

Bill aims at union financial disclosure

RICHARD GILBERT - October 10, 2011

Canada's open shop construction associations are supporting proposed changes to federal legislation that require unions to publicly disclose how workers' dues are spent, but some view this as another attack on the labour unions.

"This legislation is long overdue," said Terrance Oakey, president of Merit Canada. "It's time for Canadian unions to move into the 21st century with regard to transparency and accountability."

Russel Hiebert, a backbench Conservative MP for South Surrey, White Rock and Cloverdale, B.C. introduced a Private Member's Bill on Oct 3.

"The basic premise of the bill is that every labour union in Canada would file a standard set of financials, which would then be publicly posted on the CRA website, much like charities already are required to do," said Hiebert during parliamentary proceedings. "The public would be empowered to gauge the effectiveness, financial integrity and the health of any union. Using electronic filing, the expense incurred by unions and by the federal government should be negligible."

Bill C-317, which is an Act to amend the Income Tax Act, would require all Canadian labour unions to publicly disclose their financial statements or risk losing their tax exempt status.

"Workers in the unionized workplaces of Canada have no say when it comes to paying their dues. If they want the job, they hand over the money," said Independent Contractors and Businesses Association of B.C. president Philip Hochstein. "If their workplace is being organized, they have a right to know just where their money would be spent. The transparency and accountability this bill would bring to union spending is long overdue."

In response, some argue the proposed Bill is one more example of the Conservative government's attack against the labour movement and the New Democratic Party.

"It's interesting that the first piece of legislation from a private member is something that attacks workers' organizations," said Tom Sigurdson, the executive director of the British Columbia Yukon Territory Building and Construction Trades Council. "I think the government is trying to fly a flag to see which way the wind is blowing. They are throwing it out there as a test."

Sigurdson said the Conservatives have proposed to end public funding at the federal level for political parties and this is an attempt to erode other funding streams for political parties.

"This is an attempt to create an issue that doesn't exist," said Ken Georgetti, president of the Canadian Labour Congress. "This government has bullied civil servants, bullied scientists, bullied the churches and NGOs, and now they want to bully the labour movement."

The Conservatives ended a postal disruption and ordered Canada Post employees back to work with legislation (Bill C-6) on June 26, after more than 48 hours of continuous debate in the House of Commons. The Senate passed the bill with a vote of 53 to 26.

About 50,000 locked-out Canada Post workers were forced back to the job under settlement terms arranged by government, rather than through a collective bargaining.

Air Canada and the Canadian Union of Public Employees reached an agreement on Sept 20. Labour Minister Lisa Raitt said she would table back-to-work legislation if workers decided to strike.

The deal came less than 24 hours before flight attendants had planned to walk off their jobs in a dispute over wage, work rule and pension issues. The union represents 9,500 air transport employees, including employees of Air Canada and seven other carriers.

“Our financial records have always been open to our members and if Russ Hiebert knew anything about unions, he would know this,” said Georgetti. “I wish Conservative cabinet ministers like Tony Clement and Peter McKay would be as transparent with their use of taxpayers’ money as we are with our dues from members.”

Hiebert declared expenses of \$637,093 for the 2008-09 fiscal year, which was the second-highest expenses among all members of the federal House during that period.

More than \$214,000 of his total was claimed for travel, with much of that going to trips made by his wife and two children to and from Ottawa. This is an allowable expense for MPs.

According to Canadian Centre for Policy Studies (CCPS), Canada lags far behind other countries in terms of protecting union workers.

“Canadian workers can be forced to join unions as a condition of employment or pay union dues even if they’re not members. Those dues are often used to fund activities unrelated to collective bargaining, said CCPS president Ben-Ami. “In contrast, European workers can’t be forced to join a union as a condition of employment, nor can they be forced to fund union activities unrelated to collective bargaining.”