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**BUDGET EXPLANATIONS**

**Revenue**

The general term given to the source of cash of the Component.

## **Dues**

Revenue produced from the Monies received from the PSAC for dues deducted from represented deductees.

The number of deductees recommended by the National Executive Finance Committee is **23,500** per year for each of 2024, 2025 and 2026 at a dues rate of .6000%. This would provide dues revenue of **\$8,911,200** each of the three years.

**Rationale:** The Committee reviewed the historical data and determined that this number was fiscally responsible. This figure takes into consideration the three percent (3%) decrease in operations, maintenance, and salary (OM&S) by the federal government indicated the 2023 budget.

### **Sundry Revenue (Interest)**

Money received as a result of investments, interest received for amounts on deposit with the bank, and any miscellaneous income.

The Committee recommends **\$155,000** each of 2024, 2025 and 2026.

Rationale: Based on historical data from investment portfolio with an understanding that the markets can fluctuate unpredictably.

## **Expenses/Expenditures**

Money paid by the Component for a service, or liability rendered by a second or third party.

## **STAFF MEMBER SERVICES**

### **1. Employee Benefits**

An expenditure incurred by the Component for the employer portions of benefit plans for paid staff, members, and executive, excepting the full-time paid officers. Includes the cost of employment such as required by law, ( CPP, EI, Workplace Insurance, Health Tax). Includes all costs associated with benefits as negotiated in Staff Collective Agreement. Such benefits include the employer's contribution to the staff pension plan, extended health benefits, vision care plan, dental benefits, life insurance, and long term disability insurance. The total costs of all benefits, both negotiated and legislated is approximately 40% of salaries paid.

The Committee recommends **\$1,150,000** for each of 2024, 2025 and 2026.

Rationale: The cost of all the benefits is approximately 40% of base salaries. This amount is based on historical data.

## **2. Provision for Severance Pay**

An amount set aside for expenditures which may be incurred as a result of staff departures, requiring a severance payment be made. This covers future liability.

The Committee recommends **\$80,000** for each of 2024, 2025 and 2026.

Rationale: The Component needs to maintain the level of the fund such that liabilities for one week per year of service at current salaries for each staff person is covered.

### 3. Salaries

Remuneration paid to all staff in accordance with the negotiated collective agreement and employment contracts.

The Committee recommends **\$3,230,400** for each of 2024, 2025 and 2026.

Rationale:

The committee budgeted to reflect the required staffing positions of the component. This amount includes \$2,936,800 in regular salaries and \$293,600 for overtime which represents approximately 10% of the regular salaries.

In the last 2021-2023 cycle, it was identified that the staffing level of the Union of National Employees needed to be reviewed. The positions at UNE require a wide range of skills to meet the needs of members in over 70 different workplaces. Our members work in the public, private and not-for-profit sectors.

Given that, in order to establish the budget for the next 2024-2026 cycle, the number of members rises from 21,000 to 23,500, an increase of 11.9%, the situation is favourable for updating the employee structure of the Union of National Employees and for staffing new positions, the Committee recommends including an addition of 23.3% to the salary budget for the next 2024-2026 cycle.

#### **4. Staff Recruitment and Training**

Expenditures incurred as a result of filling a vacant staff position and ongoing staff training.

The Committee recommends **\$80,000** for each of 2024, 2025 and 2026.

Rationale: When establishing this amount, the Committee considered the historical data.



## **5. Staff Travel and Expenses**

An expenditure incurred by staff to perform their designated responsibilities away from the National Capital Region. It includes travel, hotel, and per diem in accordance with Component policies and the staff collective agreement.

It also includes expenditures incurred by any staff member to perform their designated responsibilities in the National Capital Region. This includes such items as taxis and per diems in accordance with the collective agreement.

The Committee recommends **\$100,000** for each of 2024, 2025 and 2026.

Rationale: When establishing this amount, the Committee considered the historical data.

## MEMBERSHIP EMPOWERMENT

### 6. Collective Bargaining

Expenditures incurred for the purpose of obtaining an agreement with an employer. Includes all associated costs incurred by members such as meeting room rentals, simultaneous translation, per diem, hotel, travel, salary compensation, family care.

National Executive and Staff may incur expenses related to obtaining a collective agreement for members. National Executive expenses for such expenses are charged to the Line Item "Executive Expense-National Activities". Staff incurred expenses are charged to the Line Item "Staff Travel & Expenses". This line item is not for mobilization.

The Committee recommends that **\$25,000** for each of 2024, 2025 and 2026 be budgeted.

Rationale: This amount includes the costs for additional members on separate employer negotiating teams, for conference calls related to specific bargaining groups, and for any special mobilization efforts which are not covered by the PSAC. Collective Bargaining is the responsibility of PSAC.

## **7. Conferences and Seminars**

Expenditures incurred for the purpose of communication and interaction by the executive and membership at a specific time and place. Costs incurred by members for per diem, travel, simultaneous translation, hotel, salary compensation, meeting room rentals, refreshments, and family care. These expenses include those incurred in accordance with Component Policy CC7 (Policy on Seminars)

Expenses incurred by Staff while in attendance at such events are charged to the Line Item "Staff Travel and Expense".

Expenses incurred by members of the National Executive are charged to the Line Item "Executive Expense- Regional Activities".

The Committee recommends **\$ 750,000** each of 2024, 2025 and 2024.

Rationale: The amount was based on historical data. The budget allows for each region to have one seminar per term. The President's Conference will be held in the NCR Region. The budget allows for participation at the CLC Convention for UNE Officers.

A one-time Youth Conference will be held during the 2024-2026 cycle with funds taken from the unrestricted surplus.

Womens' Conference	\$ 575,000
Presidents' Conference	\$ 650,000
Health & Safety Conference	\$ 450,000
Regional Seminars (one per region)	\$ 565,000
CLC Convention	<u>\$ 10,000</u>
	\$2,250,000

## **8. Conventions & Conferences – PSAC**

Costs incurred by members for per diem, travel, hotel, compensation, family care, and registration for PSAC Conferences and Conventions. It also includes costs for caucus room, simultaneous translation, and refreshments.

Expenses incurred by Staff are charged to Line Item "Staff Travel & Expenses".

The Committee recommends **\$30,000** each of 2024, 2025 and 2026.

PSAC now has a policy of funding participants at both the regional conventions and PSAC conferences. Costs are for UNE caucuses held during these PSAC events.

## 9. Donations

Monies donated to various organizations, as determined by criteria passed by the National Executive.

The Committee recommends **\$5,000** for each of the years 2024, 2025 and 2026.

Rationale: The Committee recognizes that there is a need for this line item and this amount was established based on historical data.

## 10. Human Rights Committee & Conference

Expenditures incurred as a result of performing goals set by the Human Rights Committee. This includes meeting expenses of the Committee such as per diem, hotel accommodation, travel, expenses, meeting room, simultaneous translation, family care, and compensation. Expenses incurred by members of the Human Rights Committee such as internet service, postage, stationary, phone calls are also included in this line item.

Also includes expenditures incurred by members to attend the Triennial Human Rights Conference including: travel, per diem, hotel, meeting rooms, simultaneous translation, salary compensation, family care, guest speakers, social evenings, etc.

The Committee recommends **\$300,000** each of 2024, 2025 and 2026.

Rationale: The number is based on past history and includes \$20,000 for Human Rights campaigns as per the 2021 Convention resolution.

[Resolutions of Record English.pdf \(une-sen.org\)](https://www.unhcr.org/refugees/campains/2021-resolutions-of-record-english.pdf)

## 11. Member Representation

Expenditures incurred as a result of providing representation of members by Staffing Complaint Representatives, PSAC Representatives or any other persons other than staff, on final level grievances, appeals, etc. These include travel costs, preparation time and costs, expenses, and salary compensation in accordance with internal Component policies.

National Executive and Staff may incur expenses related to obtaining representation for members. National Executive expenses for such expenses are charged to the Line Item "Executive Expense-Regional Activities". Staff incurred expenses are charged to the Line Item "Staff Travel & Expenses".

The Committee recommends **\$20,000** for each of 2024, 2025 and 2026.

Rationale: Based on historical data.

## 12. Member Training

Expenditures incurred in providing training for members, which is not normally provided by the PSAC.

The Committee recommends **\$35,000** for each 2024, 2025 and 2026.

Rationale: The number was based on past history. The PSAC is responsible for training of members. Many PSAC courses are supplied online.



### **13. Non-recurring Membership Services**

A one-time expenditure incurred as a result of servicing members.  
Not expected to recur.

The Committee recommends **\$15,000** in each of 2024, 2025 and 2026.

Rationale: The Committee felt that this amount would be sufficient based on historical data.

#### **14. Promotional Items**

Expenditures incurred on such items as apparel, pens, pencils, pins and other sundry items, to promote Component's identity, solidarity, union pride and sense of belonging.

The Committee recommends **\$25,000** for each of 2024, 2025 and 2026.

## **15. Provision for Honors, Awards and Bursaries**

An amount set aside for possible expenditures which may be incurred as a result of competition for: attendance at Canada Labour College or other recognized labour colleges, Laurier Auger Bursary, Scholarships for Adult Member Bursary, and Alfred Papineau Bursary. It also includes funds to cover expenses for the Peace Officer Memorial. As of 2014 convention, the budget also includes \$11,000 per year for High School Bursaries.

The Committee recommends **\$15,000** for each of 2024, 2025 and 2026.

Rationale: This amount is sufficient to cover current awards considering the current provision.

## **16. Translation**

Expenditures incurred as a result of written translation of English or French by a third party.

The Committee recommends **\$60,000** for each of 2024, 2025 and 2026.

Rationale: The Committee reviewed historical data.

## **17. UMC Committees( Union Management Consultation Committees)**

Expenditures incurred as a result of members attending union-management consultation committees, including conference calls, simultaneous translations, travel costs in the case of some employers/departments. This Line Item also includes any costs incurred for meeting preparations and post meeting deliberations.

Expenses incurred by Vice-Presidents for the Regions are charged to the Line Item "Executive Expense-Regional Activities" if the meetings are held at the Local or Regional Level. If the meetings are at the National UMCC level, expenses incurred by the Vice-Presidents for the Regions, or the National Vice-President for Human Rights are charged against Line Item" Executive Expense-National Activities".

Participation by the National President is charged against the Line Item National President Expense".

Participation by the National Executive Vice President is charged against the Line Item National Executive Vice President Expense".

Expenses incurred by staff are charged to the Line Item " Staff Travel Expense" or "Staff Expense".

The Committee recommends **\$70,000** for each of 2024, 2025 and 2026.

Rationale: The number was based on past history. Increased costs may change the terms of reference to have the union cover more of the union costs related to these meetings.

## LEADERSHIP

### 18. Executive Expense— Regional Activities

Expenditures incurred as a result of the Regional Vice-Presidents and Assistants for the Regions and one visit of each local per term for the Human Rights Representative conducting union business in their respective region. Includes salary compensation, travel costs, family care, administrative allowance, hospitality allowance, per diem, hotel or private accommodation, etc., while in attendance at Local meetings, Local and/or Regional Union Management Consultations, Conferences and Seminars, etc., in accordance with Component Policy FIN7.

The Committee recommends **\$350,000** for each of 2024, 2025 and 2026.

Rationale: This amount is based on historical data.

## **19. Executive Expense—National Activities**

Expenditures incurred as a result of the duties performed by the National Vice-President for Human Rights, the Assistant Vice-President for Human Rights and the National Vice-President Health and Safety.

Expenses incurred by the Regional Vice-Presidents for such activities as: attendance at the PSAC National Board of Directors meetings; national union management committee meetings and preparatory work; and collective bargaining activities and other national tasks as assigned by the National President.

The Committee recommends **\$55,000** for each of the years 2024, 2025 and 2026.

Rationale: Based on historical data the amount will be adjusted to include \$25,000 for VP HR, \$25,000 for VP H&S and \$5,000 for the Regional allocation.

## **20. Executive Meetings**

Expenditures incurred for the purpose of conducting the regular UNE Executive Meetings. Includes costs of National Executive, (except National President and the National Executive Vice President) during the Executive and Committee meetings. Costs covered include: travel, accommodation, per diems, meeting room rentals, simultaneous translation, family care, training, salary compensation, conference calls.

The National President's expenses are included in Line Item "National President Expense".

The National Executive Vice President's expenses are included in Line Item "National Executive Vice President Expense".

Staff costs are charged to the Line Item "Staff Travel Expense".

The Committee recommends **\$450,000** each of 2024, 2025 and 2026.

**Rationale:** The National Executive meets face to face at least three times per year for a three (3) day meeting and one (1) day of training as per the 2021 Resolution of Record. Committee meetings generally precede the Executive Meeting. Those meetings are mostly held by conference calls in order to complete the business at hand. Each Assistant Regional Vice President and each member of the Human Rights Committee is allowed to attend one National Executive meeting per year.

The number is based on past history.

[Resolutions of Record English.pdf \(une-sen.org\)](#)



## **21. National President Expense**

Expenditures incurred by the National President in the performance of their duties. Includes Salary compensation, benefits, and travel costs while performing duties, including attending National Executive Meetings.

The Committee recommends **\$250,000** for each of 2024, 2025 and 2026.

Rationale: Amount was based on historical data.

## **22. National Executive Vice President Expense**

Expenditures incurred by the National Executive Vice President in the performance of their duties. Includes Salary compensation, benefits, and travel costs while performing duties, including attending National Executive Meetings.

The Committee recommends **\$ 210,000** for each of 2024, 2025 and 2026.

Rationale: Amount was based on Resolution rationale that salary would be 85% of the National President's salary.

### **23. Provision for Paid Officers Relocation**

An amount set aside in anticipation of possible expenses incurred as a result of a change in presidency.

The Committee recommends **\$50,000** for each of 2024, 2025 and 2026.

Rationale: A cap of \$250,000 was set in 2017. The committee recommends such an increase due to the significant reduction of the provision in 2017 as the UNE dealt with two relocations for the National Paid Officers. There is also a possibility of having two members moving out and two members moving into the NCR Region during a convention year.

## OFFICE OPERATIONS

### 24. Depreciation Expense

Cost of Capital Assets (Furniture & Fixtures and Office Equipment), spread over their useful life in accordance with Component policies.

The Component amortizes (depreciates) on a straight line basis over the following periods:

Equipment (including computers)	3 years
Furniture	4 years
Cabinets	5 years
Fixtures (leasehold improvements, carpets)	10 years

Items that are under \$500 and computer software are completely amortized in the year of acquisition.

The Committee recommends **\$140,000** each of 2024, 2025 and 2026.

Rationale: The amount is based on past history and on future projections.

## 25. General Office Expenses

Expenditures incurred for telecommunications, office maintenance, maintenance of office equipment and furniture, rental of office equipment, stationary and supplies, and bank charges.

Expenditures incurred for postage, telephone service, long distance charges, courier costs, Internet, web services are charged to this line item.

Expenditures for service contracts on photocopier, mailing equipment, computer equipment, including network, and software maintenance are charged to this line item. Other repairs, not covered by service contracts are also included in this line item.

Bank charges include costs for direct deposit transfers, safety deposit box, and bank confirmations are included in this line item.

Expenses incurred to maintain the physical environment of the office and office furniture are charged to this line item.

Lease costs for office equipment such as the photocopier, mailing equipment are included in this budget line item.

Stationary and supplies costs include all office supplies such as paper, pens, printer toner cartridges, pencils, post-it notes, binders, file folders, etc.

Subscriptions and publications which assist staff in performing their duties are also included. Examples are legal databases, media subscriptions, case reference material, copies of legislation, accounting manuals, etc.

The Committee recommends that **\$180,000** be budgeted for each of 2024, 2025 and 2026.

Rationale: This amount is based on historical data.

## **26. Insurance**

Expenditures incurred to secure various insurance contracts for the Component office, staff, Executive, and members while in attendance at Component events.

Such contracts include: life insurance for the National Executive while on Component business; travel insurance for staff while on Component business; general office insurance to cover fire, theft, and third party liabilities; directors' liability insurance for the National Executive; accidental death and dismemberment insurance for members travelling on Component business.

The Committee recommends **\$30,000** for each of 2024, 2025 and 2026.

Rationale: The number was based on historical costs.

## **27. Professional Fees**

Expenditures incurred for the purpose of auditing the Component's annual financial statements and any legal services or professional services.

The Committee recommends **\$125,000** for each of 2024, 2025 and 2026.

Rationale:       Based on historical data.

## 28. Rent

Expenditure incurred to occupy an office, two parking spots and two indoor parking spots.

The Committee recommends **\$360,000** for each of 2024, 2025 and 2026.

**Rationale:** Based on the negotiated lease's projected costs. The current lease expires June 30<sup>th</sup>, 2026



## CONVENTION

### 29. Triennial Convention

An amount set aside to a provision account each year to ensure that funds are available in the third year to cover Convention costs.

The Committee recommends **\$875,000** for each of 2024, 2025 and 2026.

Rationale: This amount is based on an estimated cost and that the 2026 convention will be held in Montreal at the Queen Elizabeth Hotel.

## **Balance Sheet Definitions**

### **Net Assets**

Net assets are the assets less the liabilities of the Component. It is the residual amount. It is broken into two amounts: the unrestricted assets and the restricted assets.

### **Unrestricted Assets**

The amount remaining in assets after any amounts required for the Restricted Assets or any other Provision Accounts have been transferred. As per Convention resolution, the provision amount is not to be less than 10% of year's expenses.

### **Restricted Assets**

A provision or reserve to enable the Component to operate should there be an unforeseen emergency. This provision is maintained at 50% of the year's operating expenses as per Convention resolution.

### **Assets**

The assets of the Component are the economic resources and cash of the organization.

## **Current Assets**

Current assets consist of cash and other liquid economic resources that are reasonably expected to be realized in cash or be consumed within one year.

## **Cash**

The amount of money in the bank accounts including payroll account, treasury account, and non-chequing savings account.

## **Investments**

This is the amount of money in short and long term investments with the bank. These monies were moved into an investment portfolio in 2009. The Component has established an investment policy to insure that investments made are at low risk and reflect the values of the Component.

## **Accrued Interest Receivable**

The amount of money earned by the Component from the last date of payment of interest to the date of the financial statement.

## **Dues Receivable PSAC**

Amount due from the Alliance Centre and not yet received.

## **Officers' Standing Advances**

The amount of money that has been paid to the staff officers and National Executive as an advance to be used for travel on short notice.

## **Inventory**

This is the value of promotional items currently held by the Component.

## **Prepaid Expenses**

The unused portion of expenses paid at a point in time for which the future amount is considered an advance. Generally, the amount is for prepaid rent.

## **Capital Assets**

A capital asset consists of any economic resource that is likely to be retained for a period greater than one year.

## **Liabilities**

These are the debts of the Component which include the obligations of running the office as well as the obligations that result from the members giving the Component money.

## **Accounts Payable and Accrued Charges**

An account payable is an amount owed to a creditor which resulted from a promise to pay. An accrued charge is an account payable for which the Component has not been billed but is assumed to pay for.

## **Rebates Payable to Locals**

This is the current amount of money due to the Locals and the amounts being withheld from Locals as a result of policies of the National Executive.

## **Provisions**

A provision is a reserve of funds set aside and accounted for as such to cover expenses which may arise at a future date. The Component has six such reserves: Severance Pay, Accessibility, Triennial Convention, Scholarships, Staff Overtime and Accumulated Leave, and National President Relocation.