

## Why Pay Dues?

Most union activists never question the dues structure so they are often baffled when a new employee signs up as a member and asks, “Why do I have to pay dues?”

For new members, who tend to sign lots of papers when they hire in, signing dues deduction cards is like signing a tax withholding form. They do it automatically. But when they get the first paycheck, they look at all the deductions and right up there with federal withholding taxes is union dues. So the union begins to look a lot like the IRS.

Let’s look at some ways of connecting the concept of dues to the benefits that members receive. First of all, in every industry where we represent working people, unionized workers earn better wages and have better working conditions than those workers in non-union environments.

There is more. In 25 states, so-called “right-to-work” states, where state law severely limits workers’ rights to bargain contracts collectively and limits union membership, the average pay is 20 percent lower than in states where workers have the freedom to form strong unions.

The only financial obligation on employers in a non-unionized workplace is to pay the minimum wage, which at the federal level is \$7.25 per hour (some state minimums are higher), and pay overtime if any, at time and a half for all hours over 40 in one week. Beyond that, all employers pay workers’ compensation, Social Se-

curity tax, and payroll taxes. That’s it. They are not obligated to pay health benefits, pensions, vacations, tool and uniform allowance, holidays or severance pay.

Many nonunion employers pay more than the minimum because they wouldn’t be able to attract workers by offering \$7.25 an hour and nothing more. But there is no law that even obligates them to continue offering better wages and benefits if, for instance, there is a downturn in the industry. So they could change a benefit or fire a worker in a moment. The employee has no contract and no union to enforce the conditions of work. That situation is what is called “employment at will.”

Paying dues is an investment. It allows the union to defend and protect the member. By pooling resources at the local level and the international level, the union can defend and protect all of its members.

So you can talk generally about what the union does—polices the contract daily, negotiates the conditions of employment regularly, insures that the conditions of work are safe, lobbies regulatory bodies and politicians, and provides special membership services such as training, insurance, and/or hosts social events. There is probably lots more going in your local. All of those services and activities should be illustrated in some formal way, such as a handout or pie chart given to the members at hire or put on the local website. The chart gives a clear indication



in what areas dues are spent.

Take a little time do the math. What you can show the member is the dollar value of union dues. Here are the steps:

1. Take the current hourly wage rate and multiply it by 2080 work hours per year.
2. Consider all overtime worked with applicable rate and multiply by number of hours worked in a year and add it to the total.
3. Take any night/shift differential and multiply by hours worked in a year and add it.
4. Add the value of employers’ annual contribution to health insurance.
5. Add employers’ annual contribution to any other insurance.
6. Add employers’ annual contribution to pension or 401(k).
7. Add employers’ contribution to any other fringe benefit such as a travel pass.
8. Add value of employers’ supply of work clothes, shoes, tools, uniform cleaning.
9. Add any other benefits such as tuition reimbursement.

This gives you the member’s total annual income. You can subtract the minimum wage times 2080 to get the value over what the employer has to pay by law. Subtract the annual dues paid to get the rough economic value of the union contract to your member compared to the cost of the dues.

These figures do not include all the value of not working such as vacation, holidays, personal days, sick days, and bereavement leave. It also does not include the non-economic parts of the agreement such as the grievance procedure that has intrinsic value.

So when a new member comes to you and asks the question, grab the contract book and show them the union difference.

## TWU History

Seventy-five years ago Local 225, representing transit workers in New Jersey, was founded. Here are their first officers.

Today, Local 225 represents motor coach operators, mechanics, dispatchers, tour guides, ticket agents, mini-bus drivers and other job titles in New Jersey and New York.



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