

# FACT SHEET

## Why Paying Union Dues Matters – to you, your family, and to all of us...

### **Why do workers automatically pay union dues?**

By law in Canada, all workers who are covered by the collective agreement negotiated by their union pay union dues. This Concept is known as “union security” or “the Rand Formula.” It ensures that everyone in the workplace who is represented by the union and benefits from their union, pays dues to support the work of their union.



Stand up  
for  
fairness

### **Why are union dues important to me?**

Your union dues ensure that your union has the necessary resources to represent you and your fellow CUPE members. Your union dues mean we can:

- Negotiate fair collective agreements that provide decent wages, benefits and workplace protection for you and your family. Workers not in a union tend to have lower wages, fewer benefits and less workplace protection.
- Protect you when you face issues related to pay, hours, holidays, working conditions, harassment, safety or other workplace issues. Your union is there to represent and help you.
- Provide you and fellow CUPE members with a strong voice that advocates for legislative changes that benefit our communities and protect public services, while promoting social justice.
- Make gains for union members that have a real impact on the wages, benefits and rights of all other workers. Many of the gains made through collective agreements have proven popular with the public and become law or common practice – like fair wages, statutory holidays, employment standards, pay equity, health and safety regulations, sick leave, discrimination protection and paid vacation – just to name a few.

### **Why is the collection of dues called the “Rand Formula”?**

In 1945, Ford workers in Windsor led a 99-day strike after 18-months of unsuccessful negotiations. One of the main reasons for the strike was union security. As a result, Supreme Court Justice Ivan Rand made a historic decision that if a union requests a “dues check-off” clause, it must be included in the collective agreement. This clause requires employers to deduct union dues from all workers in a workplace and remit them directly to the union. This compulsory “dues check-off” provision, known as the Rand Formula, became law in Ontario in 1980.

### **Why is the Rand Formula important?**

The direct deduction of union dues by the employer and the remittance of these dues to the union is important because:

- *It's fair*: No one can freeload – since everyone in the workplace benefits from the gains that their union negotiates, everyone must pay union dues.
- *It ensures support*: Your union will have the resources to represent you and others in your workplace and build the necessary support to achieve fair working conditions, wages and benefits.
- *It promotes stability*: There are no more strikes, as there would be, over the collection of union dues.
- *It builds power*: By ensuring your union can continue to be a strong voice for working people through political activity, advocacy and coalition-building.

### **How are union dues determined?**

- Union dues are decided democratically, at the local level, by the members who pay them.
- Dues are usually set as a small percentage of members' overall income. Workers who make less, pay less, making the system fairer for everyone.
- Union dues, like professional association fees, are also tax deductible, because they provide an important benefit to all those who pay them.
- Being a unionized member brings important benefits that are often lacking in non-unionized jobs:
- \$8,500+ more in wages annually.
- Extended health benefits for you and your family, along with retirement, sick leave, vacation and other benefits.
- Real protection for you at work and for your job.
- Representation that defends you when your employer violates your contract.
- A strong voice that advocates for better public services and investment in communities.