



1 Rideau Street Suite 700 | Ottawa, ON | K1N 8S7  
P: 613.670.5805 C: 613.601.2350

An important piece of legislation was passed by the House of Commons this week. Bill C-377, sponsored by British Columbia MP Russ Hiebert, will require unions and other labour organizations in Canada to file annual public reports detailing their financial statements, salaries paid to top employees, the amount of time spent on lobbying and political activities, and certain information about expenditures over \$5,000.

If this legislation is passed by the Senate, it will shine a light on the over \$4 billion that unions collect annually in forced contributions from workers and bring Canada's union financial disclosure laws in-line with those in Australia, New Zealand, Germany, France, Ireland, the UK and the US.

Canada's union leaders spent vast amounts of money trying to defeat this bill – a massive lobby that is expected to continue as the Senate reviews the legislation in the coming months. This despite the fact that Bill C-377 was amended by the House of Commons to address most of the concerns that union leaders raised in their opposition to it. The interventions from union leaders that resulted in amendments have made it a better piece of legislation, and contrary to union rhetoric, the reporting requirements are not onerous and will be easy to implement with even the most basic accounting practices.

Yet union leaders still oppose it, suggesting the real motivation for their campaign against the bill is a refusal to concede that they need to operate in a transparent manner – despite their privileged position.

The Members of Parliament who voted in favour of Bill C-377 should be applauded for their support of transparency and accountability. They recognize that unions cannot simultaneously benefit from the public trust through forced contributions from workers that are protected in law and generous tax breaks worth over \$400 million annually, while also arguing that they have no public disclosure obligations.

While union leaders applied intense pressure on MPs who supported the legislation to change their position, those MPs recognized something that perhaps labour leaders did not: 86% of unionized workers support greater financial transparency for unions.

Therein lies the fundamental disconnect with union leaders and Bill C-377. The disclosure provisions of the legislation should empower union leaders since their members will be able to easily see how their dues are spent. In fact, the whole union model of forced contributions and generous tax breaks will be enhanced when the general public is able to see how unions spend their money. If unions want to continue to benefit from the public trust, they need to earn it by operating in a transparent manner.





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Regardless, union leaders will undoubtedly spend even more money to now try to defeat the bill in the Senate. All of which begs the question: why are union leaders so afraid of transparency?

