



# Government Payments to Education-Sector Unions

## Special Report by the Auditor General of Ontario – May 18, 2016

### Why We Did This Audit

- On November 4, 2015, the Legislature’s Standing Committee on Public Accounts asked us to review payments by the province to education-sector unions for collective bargaining since 2008, including \$2.5 million in 2014/15.
- The request came after media reported that the government paid or committed to paying three unions to offset contract-bargaining costs—without asking for receipts or an accounting of how the money was spent.

### Why It Matters

- Other provinces rarely pay bargaining costs of teachers’ unions.
- Ontario has not subsidized bargaining expenses of other large public-sector unions.
- There were concerns about public money going to unions instead of services for Ontarians, and whether payments prolonged the bargaining process, compromised union independence, or encouraged unions to support government’s political interests.

### What We Found

- In 2004, Ontario started voluntary central-table collective bargaining for the education sector.
- In 2008 and 2012, the Ministry of Education (Ministry) offered to cover unions’ bargaining costs to encourage participation; Ministry and unions signed agreements requiring unions to submit proof of expenses.
- In 2014/15, central-table bargaining became mandatory. Ministry was not planning to pay unions’ bargaining costs but later, to advance negotiations, agreed to pay \$1 million to each of two unions and \$500,000 to a third without accountability requirements. On November 12, 2015, amidst public attention, the Ministry told the unions to provide audited expense reports.
- In total, the government committed \$3.8 million to unions to offset bargaining costs between 2008 and 2015. The Ministry also gave school board trustees’ associations about \$11.1 million for the 2014/15 bargaining round.
- From 2000/01 to 2015/16, the Ministry gave teachers’ unions and the Ontario Teachers’ Federation an additional \$80.5 million, including \$22 million in 2006 with no strings attached, and \$58.5 million mainly for professional development.
- In 2008/09, the Ministry gave French school boards \$6.8 million to fund one union, the AEFO, for professional development.
- It is rare for other provinces to provide significant professional development funds to teachers’ unions.
- We found only one other Ontario ministry that paid a public-sector union for professional development.

### Conclusions

- Payments were unusual and public concerns are understandable. However, it is unlikely that union independence was undermined, and the payments were within the government’s authority.
- The Ministry says it will not make such payments in future, a decision we support.
- We recommended that the Ministry complete its review of the bargaining process and legislation, assess how professional development can best be delivered, and ensure accountability mechanisms are in place.