



CAPE's Proposed Monthly Dues Increase Questions and Answers

1- What caused CAPE's deficit?

Traditionally CAPE has worked with deficit budgets and spent conservatively. With a growing membership, operating costs could be met each year, and in most years a small surplus could be set aside. This made it possible to freeze dues in 19 of the past 20 years. But now, the membership has gone down as a direct result of downsizing. Since 2012, we have lost 1,000 members. Revenues which are almost exclusively from dues have followed and gone down by \$420,000.

Service demands have gone up:

- more cases of individual representation on harassment cases, on accommodation cases, grievances of different types;
- more information for the membership to keep up with changes to their work environment;
- more litigation as a result of a state of confrontation created by the employer;
- more concerted action with other unions to protect rights that are common to all Public Service employees, and;
- more expenditures in order to allow more members to be involved in the organization.

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2 – How much is the deficit?

The various initiatives noted above have increased the overall costs within the CAPE budget. When this is added to the projected dues revenue declines, due to members volunteering or becoming impacted, the projected deficit for 2012/2013 exceeds \$900,000. The deficit would have been significantly higher had CAPE's Finance Committee not cut an additional \$500,000 from the 2012-2013 budget. The Finance Committee has cut an additional \$200,000 from the 2013-2014 budget that will be proposed to the membership in the fall.

3 - Why do we need to increase the dues?

CAPE's reserve fund has been used to cover recent deficits and is being depleted. CAPE cannot cut its expenses further unless services are cut.

4 - What will happen if the increase is accepted?

We will be able to maintain the level and quality of services CAPE members expect. The dues increase will offset part of the decrease in dues revenues that we are

If the dues increase is not approved, CAPE will have to consider a merger with another federal public service union.

experiencing because of the reduction of our membership. CAPE has lost 1,000 members since the 2012 Federal budget. Furthermore, we will reduce our deficit progressively and should have a balanced budget by 2015.

5 - What will happen if the increase is rejected?

We received your feedback during the previous proposed dues increase voting processes, and we have reacted accordingly: we have made further cuts to CAPE's expenses, and we have staggered the proposed dues increase, and lessened the total

increase. Whereas previously CAPE proposed a one time increase of \$15.00, the present proposal spreads the increase over a two year period - \$8.00 effective September 1, 2013 and \$5.00 effective September 1, 2014, for a total of \$13.00. In addition we are asking separately that you approve an increase equal to the CPI for subsequent years beginning in September 2015. If the dues increase is approved by the membership, we will no longer need to repeat this exercise and you will be certain that your union has the means to represent you and provide you with the services that you need.

That being said, CAPE will not be able to continue to provide the same level of service without a dues increase. If the NEC believes that, in keeping the best interests of the membership at the forefront, CAPE will no longer be able to function, serious consideration will be given to merging CAPE with another public service union to ensure members continue to receive the services they require. (This is not the only option, but must be given serious consideration.)

An emergency meeting of the NEC will take place at the end of June to review the budget and to possibly make additional amendments before the 2013-2014 budget goes to the membership in September for approval.

Acceptance of a dues increase will ensure that the budget deficit will be eliminated and the reserve fund will be stabilized.

6 - How much of an increase?

The proposal before you is for a \$8.00 per month / per member increase commencing September 2013 and an additional \$5 per month, commencing September 2014, which will put your dues at \$43 per month this year and \$48 next year. This proposal is to address the matter of the existing deficit.

In addition, you will be asked to vote on a second separate proposal, to increase dues annually, effective September 1, 2015 and as of September 1 of each subsequent year, equal to the annual rate of the CPI increase published by Statistics Canada in June of the same year. The second proposal would establish a process whereby members will no longer be confronted with a financial situation requiring a sudden increase in dues.

We would like to remind members that CAPE dues have not increased since 2005. CAPE dues are the lowest within the federal public service and the increase will result in dues that are still among the lowest of federal public service bargaining agents. Read [“How CAPE dues compare with other public services unions?”](#) at the end of this document.

Proposition no. 1 :
increase the dues by
\$8.00 per month per
member on September 1,
2013, with an additional
increase of \$5.00 per
month beginning on
September 1, 2014.

7 – Will our dues continue to rise?

All increases in dues must be submitted to the CAPE membership for approval. This is the first recommended CAPE dues increase since 2005. Other unions in the federal public service undergo regular dues increases. The proposed CPI increase which is the second proposal that will be submitted to the members will only be implemented if the membership votes in favour of it; thereafter, it will be automatically implemented as proposed.

Our budgets over the last years have been modest. Spending has increased incrementally over the years as the overall membership, and consequently membership dues revenue, has also increased. However, since the 2012 federal budget, revenues are falling, while expenses are rising to ensure members receive services. [Read the chart comparing CAPE expenses in 2006 and in 2012.](#)

8 – What about collective bargaining?

CAPE had to request arbitration for each of its groups. Preparations for the last rounds of negotiations began two years ago, and the negotiations were particularly difficult. As a result, the costs of negotiations were substantially increased. Members of the TR group and the members at the Library of Parliament received increases comparable to

other public service employees but made gains on other important issues. EC members received a larger wage increase as they were awarded an additional step worth 3.45% in their pay scale, because the Arbitration Board recognized CAPE's submission that ECs were underpaid in relation to similar jobs in the public and private sectors. Read the document "[Improvements to the three CAPE Collective Agreements](#)" for more details.

Proposition no. 2 :
beginning on September 1, 2014, and the 1st of September for each consecutive year, increase the dues by an amount equivalent to the CPI published in June of that same year.

We are preparing for the next round and we know it will be difficult. Members of the Professional Association of Foreign Services Officers are facing an impasse in their negotiations and have started job actions to force a return to the table. At the Public Service Alliance of Canada, the 7,000 members of the FB Group are also in negotiations and Treasury Board took the unusual step of tabling a final offer on April 26, even before the Public Interest Commission has tabled its report.

In its last budget, the government has announced that it will seek to align our working conditions with those of the private sector, focusing primarily on wages, benefits and sick leave. We need to invest resources to prepare for these difficult negotiations.

9 - What if I have difficulty with the voting process?

If you or a colleague experience difficulty casting a ballot, please contact the national office, either by e-mail at ecomunications@acep-cape.ca or by telephone at 613-236-9181 or 1-800-265-9181. The national office staff will ensure that all steps are taken to allow you to exercise your democratic right to vote. We have put in place a process which will allow you to vote by paper ballot if you can't vote electronically, because of a technical or other problem. (Please see the document entitled "[CAPE's Voting Procedures](#)".)

10 – Does the National Executive Committee recommend voting yes?

The National Executive Committee recommends that you approve the dues increase as recommended in a motion to them by the Finance Committee. Members of the National Executive Committee include the president of CAPE, the EC/LoP Vice-President, the TR Vice-President, the Presidents of seven locals including two regional locals, two local stewards and three regular members. They have carefully reviewed CAPE's financial situation and they believe that the dues proposal is in the interest of their colleagues.

11 - If approved by the CAPE membership, when would the change in dues come into effect?

If approved, the increase in dues would come into effect on September 1, 2013, and should be reflected on your last pay of that month.

12 - How do CAPE dues compare with other public services unions?

There are 17 different bargaining agents that have Treasury Board as the employer of their members. Each of these bargaining agents establishes its own dues. CAPE has always been proud of the fact that it provides service second to none while managing funds responsibly, with the result that our members pay among the lowest union dues among all federal public service employees. If the membership approves the recommended dues increase, this would still be the case.

The National Executive Committee recommends that you approve the dues increase as recommended in a motion to them by the Finance Committee.

In order to demonstrate this, we have prepared the following table to demonstrate what members of other bargaining agents pay in union dues, as compared to members of CAPE. In order to arrive at these figures, we relied on objective information found on the Treasury Board website. In addition, where possible, these figures were confirmed with the respective bargaining agents.

CAPE has close to 3,000 EC-06 members, and as one of the most populated groups, we have chosen the salary of an EC-06 member, in the middle of the pay-scale, to examine the differences in union dues between bargaining agents*. Thus, an employee earning approximately \$88,414 as a member of CAPE, would pay \$43 a month in dues, commencing September 2013 and \$48 a month commencing September 2014, should the members approve the dues increase. See how this compares to employees represented by other bargaining agents in the same wage range in the table on the next page...

(Please note, for those bargaining agents with variable dues, the classification and salary level used to construct the comparison is noted. Numbers are based on June 2012 pay levels.)

Union	Monthly Union Dues
Association of Canadian Financial Officers	\$50
Association of Justice Counsel	\$53.36 (LA-1 \$85,381)
Canadian Air Traffic Control Association	109.14 (AI-4 \$87,314)
CAPE	\$35 currently \$43 in 2013-2014 \$48 in 2014-2015 (if increases are approved)
Canadian Federal Pilots Association	\$117.01 (CAI-3 \$87,961)
Canadian Merchant Service Guild	\$96
Canadian Military Colleges Faculty Association	\$71.15 (UT-3 \$87,468)
Canadian Auto Workers	\$122.34 (RO-6 \$83,890)
Communications, Energy and Paperworkers Union of Canada	\$113.75 (OFO-19 \$71,125)
Federal Government Dockyard Chargehands Association	\$75
Federal Government Dockyard Trades and Labour Council (East)	\$72
Federal Government Dockyard Trades and Labour Council (West)	\$85.00 (MTG-1 \$71,908)
International Brotherhood of Electrical Workers	\$122.50 (EL-08 \$88,938)
Professional Association of Foreign Service Officers	\$95.36 (FS-3 \$85,500)
Professional Institute of the Public Service of Canada	\$55.56
Public Service Alliance of Canada**	\$102.15 (IS-5 \$88,214)
Union of Canadian Correctional Officers	\$113.96 (CX-2 \$70,131)

* Union dues are set by the bargaining agents and calculated either by using a fixed rate or as a percentage of the employee's salary. Calculations are based on the most current pay scales available on the Treasury Board website.

**Please note that the dues for members of the Public Service Alliance of Canada are set at 0.9007% of salary to which are added the dues set by the member's component and local. For this particular position, total dues equals 1.39% of gross salary.