

# CUPE FACTS

## US-Style Right-to-Work Laws

### Conservatives Promote Anti-Union Legislation in Canada

Conservative politicians at both the provincial and federal levels are proposing to destroy the uniquely Canadian system of labour laws and undermine the political and organizing activities of unions.

Federal Conservatives and provincial Progressive Conservative politicians have threatened to bring in anti-union US-style policies that allow workers in unionized environments to opt-out of paying dues. US Republicans and Canadian Conservatives call these “Right to Work” laws, but the laws are a direct attack on working people and union financial sustainability.

US States with these anti-union laws have lower wages and incomes (\$1,540 a year less), higher poverty rates (2.5% higher), less education investment (\$2,671 less per pupil), bigger problems with health and safety compliance, and lower voter participation.<sup>1</sup>

In the United States of America, Republicans call it “right-to-work” legislation. In Ontario Tim Hudak and the Progressive Conservative party call it “worker choice” reforms. Federal Conservatives like MP Pierre Poilievre says it’s a right to opt-out of paying dues. But for all workers it means working with fewer rights and for less.

The attacks on unions in Canada

have started with Bill 85 in Saskatchewan and federal Bill C-377. Bill 85 undermines workers’ rights, fragments established union locals and changes the minimum workplace standards. Bill C-377 will force unions to expose their finances to employers and the public. The law forces even the smallest union locals to fill-out piles of paperwork and put financial statements on a government website. This will allow employers to know how much is in a strike fund or how much money the union has when it is in negotiations. There is no such law to force employers to expose any of their finances, giving them an unfair advantage.

#### Ivan Rand

#### Supreme Court Justice (1946)

*“... the power of organised labour, the necessary co-partner of capital, must be available to redress the balance of what is called social justice. . . .”*

### An attack on working people’s rights

US anti-worker legislation (called Right-to-Work laws in the US) are part of Hudak’s and Harper’s plan to drive-down wages for all workers. It is one of many measures Harper’s government has introduced.

- Changes to Employment Insurance (E.I.) system forces most claimants to accept lower paying, lower skill jobs;
- Conservative government changes to the Temporary Foreign Workers Program are being used by employers to hire skilled international temporary workers instead of train local workers.

- Employers have an incentive to lay-off workers in decently paid jobs and re-hire or hire new employees at lower wages, either through the temporary foreign worker program or frequent EI claimants.
- When new E.I. claims are filed, unemployed workers will receive reduced benefits since future entitlement is based on 55 per cent of previous earnings.
- The federal Conservative government rolled-back pay-equity legislation for employees covered by federal labour law, changing the definition of jobs of equal value, making it harder to claim pay equity.

### All workers are worse off in US RTW States

So-called “Right-to-Work” (RTW) laws are intended to drive-down everyone’s wages, benefits and increase precariousness of work.

Wages in right-to-work states are 3.2 percent lower for both union and non-unionized workers than those in non-RTW states.

The rate of employer-sponsored pensions is 4.8 percent lower in RTW states. If workers in non-RTW states were to receive pensions at this lower rate, 3.8 million fewer workers in the US would have pensions.

#### Martin Luther King Jr. (1961)

*“In our glorious fight for civil rights, we must guard against being fooled by false slogans, such as ‘right to work.’ It provides no ‘rights’ and no ‘work.’ Its purpose is to destroy labor unions and the freedom of collective bargaining. . . . We demand this fraud be stopped.”*

<sup>1</sup> Right-to-Work 101, Economic Policy Institute, February 2012.

**Sukanya Pillay**  
**Canadian Civil Liberties**  
**Association (2012)**

*“Collective bargaining is an essential element in the fabric of a free and democratic society because it enhances human dignity, equality and democratic participation in the workplace. Engaging unions, and, through them, workers, to negotiate terms for their labour is fundamentally democratic. Why? Because it is rooted in the idea of human dignity – that human beings have the right to sell their labour only on such terms that they accept.*

*Collective bargaining is a constitutional right for this reason. The Rand Formula prevents freeloading. Since everyone in the workplace benefits from the gains that the union negotiates, everyone must pay union dues. This means that no one can freeload on the contributions of other workers.”*

## **Unions stand for fairness**

All workers benefit when there are strong unions to fight for minimum standards. Unions are needed to fight against continuing unfairness in Canadian workplaces, and there is still a long way to go to get workplaces that are fair for all workers.

- At least 20 per cent of workers in Canada are in precarious work, an increase of 50 per cent over the previous 20 years. In Ontario alone, 735,000 workers are in temporary and precarious jobs.<sup>2</sup>
- Women are still 20% more likely to earn minimum wage than men.<sup>2</sup>
- Minimum wage is not yet a living wage.
- Union wages keep wages up for everyone. Through their fight for pay equity for women and other marginalized workers, unions play a vital role in addressing social inequality.

- Unions defend public services: every individual Canadian derives an annual benefit of \$17,000 from public services. For the average household, this means an annual benefit of \$41,000 through public services.<sup>3</sup>
- Unions help coordinate support for charities: Working people contributed more than 50% to the budget of the United Way in 2011.
- There are 338,000 temporary foreign workers (TFW) in Canada.<sup>4</sup> Each year, more workers come to Canada through the Temporary Foreign Workers Program than come through the immigration path to permanent residence. Recent changes to the TFW program allows companies to pay TFW 15 per cent less than other workers doing the same job.

**CUPE Research**

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<sup>2</sup>Perspectives on Labour and Income, Statistics Canada.

<sup>3</sup>Canada's Quiet Bargain, Canadian Centre for Policy Alternatives.

<sup>4</sup>2011 National Household Survey Highlights, Statistics Canada