any contribution to organizations affiliated with a political party. The government has explicitly targeted the Alberta Federation of Labour with this part of the legislation. Further guidance about AFL affiliation fees will be coming from the AFL in the coming weeks.
- Funding for social and political causes that do not directly benefit members in the workplace. Most locals do not undertake these types of activities. However, a public campaign that seeks to raise awareness about an issue that has little relevance for members might fall into this category.

All the activities of the local that do not fall into the above categories will—most likely— be considered “core activities”.

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2) Mandatory union dues: This portion of union dues should only be used to finance “core activities”. These are activities related to collective bargaining, representation of members, and fulfillment of CUPE’s obligations under provincial and federal legislation. They include, for instance, activities related to:

- Administering and governing the local. This includes any activities required for the normal operation of the union such as organizing membership meetings and conventions; developing and maintaining local bylaws; and organizing union drives and certifications.
- Negotiating and administering collective agreements
- Supporting and representing members in proceedings related to their employment, including arbitrations and hearings
- Providing strike pay to members
- Providing benefits to members (including scholarships)
- Complying with any legal obligation of the union under provincial or federal legislation
- Participating in legal proceedings to defend and protect members, such legal challenges of anti-worker or anti-union legislation.
- Training and educating members.

Under the new labour legislation, activities to advance and advocate for workplace goals are also considered “core” *as long as they directly benefit union members in the workplace*. This means that lobbying and public campaigns can be “core” activities if they are intended to raise awareness about issues that are relevant to union members. For CUPE locals in the public sector, for instance, a campaign about how a shortfall in provincial funding for public services affects workload, staffing levels, or wages will be a “core” activity. Similarly, a campaign to defend the pension entitlements of our members will be a “core” activity.

If locals are uncertain as to whether a particular campaign is “core” or “non-core”, they should seek additional guidance from CUPE. Resources will be available to assist locals that seek to undertake either “core” or “non-core” public campaigns.

If an activity falls into both the “core” and “non-core” categories, the determination of how to fund the activity should be based on the predominant purpose of the activity. This situation may occur, for instance, if member training is provided by the AFL (considered as being affiliated with a political party). In that case, the predominant purpose of the training would determine whether the local should fund it with optional or with mandatory dues.

Payments to other parties: Aside from the money locals spend on their own activities, they should track the money they pay to CUPE National and to other labour organizations in the form of affiliation fees, dues, or assessments. Those payments can be either “core” or “non-core” depending on how the money is used by CUPE National and the other organizations.

- CUPE National: The National union has decided that the totality of the 0.85% per capita affiliation should be allocated to “core” activities. Therefore, no portion of the National per-capita will be optional.

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- CUPE Alberta Division: The Alberta Division will be bringing forward changes to their by-laws at the March 2022 Division Convention. Affiliated locals will be able to vote on those changes to accommodate the legislative changes brought about by Bill 32. All locals in Alberta will receive more information after convention.
- Committees and Labour District Councils: When locals participate in district councils or CUPE sectoral committees, they should track the money that the local contributes to those organizations (if any) that is also allocated to “non-core” activities of those groups. Locals do not need to track money for “non-core” activities that those organizations receive from the Alberta Division or from CUPE National, only the money that the local contributes in addition to that. For example, if your local participates in election or campaign training through the labour district council, your local’s expenses to send a member to that training might be considered “non-core,” however, if your local sends a member to steward training through the district council that would be considered “core”.

To calculate the total percentage of optional dues, the local would add the following:

- For locals affiliated to the Alberta Division, guidance will be coming forward shortly.
- The XX% of dues that the local decides to allocate to “non-core” activities (as described in 1), if any.
- Any money that the local contributes to other labour organizations that are exclusively used for “non-core” activities.

The rest of the funds will constitute mandatory union dues.

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SCENARIOS

The local, having engaged in thoughtful consideration, is going to be the key when presenting information to their members and possibly defending against any challenges at the Labour Board about the allocation of dues as “core” or “non-core”.

Scenario 1: Community Profile Building

Every three years we face a tough round of bargaining with our municipal employer. After the last round we decided to run a campaign to engage our members and connect with our community. We are spending \$25,000 a year over 2 years to have members booked off to attend community events like sports events and the weekly farmer’s market. We are also providing swag to our members and the community. Is this a “core” or “non-core” activity?

Questions to ask in this scenario:

Does this work advance our workplace goals?

How does this work impact our members/improve their working conditions?

Does this work advance our workplace goals?

Yes! Building solidarity within your membership and building your community profile when you aren’t in the middle of bargaining is key to enhancing your position at the bargaining table. Reinforcing the value of your work by highlighting that work in the community is good for both you and your employer.

How does this work impact our members/improve their working conditions?

When you have the backing of your members and the community they serve, it is harder for the employer to erode the rights in the collective agreement and spread anti-worker sentiment in the community. Community and member support also makes it easier to connect the quality and high value of public services with work that deserves to be valued and wages that deserve to be increased.

Scenario 2: Christmas Party

Every year our local hosts a Christmas party. We have food and gifts for the kids under 18. We also collect cash and food donations for our local food bank at that event. Is this a core or non-core activity?

Questions to ask in this scenario:

Does this work advance our workplace goals?

How does this work impact our members/improve their working conditions?

Does the donation to the food bank count as “non-core”?

Does this work advance our workplace goals?

Building solidarity within your membership is key to weathering hard times. Bringing people together to celebrate is one of the ways we can bridge the gaps of understanding about the role of unions in our workplaces and community.

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How does this work impact our members/improve their working conditions?

It is vitally important for locals to bring their members together and to bring back the concept of workers standing up alongside one another, like a family, to push for safe and healthy workplaces. Often social gatherings are the only connection a member has with their union. Being invited to these safe spaces is key to building solidarity.

Does the donation to the food bank count as “non-core”?

The donation to the food bank would be entirely comprised of members *voluntary* donations. This would not have to be allocated as either “core” or “non-core”.

Scenario 3: Research and Advocacy

Every year our local contributes \$5000 each to the Canadian Centre for Policy Alternatives – Alberta (CCPA – Alberta) and the Parkland Institute. These sustaining donations allow these organizations to research and publish material that supports progressive policy alternatives and broader societal fairness. These organizations align with our vision and goals for a just and safe society for all. Is this a “core” or “non-core” expenditure?

Questions to ask in this scenario:

Does this work advance our workplace goals?

How does this work impact our members/improve their working conditions?

Does this work advance our workplace goals?

Then answer can be both: it does, and it does not. It will be important to work with these advocacy groups to ensure that the money that it receives from unions will go towards work relating to worker rights in Alberta, or even better in your jurisdiction. For example, if CCPA – Alberta was to launch a comprehensive report into the impacts of Bill 32 across various labour organizations and you provided data to that research, that could certainly be considered “core”.

How does this work impact our members/improve their working conditions?

Further to above, this may be the time to look into work that is specific to your sector or your workplace. Organizations like Parkland Institute and CCPA – Alberta, often have a broader scope and relationships with many unions, not just CUPE. This may be the time to engage in research and policy work around issues around education sector funding models and the impacts on both workers and students or shining additional light on the staffing model issues in the long-term care and home health sectors. Any of this type of work could be considered “core”.

Scenario 4: The Terminator

Our school district hired a new facilities manager. The first thing she did was “clean out the old wood” and she terminated six members who had let various certifications lapse or who had not been able to attain certifications that were made requirements after they were hired. The previous manager had “grandfathered” these people and assigned them to work at locations alongside other people with the proper certification because the requirements came after they

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were hired. (We are making the assumption that there are no safety concerns with these workers doing the work or a portion of the work uncertified.)

Of the six members, two are people who are universally despised by their coworkers. When we discussed the outstanding termination grievances and let the membership know they were being advanced to arbitration, some members challenged the local about using dues money to represent the two members people didn't like. The concerned members got the rest of the members worked up and indicated that they were going to challenge the local's decision to represent the two members using "their money". What do we do now?

Questions to ask in this scenario:

Do we get to pick and choose who we represent based on the will of the membership as a whole?

How does this work impact our members/improve their working conditions?

Do we get to pick and choose who we represent based on the will of the membership as a whole?

Like them or not – we represent all our members. The employer's actions were unfair and violated previously agreed upon terms of employment. There is no evidence that workers were given options to obtain certification or post to positions where certification is not a requirement. There is no reason to represent two of the four members differently. Failing to properly represent them will most likely end in a duty of fair representation challenge under section 153 of the *Alberta Labour Code*. Further, any challenge that the members may make about dues allocation would have to be dismissed as representation is defined as "core" under the Bill 32 legislation. Bill 32 in no way gives unions the right to not represent difficult people, nor does it give the membership the right to vote away representation for certain unpopular members.

How does this work impact our members/improve their working conditions?

It would be impossible to continue to operate as a union if we violated the core principals of our movement. We exist to protect members from this type of arbitrary dismissal: it is central to our work. Failure to represent our members equally would undermine our strength in our workplaces and in the broader labour movement.

Scenario 5 – Health, youth, and food

Every year when we present the budget to our members, we allocate \$5000, mostly from dues, to be used to support community organizations in need. Usually around Christmas we get requests in from the hospital auxiliary, the local youth shelter and the food bank. The executive decides how to allocate the \$5000 and their choices are reflected in the meeting minutes. Is this spending "core" or "non-core".

Questions to ask in this scenario:

Does this work advance our workplace goals?

How does this work impact our members/improve their working conditions?

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Does this work advance our workplace goals?

Building solidarity with like-minded community organizations is a great way to build your local's profile in the community. It helps your local combat the narrative that union workers are selfish and just want to add to their "gold-plated" benefits and lifestyle.

How does this work impact our members/improve their working conditions?

Our members are members of the community. They live here, use community not-for-profit services and volunteer for those same services. Our members are a vital part of what makes our communities and bringing that community spirit and desire to be a part of community back into our workplaces is vital to building our solidarity with one another and boosting workplace morale.

Final thoughts:

If you are concerned about challenges from your membership about charitable donations or research and advocacy work here are some ways to work around those challenges:

1. Clearly communicate your local's intentions in the budget. Delineate specifically what charities/organizations, how much, what for and when.
2. Allow discussion and vote to approve or not approve charitable/research spending. Have examples of the good works available.
3. Make community investments with funds accumulated prior to the August 2022 deadline.
4. Have a non-dues source of income? Investment interest or building rentals? If members are opposed to dues money supporting those agencies and charities, consider continuing to fund them through another revenue stream.

Almost all our members will respect the time put into thoughtful consideration of your budget. They may not always agree, but a well reasoned and well thought out budget is going to go a long way towards helping members to understand the power of collective action.

Finally, be prepared to show members what a "non-core" portion would look like. For most people the \$0.13 per pay period won't be worth it for them to go through the rigamarole of signing up to be "core" dues supporters only. Also, now is the time to work with your employer: they are going to be equally unhappy to have additional administrative processes placed upon their payroll department and they have a strong voice with the current provincial government to push back on these unreasonable requirements.