



## UNION DUES

Union dues are the lifeblood of every union. Each Agriculture Union member pays his or her fair share, so that everybody gains.

When we think about dues, it's true that 'what goes around comes around'. Our members get a tremendous return on their relatively modest investment in the operation and activities of their union. The broad range of services and benefits includes:

- Workplace representation;
- Grievance and adjudication handling;
- Collective bargaining;
- Union education courses;
- Specialized training and representation in such areas as health and safety and human rights;
- Internal and external communication of workplace issues;
- Formal meetings with senior management; and
- Lobbying of politicians.

Along with their dues payment, Agriculture Union members get the opportunity to have a full say in the structure and activities of our union. And, let's not forget that dues are also tax deductible.

In every union, it is customary to apportion dues between the Local Union and the National Union. However, because the Agriculture Union is a Component union of the Public Service Alliance of Canada, our members' dues are split three ways in the following manner:

**PSAC Dues:** PSAC dues are set by delegates to PSAC Triennial Conventions. Effective January 1, 2004, PSAC dues are 0.8963 per cent of the lowest wage increment in each classification level. A further 35 cents is deducted to bolster the PSAC's Emergency Fund.

The PSAC has seen its strike fund dangerously depleted. As a result, a special levy will be applied. Beginning July 1 and until December 31, 2006, the levy will be two dollars per member, per month, for those earning \$30,000 per year or less. It will be five dollars per member, per month, for members earning more than \$30,000 per year. Then from January 1, 2007 until the strike fund has a balance of \$25-million, the levy

will continue at two dollars for members earning \$30,000 per year or less, and will be reduced to \$2.75 per member, per month, for members earning more than \$30K per year. The month after this levy ends, the regular contribution by members to the strike fund will increase from thirty-five cents to one dollar per member, per month. In future, whenever the PSAC strike fund balance falls below \$10-million, the levy will be reinstated until the fund balance exceeds \$25-million. The levy will be two dollars per member, per month, for members earning \$30K or less, and four dollars per member, per month, for members earning more than \$30K.

**Agriculture Union Dues:** Agriculture Union dues are established by delegates to our Triennial Convention. The current percentage dues factor – effective January 1, 2009 – is set at 0.5368 per cent of the lowest wage increment in each classification level.

**Local Union Dues:** The Local portion of union dues are established by the Annual General Meeting. To find out what your local dues are contact your Local President.

Dues are deducted once a month “at source” – that is to say, they are deducted by Treasury Board from a member’s pay cheque and forwarded to the PSAC, with the Component share sent to the Agriculture Union. As noted above, the Agriculture Union National Office forwards Locals their portion of the dues.

However, Locals are required to submit an annual audited statement of their finances to the National Executive by March 1 of each year. If the financial statement is not received, the remittance of Local dues rebates are withheld.

All workers covered by a collective agreement negotiated by the PSAC must pay union dues, whether or not they have elected to sign a membership card and join the union. This is called “the Rand Formula”. The term is named after Justice Ivan Rand, who was asked to help find a settlement to a particularly nasty Ford strike in Windsor, Ontario in 1945. Justice Rand accurately noted that all workers – whether union members or not – would benefit from a union-negotiated contract. While no-one was forced to join the union, “free-loading” would not be permitted. If you got the benefit, Rand ruled, you should help pay the cost.

Rands usually constitute a very small percentage of employees. While some decline to join unions for philosophical reasons, most Rands were simply never approached to sign a membership card. It is the responsibility of Local Officers to ensure all Rands have the opportunity to join the union!

In very rare circumstances, union dues can be diverted to a designated religion. However, that particular religion must have a long-standing rationale for not supporting unions as part of its dogma. It cannot simply be a convenient way to avoid paying union dues.

Unions are directly and democratically accountable for the way monies are spent. Our goal is the best in service and representation.

# WHAT ARE 'RANDS'?

While the term 'Rand' is often heard in the workplace, many people have only a sketchy idea of what this buzzword means, and to whom it applies.

Simply put, Rands are employees who, while paying dues, have never formally joined the union certified to represent their workplace interests.

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So, if Rands aren't union members, why do they pay dues?

The answer can be found in a landmark labour dispute more than half a century ago.

In 1945, 17,000 Ford workers in Windsor, Ontario launched a strike for union recognition. The dispute was particularly lengthy and nasty. It swiftly became a national issue, symbolic of the struggle by Canadian workers to gain a fair share of the wealth created by their labour.

The federal government, faced with growing social and economic damage caused by the Ford strike, intervened in an attempt to resolve the dispute. It appointed Ivan Rand, a highly-respected Supreme Court Justice, to mediate a settlement.

Justice Rand's efforts were successful. And this success was largely based on a new concept that came to be known as the 'Rand formula'.

At that time, unions were neither as prevalent nor as accepted as they are now. Justice Rand realized that not all the Ford workers would be willing to join the new and untried union. At the same time, he recognized that a secure financial base was essential if the union was to do its job properly.

The Rand formula was a sensible compromise. While not insisting on mandatory union membership, Justice Rand required all Ford workers to pay dues to the union. This is what we today know as the "compulsory check-off of union dues".

Right-wing, anti-union critics of the Rand formula say it amounts to taxation without representation. This simplistic argument collapses in the face of logic and justice.

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The “Rand formula”, with its underlying principle of fairness, has stood the test of time. It is as valid in today’s federal public service as it was in the auto plants of 1945.