



Contribution and Benefits

CEC Special Report
Congress 2008

GMB Congress 2008

Contributions and Benefits Proposals

For the fourth year in a row, GMB's finances have returned a modest operating surplus, in marked contrast to the years of deficits which went before. This has been achieved by careful cost management and a concentration on growth through the GMB@Work programme. In these same years, the CEC has managed to release more resources to improve the Union's organisation. For the first time ever, all members now receive a GMB magazine mailed to their home three times a year. There has been a major expansion in our use of website and laptop technology, directly aimed at organising and improving the service to members. We are starting a planned reinvestment in GMB properties at regional and local level. Funds have been generated to rebuild the value of the Union's pension scheme. A new organising department has been established to support Regions and co-ordinate targeted activity. Our campaign profile has never been higher, both in the international labour movement and among the public at large.

The CEC is proposing a package of measures which are aimed at maintaining this level of financial stability and progress, while updating certain benefits which it feels have fallen behind what Congress would want.

Contributions

Congress some 17 years ago agreed that contributions should rise each year at least in line with inflation. This recognised that the Union each year has to deal with inflationary cost increases before the CEC can even begin to seek ways of funding improvements in the organisation. It also means that these improvement funds have to be found either from making savings in general expenditure or from membership growth. The bulk of the Union's expenditure is on employment costs, but we are also subject to other cost pressures, such as fuel, power and rates, which are rising at a rate higher than general inflation.

The CEC is therefore proposing an increase of 10p per week on the Grade 1 rate, exactly in line with the rise in the retail price index in March 2008. Grade 2 and any promotional rates would also go up by 10p per week, again to reflect the increase in the Union's underlying costs. The new weekly rates would become £2.50 for Grade 1 and £1.38 for Grade 2.

Some Unions raise subscription income from members on the basis of salary-related bands. This could reduce the amount payable by lower-paid members, although any reductions would have to be funded by higher contributions from the better-paid. The CEC has initiated a review into the practicality and desirability of introducing such a system, and we shall bring a report to Congress 2009.

Loss of earnings

The GMB depends on the commitment and skill of its activists. Many colleagues up and down the country give up a lot because of their work for and belief in the GMB. Those who lose pay to carry out tasks for the Union should be compensated, and it is clear that the present level of loss of earnings is inadequate. The CEC is proposing a 22% increase in the loss of earnings payment, taking it to £55.00 per day, to be paid pro rata for part of a day.

Mileage Allowance

The CEC review of mileage allowance has allowed Regions to examine how much mileage activists are doing, and in many cases, to reorganise priorities to reduce mileage travelled and increase the use of public transport, which is almost always cheaper. This has been good for the health and safety of activists and for the environment. The CEC does, however, recognise that motoring costs have risen and proposes that the mileage rate be increased to 30p per mile, an increase of 20%.

Benefits

Many colleagues would argue that the Union is no longer the benefits-based organisation it once was, and that the existence of cash benefits has only a minor role in strengthening the organisation. The value of Funeral benefit has fallen back in real terms over the years, and to restore it to match the actual costs of funerals could not be afforded by the Union. However, there has been over the years a consistency in the number of claims from the relatives of deceased members, and it is a benefit particularly valued by long service and retired members, as measured by its regular appearance on rule-change Congress agendas. The CEC proposes to simplify the benefit and to increase it by 92%. All members who die will now be eligible for funeral benefit of £250, if they have completed eight years' membership of the GMB.

The CEC believes that this package guards against the Union's income falling behind the rate of increase of essential costs, provides the funds to support the continued growth in GMB membership and targets increases in benefits and expenses where they are most justified.

The following rule changes are recommended to give effect to the proposals:

**GMB CONGRESS 2008
RULE AMENDMENTS
PROPOSED BY CENTRAL EXECUTIVE COUNCIL
To be submitted to Congress, Plymouth, June 2008**

CONTRIBUTIONS AND BENEFITS

**Rule 47 Clause 1,
Line 3: Delete “£2.40”, insert “£2.50”
Line 6: Delete “£1.28”, insert “£1.38”**

Clause will now read:

1 Upon entering as members of the Union, members shall pay a contribution in accordance with this rule.

Members of the Union shall pay £2.50 per week, and be termed Grade 1 members **UNLESS** they are part-time members employed for 20 hours or less, or juveniles under 18 years, or recruited as unemployed and not subsequently employed, when they shall pay £1.38 per week and be termed Grade 2 members **PROVIDED that** any Grade 2 member may elect to pay the contribution rate for, and be termed a Grade 1 member.

The above Grades are for the sole purpose of determining contributions to be paid and benefits which may be received and for no other purpose.

**Rule 47 Clause 3,
Line 2: Delete “£2.40”, insert “£2.50”
Line 3: Delete “£1.28”, insert “£1.38”**

Clause will now read:

3 Branch Committees shall have power to fix the amount to be paid by lapsed members as re-entrance fees. The amount to be not less than £2.50 and not more than £10.00 for Grade 1 members, and not less than £1.38 and not more than £5.50 for Grade 2 members, except in particular circumstances, when the amount may be increased, subject to the approval of the Regional Committee.

Rule 49a
Clause 4(b)

Line 1: delete “The retired life member’s Grade shall be his/her Grade at the day immediately prior to the date of payment of the lump sum under this rule.”

Clause 4 becomes

4. A retired life member shall not be eligible for any benefits of the Union save the following:

(a) Legal Assistance under Rule 27, provided that a member is of state retirement age and has been a member of the Union for 10 years and is a fully paid up life member then he/she shall not be required to pay any contributions while the Union is pursuing a legal claim on their behalf.

(b) Funeral Benefit under Rule 56.

Rule 50

Clause 1

Line 3, after “Funeral Benefit” insert “and”

Line 4: delete “, and Gratuity payment”

Line 7: delete “Funeral Benefit,”

Insert: “and”

Line 8: delete “and Gratuity payment”

Line 10, after “contributions.” Insert: “Funeral benefit is not payable to members with less than eight years’ continuous membership.”

Clause becomes:

1 A member shall be entitled to any benefits (except Disablement Grant, Funeral Benefit and Fatal Accident (occupational or non-occupational) with regard to which see Rules 55, 56, 59 and 61 respectively) who is a Grade 1 or Grade 2 member and who at the time of having cause to claim is a full financial member. Disablement Grant and Fatal Accident (occupational or non-occupational) will not be payable until after 12 months' continuous membership and the payment of 53 consecutive full weekly contributions. Funeral benefit is not payable to members with less than eight years' continuous membership. Entitlement to any benefit is subject to compliance with the conditions set forth in this rule, and the appropriate rules relating to those benefits, and no

benefit of any description will be paid where more than six weeks' contributions are owing at the date of having cause to claim.

Rule 56 , Funeral Benefit

Clause 1

Line 1: delete “Grade 1 or Grade 2”

Lines 1-3: delete “who has paid 53 consecutive Grade 1 or 53 consecutive Grade 2 contributions and who has had 12 months”

Insert: “who has had eight years”

Line 5: delete “requisite certificate (except in cases of death at sea)”

Insert: “death certificate”

Line 8: delete “, in accordance with the following scales of benefit”

Insert: “a funeral grant of £250.”

Lines 10-22: delete table of benefits, beginning “Completed” and ending “58.00”

Lines 23-25: delete “New entrants who are 50 years of age and over, or lapsed members rejoining at 50 years of age or over, shall be entitled only to 50 per cent of benefit provided in this clause.”

Line 25: renumber “Payment of funeral benefit will not be considered unless a claim is submitted within 12 months from the date of death” as clause 2, and renumber following clauses.

Old clause 2

Line 1: after “sea”, insert “or in instances where no death certificate has been issued,”

Old clause 4: delete “For revoking a nomination 1p shall be paid.”

Rule becomes

Rule 56 Funeral Benefit

1 On the death of a full financial member who has had eight years' continuous membership, the Regional Secretary shall, on the production of the death certificate pay the nominee, widow, widower or member of the family of the deceased who shall satisfy

the Regional Secretary that s/he has become responsible for funeral expenses, a funeral grant of £250.

2 Payment of funeral benefit will not be considered unless a claim is submitted within 12 months from the date of death.

3 In cases of death at sea, or in instances where no death certificate has been issued, no funeral benefit shall be paid unless satisfactory evidence of such death has been furnished to the Central Executive Council.

4. All arrears to be deducted from the funeral payment.

5. The Branch Secretary shall keep a book in which the members shall nominate in writing the person to whom the funeral allowance shall be paid on their decease. Any member may revoke such nomination by sending notice to that effect, duly signed by him/herself, and it shall be the duty of the Branch Secretary in such case to see the nomination revoked.

6. This benefit shall not be payable when a claim for Fatal Accident Benefit is admitted under Rule 59.

Rule 67 Clause 8,

Line 11: Delete “£7.20”, insert “£7.50”

Line 11: Delete “£3.84”, insert “£4.14”

Line 17: Delete “£7.20, £3.84”, insert “£7.50, £4.14”

Clause will now read:

8 The Central Executive Council shall give effect to the exemption of members to contribute 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 hereinafter provided and such relief shall be given as far as possible to all members who are exempt on the occasion of the same periodical payment.

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, for Grade 1 members be the sum of

£7.50, for Grade 2 members the sum of £4.14, and for members paying the reduced rate under Rule 49 the sum of 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 aforesaid shall be relieved from payment of the said sum of £7.50, £4.14 and 15p 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.

Rule 67A , Clause 5,

Line 5: Delete “£7.20”, insert “£7.50”

Line 6: Delete “£3.84”, insert “£4.14”

Clause will now read:

5 The Central Executive Council shall give effect to the statutory exemption of Northern Ireland members to contribute to the political fund of the Union by making a separate levy of contributions to that fund from those Northern Ireland members who have provided written consent of their willingness to contribute, namely, for Grade 1 members the sum of £7.50, for Grade 2 members the sum of £4.14, and for members paying the reduced rate under Rule 49 the sum of 15p payable in three equal instalments on the first contribution nights of the quarters ending March, September and December. No moneys of the Union other than the amount raised by such separate levy shall be carried to the political fund.

An additional minor amendment has been requested by the Northern Ireland Certification Officer.

Rule 67a, Clause 8

Line 26: delete “is subject to the right of appeal provided for by Section 82(4) of the 1992 Act.”

Insert: “may, subject to the right of appeal provided by section 95 of the Act, be enforced in the manner provided for in section 82(4) of the Act.”

Clause will now read:

8 If any Northern Ireland member alleges that he/she is aggrieved by a breach of any of the rules made pursuant to Article 59 of the Trade Union and Labour Relations (Northern Ireland) Order 1995 he/she may complain to the Northern Ireland Certification Officer, 10-12 Gordon Street, Belfast BT1 2LG, under Article 57(2) to (4) of that Order.

If, after giving the complainant and a representative of the Union an opportunity to be heard, the Certification Officer considers that a breach has been committed, he/she may make an order for remedying it as he/she thinks just in the circumstances. Under Article 69 of the 1995 Order an appeal against any decision of the Certification Officer may be made to the Court of Appeal on a question of law.

Additionally, if any Northern Ireland member alleges that he/she is aggrieved by a breach of the political fund rules made pursuant to Section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 he/she may complain to the GB Certification Officer, Brandon House, 180 Borough High Street, London SE1 1LW. If, after giving the complainant and a representative of the Union an opportunity of being heard, the GB Certification Officer considers that a breach has been committed, he/she may make an order for remedying it as he/she thinks just in the circumstances. Any such order of the GB Certification Officer may, subject to the right of appeal provided by section 95 of the Act, be enforced in the manner provided for in section 82(4) of the Act.