



## Unions Reject Company Two-Tier Wage "Framework"

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### National Bargaining Update – Union Rejects Outright Company Two-Tier Wage ‘Framework’

At national bargaining the company, despite its commitment to provide an economic proposal, couldn't even fulfill this obligation. Instead, they presented a two-tier wage “framework” that further demonstrates their disrespect for the front line heroes that continue to carry the community through a deadly pandemic. Their two-tier wage system would start people hired in 2023 on a lower, completely different tier of wage tables, with some new employees being hired at double-digit dollar amounts per hour less than their recently hired co-workers, and they would almost certainly top out at much lower wages. Simply put: it is unequal pay for equal work.

We responded, that a two-tier system is simply a non-starter. It is divisive – and simply doesn't solve any of the problems we face together to make healthcare more affordable.

### Two-Tier Wage Systems are a Non-Starter

- ***Existing staff members ("First Tier") continually feel they are being pushed out in favor of lower wage workers.***
- The company thinks they can pay off existing employees to get concessions for future employees ("Second Tier").
- New hires ("Second Tier") perceive their co-workers sold them out for their own gain.
- They provide unequal pay for equal work.
- Accepting two-tier wages today means opening the door to a host of concessions for years to come.
- For an interesting case on two-tier: <https://www.npr.org/2019/05/21/723756097/2-tiered-wages-under-fire-workers-challenge-unequal-pay-for-equal-work>
- Currently, many job classifications already face national shortages. Kaiser will need to continue to pay competitively to deal with these challenges.
- Year after year the non-profit KP continues to make profits

The company is floundering and simply cannot rationalize its own proposals.

### The Company's Finances are Solid and they Continue to Operate as though there are no Financial Issues

Meanwhile, the company continues to hire physicians to perform work that can be done with the highest quality by APPs, RNs, pharmacists, and other classifications. And they can be hired at in most cases approximately half the annual salary of physicians – in specialty areas it is much less than half. Obviously, their actions make no sense in light of their

story that union members are an economic burden.

Further, the company also recently emailed about its *continued financial success* to its employees, they *intentionally turned down millions and millions of dollars in COVID relief funds*, and the *Company sits on tens of billions in reserves*.

### **Local Bargaining Update**

While frontline workers continue to show up heroically during an increase in pandemic cases, the company doesn't even come to negotiations in-person, much less prepared – unable to answer basic questions or explain their own approach to the discussions.

The union continues to press the company for important changes in our local contract that will improve vacation and time off, increase wage premiums and wage rates, improve work-life balance, address leaves of absence, and a host of other issues.

Disrespecting the needs of their frontline staff, the company's repeated response was that they were "not interested" in discussions around: vacation time, work-life balance, education and training, safety during inclement weather events, addressing sick leave and leaves of absence anomalies, and other areas.

When pressed as to what specific areas of the union proposals were objectionable, the company representatives could not answer basic questions, demonstrating even further their lack of basic preparation and even more importantly their lack of regard for the frontline healthcare workers that continue to carry our communities. When we present proposals that would decrease company costs for a total win-win, the company is "not interested."

The Local 7 bargaining team remains resolute in its determination to make important gains and assure that KP is setting itself up for long-term success.

### **What we Can do to Achieve a Strong Union Contract**

- Mobilization Mondays - Continue to wear your union t-shirt and/or buttons on Mondays. Send your pictures to 303.588.2282
- Petitions for a new contract will be coming soon!
- More Actions Are Coming in September, so get Ready!

### **Vaccine Mandate Update**

While the Union does not favor a vaccine mandate, we do take the safety and health of our members seriously. The City of Denver has mandated that clinical healthcare staff take the vaccine. Other jurisdictions are taking similar steps throughout the country. In general we encourage workers to get vaccines in light of a deadly pandemic. We believe our union members should consult with their healthcare providers and/or clergy where appropriate.

The Union has demanded bargaining over the vaccine mandate, and we have a meeting with national leadership next week.

More information will be available, and we will promptly communicate out to you any developments.

In unity,

Nate Bernstein

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