



Financial Proposal for Congress 2017



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Congress meets at a time of great uncertainty for our members. With the Conservative government seemingly firmly entrenched and, having failed in their targets for the public finances, likely to launch yet further attacks on local authority and public service funding, with the massive uncertainty of Brexit hanging over every workplace in the country and the threat to workers' rights a very real component of that uncertainty, our members need us more than ever.

Following another year of financial growth, it is important that the union maintains the strength of our resources to deal with the growing threats to our members. At the same time, the CEC is acutely aware that stalled wages growth and the pressures from the zero hours and gig economy mean that we cannot allow union membership to become unaffordable.

This Congress has never dodged difficult financial decisions in the past. That is why, instead of the organisation we were years ago, an organisation teetering on the brink of insolvency, GMB is now fully able to step in confidently wherever our members need us. We *can* take on the huge burden of equal pay litigation, in the public and now in the private sector. We *can* challenge the new economy of exploitation, in Uber, ASOS and Amazon, both in the courts and in the streets – and in the world of social media where so many of our members and potential members go for information and support. We *can* grow our organisation and support the individual member whenever required.

And we must have the resources to build, educate and support the network of workplace activists which is the future of our organisation. To build the advanced digital power and people back up of a 21st century union.

For many years, Congress has had a policy of raising contributions annually by the retail price index. Because for the last twelve years we have better than broken even each year, this means we have advanced without the need to cut back on activity and service to members. The CEC proposes to maintain that pattern, but this year we intend fully to take our organising opportunities and grow the union so that we do not have to ask for a full RPI increase. Instead this year's proposed increase will be pegged to the lower inflation measure of CPI, and it will be the CPI figure of 1.8% from January, which is quite a bit less than today's figure. This means an increase of 5p per week on grade 1 and 3p per week on grade 2, with all other rates frozen.

Last year, the government enacted yet another set of unnecessary, antagonistic and petty anti-trade union laws. The most politically blatant laws were really an attack on the Labour Party. History tells us that the best way to undermine Labour finances is to demand that union members have to opt in, rather than opt out of the political fund, and that is exactly what the 2016 Act has introduced. This will apply to members who join after March 2018.

If we do nothing in reaction to this law, current members would still pay into the political fund, but new members, who are unlikely to opt in, would pay a lower contribution. At the current rate of membership turnover, this would result in an annual loss of £500,000 in overall GMB income. Members in the same workplace would then be paying significantly different contributions from each other, which would certainly lead to unrest, and possibly encourage opting out by existing members, further eroding our income.

The CEC's proposed solution is to reduce the political levy for future members to the minimum possible, 1p per week. This allows us to maintain a political fund, which we estimate will reduce by about one third over the next four years, but preserves the union's total income and boosts the general fund.

The CEC also proposes to alter the rule governing contributions so that all members, new and current will continue to pay the same weekly amount. If a member who joins after March 2018 does opt to pay in to the political fund, they pay an extra 1p per week. These new rules do not effect Northern Irish members, who already have an opt in system, and only a handful pay into the political fund, so the rule is further amended to confirm that they will continue to pay contributions on the current basis.

The CEC is recommending the following rule changes:

CECRA5

Rule 45 Clause 1,

Line 3: After “Members”, insert “who join before 1 March, 2018 and all members in Northern Ireland”

Line 3: Delete “£3.00”, insert “£3.05”

Line 8: Delete “£1.75”, insert “£1.78”

Line 8: insert “Members who join on or after 1 March, 2018 will pay £3.06 a week if they opt in to the political fund and £3.05 if they do not, and be classed as grade-1 members, unless they are:

- **part-time members employed for 20 hours or less;**
- **young people under 18; or**
- **recruited as being unemployed;**

in which case, they will pay £1.79 a week if they opt in to the political fund and £1.78 if they do not, and be classed as grade-2 members.”

Line 8: Delete “However” and start new paragraph with “Grade-2”

Line 9: Delete “a grade-1 member”, insert “grade-1 members”.

Clause will now read:

1 Once they join the union, members will pay a contribution in line with this rule.

Members who join before 1 March, 2018 and all members in Northern Ireland will pay £3.05 a week and be classed as grade-1 members, **unless** they are:

- **part-time members employed for 20 hours or less;**
- **young people under 18; or**
- **recruited as being unemployed;**

in which case, they will pay £1.78 a week and be classed as grade-2 members.

Members who join on or after 1 March, 2018 will pay £3.06 a week if they opt in to the political fund and £3.05 if they do not, and be classed as grade-1 members, **unless** they are:

- part-time members employed for 20 hours or less;
- young people under 18; or
- recruited as being unemployed;

in which case, they will pay £1.79 a week if they opt in to the political fund and £1.78 if they do not, and be classed as grade-2 members.

Grade-2 members can choose to pay the contribution rate for, and be classed as, grade-1 members.

The above grades are only used for deciding what contributions members should pay and the benefits they may receive

CENTRAL EXECUTIVE COUNCIL

CECRA6

Rule 45, Clause 2,

Line 4: Delete “£3.00”, insert “£3.05”

Line 5: Delete “£1.75”, insert “£1.78”

Clause will now read:

2 Branch committees will have the power to fix the amount lapsed members (members who joined but later stopped paying contributions) need to pay to rejoin. This amount will be between £3.05 and £10 for grade-1 members and between £1.78 and £5.50 for grade-2 members, except in particular circumstances when we may increase the amount with the approval of the regional committee.

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CECRA7

Rule 63

Delete existing rule, and replace with the following

Rule 63 Political fund

1 The objects of the GMB shall include the furtherance of the political objects to which Section 72 of the amended Trade Union and Labour Relations (Consolidation) Act 1992, applies, that is to say, the expenditure of money-

- a) on any contribution to the funds of, or on the payment of any expenses incurred directly or indirectly by, a political party;
- b) on the provision of any service or property for use by or on behalf of any political party;
- c) in connection with the registration of electors, the candidature of any person, the selection of any candidate or the holding of any ballot by the Union in connection with any election to a political office;
- d) on the maintenance of any holder of a political office;
- e) on the holding of any conference or meeting by or on behalf of a political party or of any other meeting the main purpose of which is the transaction of business in connection with a political party;
- f) on the production, publication or distribution of any literature, document, film, sound recording or advertisement, the main purpose of which is to persuade people to vote for a political party or candidate or to persuade them not to vote for a political party or candidate.

Where a person attends a conference or meeting as a delegate or otherwise as a participator in the proceedings, any expenditure incurred in connection with his/her attendance as such shall, for the purposes of paragraph (e) above, be taken to be expenditure incurred on the holding of the conference or meeting.

In determining, for the purposes of paragraphs (a) to (f) above, whether the Union has incurred expenditure of a kind mentioned in those paragraphs no account shall be taken of the ordinary administrative expenses of the Union.

In these objects -

"candidate" means a candidate for election to a political office and includes a prospective candidate;

"contribution", in relation to the funds of a political party, includes any fee payable for affiliation to, or membership of, the party and any loan made to the party;

"electors" means electors at any election to a political office;

"film" includes any record, however made, of a sequence of visual images, which is capable of being used as means of showing that sequence as a moving picture;

"local authority" means a local authority within the meaning of section 270 of the Local Government Act 1972 or section 235 of the Local Government (Scotland) Act 1973; and

"political office" means the office of member of Parliament, member of the European Parliament or member of a local authority or any position within a political party.

2 Any payments in the furtherance of such political objects shall be made out of a separate fund (hereinafter called the "political fund" of the union).

3 The particular rules which apply to those people that joined the union before February 28, 2018 and to Political Funds set up before February 28, 2018 are set out in Schedule 1 these rules.

4 The particular rules which apply to those people that joined the union after February 28, 2018 and to political funds set up after February 28, 2018 are set out in Schedule 2 to these rules.

5 For the purpose of enabling each member of the union to know as respects any such periodical contribution what portion, if any, of the sum payable by him/her, is a contribution to the Political Fund, it is hereby provided that the annual contribution to the Political Fund of the Union shall be:

a. for members who joined before February 28, 2018:

Grade 1 members - £7.65

Grade 2 members - £4.29

members paying the reduced rate under Rule 48 - 15p

b. for members who joined after February 28, 2018:

Grade 1 members – 52p

Grade 2 members - 52p

members paying the reduced rate under Rule 48 - 15p

The contribution to the political fund shall be payable in three equal instalments on the first contribution nights of the quarters ending March, September and December.

Any member who is exempt as provided in schedules 1 and 2 to these rules shall be relieved from payment of the said sum of £7.65, £4.29, 15p and 52p respectively.

The Central Executive Council shall have power to suspend at any time payment to the political fund for any quarter or quarters, in which event, that portion of the member's contribution allocated to political purposes shall be credited to the Central Fund.

6 A member who is exempt from the obligation to contribute to the political fund of the union shall not be excluded from any benefits of the union, or placed in any respect either directly or indirectly under any disability or disadvantage as compared with other members of the union (except in relation to the control or management of the political fund of the union) by reason of his/her being so exempt.

7 If any member alleges that he/she is aggrieved by a breach of any of the rules for the political fund, being a rule or rules made pursuant to Section 82 of the Act, he/she may complain to the Certification Officer, and the Certification Officer, after making such enquiries as he/she thinks fit and giving the complainant and the union an opportunity of being heard, may, if the Certification Officer considers that such a breach has been committed, make such order for remedying the breach as the Certification Officer thinks just in the circumstances. Any such order of the Certification Officer may, subject to the right of appeal provided by section 95 of the 1992 Act, be enforced in the manner provided for in section 82(4) of the 1992 Act

8 Contribution to the political fund of the union shall not be made a condition for admission to the union.

9 The union shall include in the annual return that is submitted to the Certification Officer details of political expenditure as required by section 32ZB of the 1992 Act

10 The union shall ensure that a copy of the political fund rules is available, free of charge, to any member of the union who requests a copy.

Schedule 1

Rules that apply to people who joined the Union before and political funds set up before February 28, 2018.

Notice to members

1 As soon as is practicable after the passing of a resolution approving the furtherance of such political objects as an object of the Union the Central Executive Council shall ensure that a notice in the following form is given to all members of the Union in accordance with this rule:

Trade Union and Labour Relations (Consolidation) Act 1992 (as amended)

A resolution approving the furtherance of political objects within the meaning of the above Act as an object of the Union has been adopted by a ballot under the Act. Any payments in the furtherance of any of those objects will be made out of a separate fund, the political fund of the Union. Every member of the Union has a right to be exempt from contributing to that fund. A form of exemption notice can be obtained by or on behalf of any member either by application at, or by post from, the Head Office or any Branch Office of the Union or from the Certification Office for Trade Unions and Employers' Associations, 22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ. This form, when filled in, or a written request in a form to the like effect, should be handed or sent to the Secretary of the Branch to which the member belongs.

2 The notice shall be published to members by such methods as are customarily used by the Union to publish notices of importance to members and shall include the following minimum requirements. The notice shall be published in the Union's website and a copy of the notice shall be posted up and kept up for at least 12 months in a conspicuous place, accessible to members, at the office or meeting place of each branch of the Union.

Request for exemption

3 Any member of the Union may at any time give notice on the form of exemption notice specified in this rule or by a written request in a form to the like effect that he/she objects to contribute to the Political Fund. A form of exemption notice may be obtained by, or on behalf of any member either by application at, or by post from, the Head Office or any Branch Office of the Union or at, or by post from, the Head Office or any Branch Office of the Union or from the Certification Office for Trade Unions and Employers' Associations, 22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

4 The form of exemption notice shall be as follows:

GMB

POLITICAL FUND (EXEMPTION NOTICE)

I give notice that I object to contributing to the Political Fund of GMB, and am in consequence exempt, in the manner provided by Chapter VI of the Trade and Labour Relations (Consolidation) Act, 1992, from contributing to that fund.

Signature.....

Name of Branch.....

Address.....

.....

Date.....

5 Any member may obtain exemption from contributing to the political fund by handing or sending a notice of exemption to the Secretary of the Branch to which the member belongs, and, on receiving it, the Secretary shall send an acknowledgement of its receipt to the member at the address appearing upon the notice, and shall inform the General Secretary of the name and address of the member.

Manner of giving effect to exemption

6 On giving an exemption notice, a member shall become exempt, so long as his/her notice is not withdrawn, from contributing to the Political Fund where the notice is given:

- a. Within one month of the giving of notice to members under clause I of this Schedule following the passing of a political resolution on a ballot held at a time when no such resolution is in force, as from the date on which the exemption notice is given, or
- b. In any other case, as from 1st January next after the exemption notice is given

7 The union shall give effect to the exemption of members from contributing to the political fund of the union by relieving any members who are exempt from the payment of part of any periodical contributions required from the members of the Union towards the expenses of the Union as provided in Rule 63(5) and such relief shall be given as far as possible to all members who are exempt on the occasion of the same periodical payment.

8 Any member may withdraw his/her notice of exemption on notifying his/her desire to that effect to the Secretary of his/her Branch, who shall thereupon send such member an acknowledgement of receipt of the notification and inform the General Secretary of the name and address of the member so withdrawing.

Schedule 2

Rules that apply to people who joined the Union and to political funds set up after February 28, 2018 and incorporate the changes made to the 1992 Act by the 2016 Act.

Opting in by union members to contribute to political funds

- 1 A member cannot be required to make a contribution to the political fund of the union unless they have given an indication of their willingness to contribute to that fund (an opt-in notice).
- 2 A member of a trade union who has given an opt-in notice may withdraw that notice by giving notice to the union (a “withdrawal notice”).
- 3 A withdrawal notice takes effect at the end of the period of one month beginning with the day on which it is given.
- 4 A member of a trade union may give an opt-in notice or a withdrawal notice:
 - a. By delivering it (either personally or by an authorised agent or by post) at the head office or a branch office of the union;
 - b. By sending it by email to the following email address: info@gmb.org.uk;
 - c. By completing an electronic form provided by the union which sets out the notice and sending it to the union by electronic means with instructions by the union;
 - d. By any other electronic means prescribed under the 1992 Act (as inserted by the 2016 Act)

Information to members about opting in to the political fund

- 5 The union shall take all reasonable steps to secure that, not later than the end of the period of eight weeks beginning with the day on which the annual return of the union is sent to the Certification Officer, all the members of the union are notified of their right to give a withdrawal notice.
- 6 Such notification may be given:
 - a. By sending individual copies of it to members; or
 - b. By any other means (whether by including the notification in a publication of the union or otherwise) which it is the practice of the union to use when information of general interest to all its members needs to be provided to them.
- 7 The notification may be included with the statement required to be given by section 32A of the Trade Union and Labour Relations (Consolidation) Act 1992.
- 8 The union will send to the Certification Officer a copy of the notification which is provided to its members in pursuance of this section as soon as is reasonably practicable after it is so provided.

9 Where the same form of notification is not provided to all members of the union, the union shall send to the Certification Officer a copy of each form of notification provided to any of them.

10 If any member alleges that he/she is aggrieved by a breach of any of these rules for giving information to members about opting into the political fund, being a rule or rules made pursuant to section 84A of the 1992 Act, he may complain to the Certification Officer. Where the Certification Officer is satisfied that the union has failed to comply with a requirement of section 84A of the 1992 Act, the Certification Officer may make such order for remedying the failure as he/she thinks just under the circumstances. Before deciding the matter, the Certification Officer:

- a. May make such enquiries as the Certification Officer thinks fit
- b. Must give the union, and any member of the union who made a complaint to the Certification Officer regarding the matter, an opportunity to make written representations; and
- c. May give the union, and any such member as mentioned in clause (b) an opportunity to make oral representations

Manner of giving effect to decision not to contribute to the political fund

11 The union shall give effect to the members' decision not to contribute to the political fund of the union by relieving any members who are not contributors from the payment of part of any periodical contributions required from the members of the Union towards the expenses of the Union as provided in Rule 63(5) and such relief shall be given as far as possible to all members who are not contributors on the occasion of the same periodical payment.

12 Any form (including an electronic form) that a person has to complete in order to become a member of the union shall include;

A statement to the effect that the person may opt to be a contributor to the fund; and

A statement setting to the effect that a person who chooses not to contribute to the political fund shall not, by reason of not contributing, be excluded from any benefits of the union or be placed in any respect either directly or indirectly under a disability or at a disadvantage as compared with other members of the union (except in relation to control of the political fund).

CENTRAL EXECUTIVE COUNCIL

