### Membership Dues: Most Frequently Asked Questions

### I heard that my union dues will change on December 11, 2019. Why is that?

As you may all recall, in November 2018, the federal government was finally able to run the interface known as the "Change File" successfully in the Phoenix pay system. This interface allowed thousands of members to have their dues adjusted after 3 long years of the employer not being able to process individual union dues information following the launch of the Phoenix pay system. It was important that PSAC ensured that the Phoenix pay system was able to run this interface consistently over a long period before proceeding to the next phase of correcting union dues for our members.

Since the launch of Phoenix in March 2016, many PSAC members have negotiated new collective agreements with their employers. Normally, PSAC would recalculate its union dues based on the new first step salaries and advise employers of the new amounts to be deducted by the Phoenix pay system. Due to Phoenix, PSAC had been unable to communicate these changes to the pay system. This means the dues are based on old salary levels.

The Change File interface has now been operational since November 2018 and once PSAC was assured by the employer that nearly all its members had seen their salaries adjusted to the **current** collective agreements, PSAC is now able to adjust the union dues accordingly by applying the dues against the **most current 1**st **step salaries** of your collective agreement.

Union dues will now be calculated based on the most current 1<sub>st</sub> step salary of the classifications contained in the agreements. The effective date of the change will be as of the December 11, 2019 pay. There is no retroactivity on this change – members will not see arrears calculated on the change in salary.

This change affects our members working for the following employers:

- Auditor General of Canada
- Canada Revenue Agency
- Canadian Food Inspection Agency
- Canadian Security Intelligence Service
- Communications Security Establishment
- House of Commons
- Library of Parliament
- Office of the Superintendent of Financial Institutions
- Parks Canada
- Senate of Canada
- SSHRC
- Statistical Survey Operations
- Treasury Board (PA, EB, TC, SV and FB tables)

Have more questions about union dues? Learn about PSAC's membership dues and find out how you can calculate your own dues.

### How are my dues calculated? How does my employer know how much I'm supposed to pay?

PSAC dues are based on the political structure of the union. All members belong to a local, which may have a local dues rate (adopted at its annual general meeting). All locals are affiliated with a component, which has a dues rate that is adopted at the component's triennial convention. And finally, each component is affiliated with PSAC, which has a rate that is adopted at the national triennial convention. All dues rates are democratically decided.

Dues rates can be either a percentage of salary or a flat rate. Percentage rates are applied against the first step salary of the classification, not on the actual step salary. Dues are not applied against overtime, bonuses or retroactive pay. Part-time members pay pro-rated dues based on the hours worked; however, flat rates are not pro-rated.

A member's affiliation within a local/component is often determined by the employer or department where they work. **For example**:

Members who work for the Canada Revenue Agency (CRA) belong to the Union of Taxation Employees (UTE) and may belong to any number of locals within UTE depending on their geographical area of work. Members working for Fisheries and Oceans Canada may belong to either the Union of Health and Environment Workers (UHEW) or the Union of Canadian Transportation Employees (UCTE), depending on the type of work they do, and to a local within either UHEW or UCTE depending on their geographical area of work.

#### Learn how to calculate your union dues.

Monthly, PSAC receives information from your employer regarding the work you do, such as your classification and hours of work. This helps PSAC determine the correct amount of union dues that your employer should be deducting from your pay. If there are adjustments – such as a transfer from one department to another – PSAC recalculates the correct amount and advises the employer in kind.

### On average, how much will my union dues change?

If you belong to a local (or a component and local) with a flat rate, that portion of the dues will not change. If your local rate is \$5.00 per member per month, you will continue to pay \$5.00 in local dues. This change affects those area of the dues where the dues rate is a percentage.

With the understanding that percentage dues rates can vary greatly from local to local, component to component and with the understanding that 1st step salaries vary greatly from one classification to another, the following is only a calculated AVERAGE change in union dues for our members affected by this change:

COMPONENT	PSAC AVG		COMPONENT AVG		LOCAL AVG		TOTAL
Agriculture Union	\$	2.46	\$	1.89	\$	0.47	\$ 4.82
Government Services Union	\$	2.46	\$	1.53	\$	0.96	\$ 4.95
Union of Health and Environment Workers	\$	2.46	\$	1.19	\$	0.23	\$ 3.88
Union of National Defence Employees	\$	2.46	\$	1.36	\$	0.34	\$ 4.16
Customs and Immigration Union	\$	2.46	\$	2.05	\$	_ (2	\$ 4.51
Union of Taxation Employees	\$	2.46	\$	_ •	\$	0.55	\$ 3.01
Union of Veterans' Affairs Employees	\$	2.46	\$	1.32	\$	_ (3	\$ 3.78
Union of Canadian Transportation Employees	\$	2.46	\$	2.29	\$	0.27	\$ 5.03
CEIU	\$	2.46	\$	1.66	\$	0.27	\$ 4.39
Union of Safety and Justice Employees	\$	2.46	\$	2.26	\$	0.41	\$ 5.13
Union of National Employees	\$	2.46	\$	1.30	\$	0.30	\$ 4.06

- 1. The Union of Taxation Employees, has a flat rate. As such, all members remit the same amount per month and a change in 1st step salary does not affect this amount.
- The Customs and Immigration Union (CIU), does not have any locals with a percentage dues rate. As such, all members of CIU will only see the PSAC and CIU portion of dues change.
- 3. The Union of Veterans' Affairs Employees (UVAE), does not have any locals with a percentage dues rate. As such, all members of UVAE will only see the PSAC and UVAE portion of dues change.

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I believe I paid union dues when I shouldn't have. My compensation advisor told me they submitted a refund request for union dues owed to me. Why is it taking so long to be reimbursed? How will I receive my refund?

It is the sole responsibility of the employer to start and stop union dues in accordance with the various collective agreements and the <u>Treasury Board of Canada Secretariat (TBS) Directive on Union Dues</u>. In far too many cases, the overwhelming workload on the compensation advisors caused by the Phoenix pay system has caused a serious backlog in ensuring corrections to your pay are done on time. As such, when union dues were not stopped on time, a compensation advisor will send a request to PSAC to refund union dues.

As the compensation community continues to work through its considerable backlog of pay files cause by Phoenix, the volume of requests to authorize refunds has grown exponentially at PSAC. At this time, PSAC has received nearly five (5) times the normal volume of requests. All requests are processed using the first in, first out principle so that members who have been waiting the longest are treated fairly in the process. Each request is evaluated and reconciled individually. In some cases, a refund request for one period of time can be reconciled against a request to recover arrears for another period of time. In other cases, there could be multiple refund requests received for different periods of time. PSAC's membership department is doing its best to close as many outstanding requests as quickly as possible. Additional staff have been added to the effort to expedite the matter.

Once a refund has been authorized, the authorization is returned to the compensation advisor for them to action in the Phoenix pay system. Refunds are not issued directly to the member from PSAC as it forms part of the pay process and an adjustment in union dues must be reflected on the employer provided T4.

### Why has it taken so long for my union dues to be adjusted against my current 1st step salary?

Since the launch of the Phoenix pay system, the federal government was not about to run the interface that determines accurate membership dues until November 2018. Since this interface had not been successfully run by Phoenix for nearly three years, PSAC erred on the side of caution and waited to ensure the interface was stable before it made any changes to membership.

Next, to bring membership dues up to the correct rate, PSAC needed the employer to increase members' salaries according to their latest collective agreements. Unfortunately, because the employer could not fully implement new collective agreements in a timely manner, we had to delay making the salary updates. Treasury Board members just recently had their collective agreements implemented, while members working for separate employers, such as Parks Canada, are still waiting. We have to ensure that all our members are actually earning their new salary before deducting dues tied to those new salaries.

### Will this salary update trigger retroactive dues?

No. Union dues will now be calculated based on the most current 1<sub>st</sub> step salary of the classifications contained in the agreements. The effective date of the change will the December 11, 2019 pay. While you may have received retroactive pay, there is no union dues retroactivity on this change — members will not see arrears calculated on the change is salary.

### I have accepted a promotion and/or transferred departments months ago, but my union dues haven't changed. Why not?

PSAC receives information about our members' employing department and classification from the employer as part of the dues process. The employer must fully complete the promotion process and/or transferring the pay profile.

PSAC is aware that given the ongoing situation with Phoenix, the compensation community is facing considerable backlogs in its work, including processing promotions and interdepartmental transfers.

Once a promotion process has been completed, PSAC will receive the information it needs to recalculate your union dues based on the 1st step salary of your new classification.

Once a transfer process has been completed, PSAC will receive the information it needs to also transfer the member from one local or Component to another.

This will prompt an evaluation of union dues as there might be a change in classification and/or component/local dues amount to be paid, and more importantly, it will ensure that members appear on the correct component/local monthly membership list.

# Last year I received a letter with an amount in arrears owing. I thought I had repaid all union dues owing, but I've recently seen more arrears deductions. Why do I continue to pay arrears?

In preparation for the relaunch of the PSAC Change File interface in November 2018, members were given an **estimated** amount in arrears (or refunds) owed/owing to them. This estimate was based on how much in dues a member paid from March 2016 to August 2018 versus how much one should have paid. For example, if your correct dues were \$75 per month and you paid \$70 per month in dues from March 2016 to August 2018, the difference was the \$5 per month for that specific period.

If you had an amount in arrears owing prior to March 2016, **that amount was not included in the letter**. When the Change File interface was restarted in November 2018 by the employer, that amount PLUS whatever was owing between March 2016 and November 2018 was now being recovered.

#### Here is an example:

In 2015, you worked in a PSAC represented position for 6 months where the employer failed to collect any union dues in error. Assume the correct dues rate was \$70 per month. Upon discovery of the error, the employer asked PSAC to calculate the amount owing. PSAC asked the employer to recover the \$420 over a period of 6 months (\$70 in arrears for 6 months until the full amount in arrears was recovered). The recovery starts in February 2016. In February 2016, the employer deducts the first \$70 payment in arrears. The Change File fails in March 2016 when the employer launches the Phoenix pay system.

Your dues continue to be deducted at \$70 per month, but the arrears recovery ceases. You still have a balance of \$350 owing in arrears.

In January 2018, you change classifications and your correct dues are now \$75. \$70 per month continues to be collected as PSAC is unable to advise the employer of the correction to your dues as the Change File is no longer operating. From January 2018 to October 2018, you accumulate an arrears balance of \$50 (\$5 x 10 months) **for that specific activity**. Your letter evaluated the activity on your file from March 2016 to August 2018 and your letter therefore stated you owed \$40 (January to August 2018). The letter doesn't include the original \$350 still owing nor did it include the \$10 owing for September and October 2018. The total amount in arrears owing is \$350 + \$40 + \$10 for a total of \$400.

When the Change File started up again in November 2018, your dues were changed from \$70 to \$75 per month (over 2 pays per month) and arrears of \$75 per month were restarted to recover the \$400 owing.

PSAC does appreciate and understand the confusion this caused. However, most members did not have a prior outstanding balance in arrears and the amount in the letter was extremely close to how much was owed/owing to them. The priority was on informing as many members as quickly as possible of their estimated amount in adjustments.

### I believe I should be paying union dues, but I don't think I am. What do I do?

A compensation advisor will manually start the dues in your pay profile and then will advise PSAC, in writing, of the period when no dues were deducted. PSAC will determine if arrears are owed and how much. Compensation advisors have been instructed to not start deducting arrears without PSAC's approval. PSAC will calculate the amount owing and will advise the employer accordingly. Arrears will start to be deducted from your pay from that point on.

Members who are working in PSAC-represented positions and **not** paying union dues are asked to submit an online form to the employer or **call the Client Contact Centre at 1-855-686-4729** (506-424-4330 if you are outside Canada and the United States) to speak to an agent. Find out more information on how to advise your employer of an incorrect pay.

### Can I pay my arrears in a lump sum?

PSAC requires its members to pay their arrears through the employer's pay system. This allows for arrears to be correctly reflected on our members' T4 slips. It also avoids any potential doubling of efforts. A compensation advisor, unaware that arrears are paid via cheque directly to PSAC, may inadvertently try to collect the unpaid dues a second time through deductions on your pay.

### Why am I only paying \$40 a month in dues when some of my colleagues are paying much more?

As the amount in monthly union dues can vary greatly from one member to another, PSAC has provided guidance to compensation advisors to **start** the union dues at a default amount of \$40/month (or \$20/pay). This is an interim amount to be paid until such time as your correct dues have been calculated by PSAC.

To do this, PSAC receives information from your employer that will allow it to determine the amount in union dues you should be paying. This is based on the 1st step salary of your classification and the various dues rates set at your local, component and PSAC level. If the information provided by your employer to PSAC is insufficient (for example, the employer does not provide your classification), it is impossible for PSAC to determine your dues. Your dues may remain at the default amount for longer than necessary until all the information is received.

Your union dues are also attached to PSAC'S political structure. You need to be allocated to your correct component and local in order to be paying correct dues. This may take anywhere from one to several months depending on several factors. Normally, the correction from \$40 to the correct amount is completed within 3 months.

## I am seeing two union dues deductions on my pay. Am I paying to two unions simultaneously?

While represented employees are only supposed to pay union dues to the union that is actively representing them, it is possible under certain circumstances, that there is an overlap and dues are paid to two different unions at the same time.

**Scenario 1:** A member has accepted a new assignment that is represented by another union. It is possible that the ending of dues from the original union and the start of the

dues to the new union isn't timed correctly, and as such, dues are being deducted for both unions for the same month (or for a few months). In this event, a compensation advisor will seek an authorization from the original union to refund the dues for the period where dues should not have been deducted in the first place.

**Scenario 2:** A member worked in a PSAC-represented position for six months in 2017 but did not pay union dues. The member has since begun working in a position that is represented by another union. The two deductions could be an arrears payment to PSAC for the six-month period missed in 2017 and the current dues being paid to the other union.

If neither of these examples answers the concern, members who are paying to two bargaining agents are asked to submit an online form to the employer or call the Client Contact Centre at 1-855-686-4729 (506-424-4330 if you are outside Canada and the United States) to speak to an agent. Find out more information on how to advise your employer of an incorrect pay.

### I completed PSAC's "Application for Membership" but I haven't received my new union card. My local representative told me that I'm not in PSAC's database. How can that be?

PSAC populates its membership database with the information it receives from employers. All dues paying members are added into PSAC's database. If a member is not on the database, it is likely that no union dues are being deducted by the employer.

Members who are working in represented positions and not paying union dues asked to submit an online form to the employer or call the Client Contact Centre at 1-855-686-4729 (506-424-4330 if you are outside Canada and the United States) to speak to an agent. Find out more information on how to advise your employer of an incorrect pay.

A compensation advisor will manually start the dues in the member's pay profile and then will advise PSAC, **in writing**, of the length of time when no dues were paid. A compensation advisor has been instructed to not start deducting the back dues that are owed by the member without PSAC's approval. PSAC will calculate the amount owing and will advise the Pay Centre accordingly. Deductions will start from that point on.

PSAC has a long-standing internal policy to not recover more than the equivalent of one year's worth of union dues. PSAC does not recover its arrears in a lump sum if the total amount owing is more than the equivalent of one month's dues.

I was a Member in Good Standing of PSAC but my union dues have stopped. I have submitted a Pay Action Request (PAR) but while I wait for it to be actioned, I am concerned my membership has lapsed. What can I do?

In light of these special circumstances, PSAC has developed an online <u>Membership in Good Standing Request</u> form. Affected members are asked to submit a request in order to maintain their membership in good standing until the Phoenix pay system has reinstated payment of your union dues.

Members can follow up on the status of their PAR by calling the Client Contact Centre at 1-855-686-4729 (506-424-4330 if you are outside Canada and the United States) to speak to an agent.

### Are there other rate changes occurring in 2020?

Yes. At their respective triennial conventions in 2017, three (3) components within PSAC authorized dues rate changes effective January 1, 2020, for all employees covered by a collective agreement with the PSAC.

#### **Agriculture Union**

The Agriculture Union adopted a dues **increase** effective January 1, 2020, for all employees covered by a collective agreement with the Public Service Alliance of Canada. The component portion will increase from 0.7251% + \$2.00 to 0.7255% + \$2.00.

#### **Union of Health and Environment Workers**

The Union of Health and Environment Workers adopted a dues **decrease** effective January 1, 2020, for all employees covered by a by a collective agreement with the Public Service Alliance of Canada. The component portion will decrease from 0.4966% to 0.4958%.

#### **Union of Taxation Employees**

The Union of Taxation Employees adopted a dues **increase** effective January 1, 2020, for all employees covered by a collective agreement with the Public Service Alliance of Canada. The component portion will increase from 21.42\$ to 22.17\$.

Members represented by these components can seek further information regarding this change in dues by communicating directly with their component. Details on how to contact components can be found on the components' individual websites. Using this <u>simple online tool</u>, tell us where you work, what kind of work you do and the closest city to where you live, we'll tell you which component you belong to and how to contact them.

Locals may opt to change their rate in the course of 2020 at their individual annual general meetings as well.