

American Federation of State, County, and Municipal Employees, AFL-CIO

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March 14, 2023

President Michael Drake
Office of the President
University of California
1111 Franklin Street, 12th Floor
Oakland, CA 94607
president@ucop.edu

Re: Urgency of increasing the UC minimum wage to \$25/hour and providing a minimum of 5% wage increases

Dear President Drake:

AFSCME 3299's 32,000 service and patient care workers dedicate themselves to the University of California day in and day out. For three years during the pandemic, we went above and beyond, risking our lives to show up every day and care for our patients and students. We had to fight for basic PPE and had to stop the University from laying us off. Many of our members still lost their lives, lost family and loved ones, homes and jobs to COVID-19. When the University publicly discussed the ravaging effects of the pandemic on the "most marginalized" at the Regents meeting—you were talking about us.

Despite our great sacrifices and the University's public statements, the University has not ensured that the most marginalized in the UC community have been taken care of. As a result, we have fallen even further behind, facing unprecedented economic insecurity and housing burdens. The unprecedented inflation of 15% since the pandemic began means that we simply cannot afford to live. The University's failure to ensure adequate wages for those who cook food, clean toilets and care for patients has led to this crisis.

The University has not brought the wages of its lowest paid and most vulnerable workers in line with the Consumer Price Index, or to rates that make housing and other basic needs within reach, leading to poor housing conditions, long commutes, high debt, food insecurity, and homelessness of UC employees. Further, our lowest-paid workers continue to be disproportionately and overwhelmingly people of color and women.

In addition to this being a crisis faced by AFSCME-represented service and patient care workers, many other University employees are similarly situated, including non-academic student employees. These non-academic student workers perform the same services alongside career employees and make even less than the lowest-paid career employees.

We demand that the University demonstrate leadership by increasing the minimum wage across the entire University of California to \$25 per hour. This new minimum would necessitate shifting all step structures with rates under \$25 per hour to have steps begin at \$25 per hour. And this minimum wage must apply to all University employees, including non-academic student workers, to make housing and other basic needs within reach, and to ensure that all workers receive equal pay for equal work.

In addition, for all AFSCME-represented employees (and step structures) who would not receive at least a 5% increase with the new \$25 per hour minimum wage, we demand a 5% increase in their pay rates (and step structures). These demands are designed specifically to account for the ongoing decline in our real wages, as well as to make a meaningful step toward the housing wages required in California. Language in our collective bargaining agreements, side agreements, and past practice all demonstrate that the University can increase wages during the life of current collective bargaining agreements.

Despite having failed to take action following its public statements of support for its lowest-paid workers, the University has taken action to approve new increases for executives. As you know, in January of 2022 the UC Board of Regents approved "market-based salary adjustments" for all University Chancellors, including a minimum salary of \$521,896, or \$250 per hour. Regents' rationales for the pay increases included market equity and the University's "obligation to pay its employees well." Including a separate 4.5% wage increase for all unrepresented staff, the nine chancellors received on average close to a 24% pay increase last year. Currently, the average hourly pay for Chancellors is \$293 per hour, which does not include the additional 4.6% increase approved by the Regents for 2023. Over the last two years, the average base pay of the University's senior management increased by 12% from the equivalent of \$201 per hour in 2020 to \$226 in 2022—an increase of \$51,000 per year. And you currently make \$460 per hour. The University can afford to provide for a meaningful minimum wage.

The University has responsibility not only for the low wages it pays, but also for contributing to the housing affordability crisis. The University's policies as a developer, real estate investor, and driver of population growth are making housing less affordable. Establishing a \$25 per hour minimum wage for all UC workers could substantially reduce the number of its lower-wage workers who are considered severely rent-burdened under federal guidelines. And, a 5% wage increase for AFSCME-represented employees would mitigate some of the erosion of our workers' ability to meet basic needs and rent increases, which have outpaced inflation overall.

In addition to putting housing and basic needs within reach for its workforce, these changes could significantly improve recruitment and retention, and lower the high rate of job vacancies that University officials have identified as a potential risk to the institution.

We look forward to your immediate response on this crucial matter.

Sincerely,

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Michael Avant, Executive Vice President AFSCME 3299
Monica De Leon, Treasurer AFSCME 3299
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cc: Letitia Silas, UCOP Labor Relations Executive Director Matthew Teaford, UCOP Labor Relations Director University of California Regents