



Membership Budget Meeting June 16 2015 Background brief

A new National Executive Committee

The 2015-2018 National Executive Committee (NEC) is proud to engage you in a review of the CAPE budget that is somewhat different from past budget ratification votes. The election last fall, involved for the first time in CAPE's history a slate of candidates running on a common platform. However, the NEC felt it was important to establish a common ground for all directors, and engaged in a strategic planning exercise to jointly identify a set of four strategic goals for the duration of the mandate. As the budget planning was almost at the end of its cycle, we boldly opted for trying to make some last-minute adjustments based on this priority-identification exercise and are now coming to the membership for a review and ratification of our suggested approach, which includes the establishment of a defense/strike fund financed out of last year's budget surplus.

Current union context

The circumstances under which our union operates have been drastically changed under the new labour relations rules established by budget bill C-4 in 2013 and the constant attacks on unions, mostly recently with C-59, that could de facto skew even further the bargaining power in favour of the employer. The fact that CAPE no longer has access to binding arbitration, forcing us to use the conciliation/strike route if an impasse is reached at the bargaining table, has created the urgent need for having the means to

fight back. Although some of our members have indicated that they are unwilling to strike, providing a strike mandate does not necessarily mean that there will be walk-outs that will result in loss of income. (see Mobilization bulletin for details [LINK](#)) No matter what form of job action members would be willing to engage in, your union would still need the sufficient resources to defend its members, be it through legal or other means, which requires the establishment of some sort of a defense fund.

Membership Engagement in Budgeting

For the next budget cycle beginning in the Fall of 2015, we will be coming to you much sooner for input on your priorities. The upcoming Membership Budget Meeting which will be Web-cast and therefore available from coast to coast to coast, is your chance to express yourself on the budget allocations. We will make a portion of the webcast available afterwards on the website, which will allow those who could not make it to capture the essence of the debate that took place at the meeting, in order to inform their ratification vote. This will be a first in CAPE's history.

Strategic objectives

The following strategic objectives have been adopted by the NEC on May 27th, 2015 and the percentage in brackets represents the estimation of the level of budget allocated for each:

1. CAPE members have the information and opportunity to engage in and shape the Union (23%)
2. CAPE and its membership are respected and effective members of the labour and social justice movements (10%)
3. Members, locals and staff work together to improve and defend the everyday working conditions of CAPE members (37%)
4. CAPE is positioned to successfully defend and improve the working conditions of its members for the next round of bargaining (30%)

Office management (that includes such things as rent & utilities, stationary, pension management fees, financial staff salaries and benefits) is not considered a strategic objective but is an enabler for all of the above.

Key Budget Elements Aligning with Strategic Objectives

In view of the objectives above, the attached full budget that you are asked to approve contains several proposals that are being put forward with a view to implement the

evolving priorities. We are explaining those elements below. You will also find attached a simple document that outlines what each budget line item means.

With relations to Objective 1: **CAPE members have the information and opportunity to engage in and shape the Union** the following budget allocation increases are proposed:

- On **budget line 6 Communications**, the *Promotional materials* allocation has been increased as we have noted in the context of inter-union activities that CAPE visibility was minimal to non-existent. We have purchased additional flags, and banners and plan to purchase lanyards, vests, buttons, etc. to provide members with visible affiliation to CAPE.
- On **budget line 13 Meetings**, the line on *Mobilization, Engagement and Education* is being significantly increased to account for the joint union activities we have been organizing on the 19th of each month and will continue to organize, on our own or with others, to ensure that CAPE members are more aware of what is going on, more ready to step up and mobilize around common purpose. This includes holding information sessions, education events, lunch-hour pickets and other forms of mobilization in the NCR and in the regions.
- On **budget line 13 Meetings**, a new line called *Constitutional and By-Law Review* has been added with the purpose of ensuring a participatory process involving members from around the country in rethinking how the Association is structured and whether a different kind of governance would be better suited to address today's challenges. This includes challenging the notion that AGMs cannot put motions forward or discuss and amend motions being put forward for membership approval, questioning the very centralized power in the hands of the National President as per the current Constitution, and enhancing the role of democratic debate within the union.

With relations to Objective 2: **CAPE and its membership are respected and effective members of the labour and social justice movements**, the following new budget line is being addition is proposed.

- **Budget line 17 Contributions** would allow the NEC to provide monetary support to various causes that are deemed to be in line with the over-arching principles defended by the Association. In an era where labour and social movements are under much pressure, more solidarity is required to support causes beyond our own self-interest. Unions can be very effective actors of broad social justice, to ensure that vulnerable segments of the population, including precarious workers, are better protected through those solidarity links. See for example the [latest ILO report](#) on global trends regarding weakening social protection, and this

[other ILO report](#) which raises red flags about new trends in employment: part-time, precarious or self-employment, or unpaid family jobs.

- **Budget line item 15 Fees Affiliation** contains in year two a marker for the potential annual cost of CAPE's affiliation to the Canadian Labour Congress. This decision remains with the membership, but the NEC is putting this on the members' radar so that they know to expect a debate around this issue in the coming months.

With relations to Objective 3: **Members, locals and staff work together to improve and defend the everyday working conditions of CAPE members**, the following increased allocations are being proposed.

- **Budget line 7 Training and Development**, the line on Stewards' and Members' training (and sub-lines Accommodations, Travel and Salary reimbursement) have been increased so as to allow an intensification of training for the purpose of having a reliable network of trained stewards who can effectively offer accompaniment and support to members in the workplace. CAPE has relied and will continue to rely on a professional cadre of Labour relations officers (LROs) to ensure members' representation in formal recourse, (grievances and complaints) but a closer partnership will be sought between locals, stewards and LROs going forward, particularly as we note a surge of demand around performance management and workplace issues that are of more collective nature and require workplace intel to resolve.

With relation to Objective 4: **CAPE is positioned to successfully defend and improve the working conditions of its members for the next round of bargaining**, the key additional budget line is the establishment of a defence/strike fund

- **Budget line 18 Strike/Defence Fund** has been established to begin the process of putting in place a defence/strike fund. In the context of C-4 as described above, CAPE can no longer use binding arbitration to resolve disputes. CAPE's goal will always remain to come to a settlement, but we will need to show our resolve by voting for or engaging in job action. Another type of use for this fund could be the legal challenges around the constitutionality of some legislation, such as the legal action CAPE will pursue jointly with PIPSC, around Bill C-59. The line may seem substantial but please note a significant sum has been allocated in order to show our commitment and this line will be the topic of further discussions with members in the coming months and years, including the development of parameters around how it can be used, or not. Please also note that this line will put us in a deficit position because of accounting rules, but it is

equivalent to the level of the 2014-15 surplus that would have otherwise been transferred to the balance sheet.