

UPMC DRIVES LARGEST ANTI-UNION CAMPAIGN IN PITTSBURGH

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EXECUTIVE SUMMARY

While U.S. labor law prohibits employers from discriminating against workers who participate in union organizing drives, the practice of intimidating, harassing and even firing workers for attempting to unionize is a problem nationwide.

In Pittsburgh, the largest offender of workers' rights is also the city's largest employer: University of Pittsburgh Medical Center (UPMC).

As a result of low pay, nonexistent job security and lack of a voice in the workplace, UPMC employees began the process of organizing their union in early 2012. Almost as soon as workers began coming together, UPMC began an aggressive campaign to counter their efforts.

In the past year, and after extensive investigation, the National Labor Relations Board (NLRB) has issued two major complaints alleging that UPMC's attempts to stifle the organizing campaign violated federal law. The extent of UPMC's discriminatory conduct puts it in a class by itself. Robert Chester, the Regional Director of the Pittsburgh regional office of the NLRB, told the *Pittsburgh Post-Gazette* that this complaint was the largest brought against a single employer during his tenure at the office.²

After settling the first complaint that included more than 80 allegations of unfair labor practices, the Labor Board is now prosecuting the second complaint against UPMC, which contains an additional 48 unfair labor practice allegations.

This report analyzes the scope and significance of UPMC's anti-union campaign.

In summary, the research and analysis shows:

- UPMC is the target of two massive complaints brought by the local Region of the National Labor Relations Board alleging scores of violations of workers' rights. The Labor Board has found evidence showing that UPMC systematically harassed, intimidated, subjected to surveillance, discriminated and retaliated against and fired workers who support forming a union to make improvements for themselves and their communities;
- UPMC has been supported in these efforts by the National Right to Work Foundation, whose publications the hospital has circulated in its facilities;

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² <http://www.post-gazette.com/business/businessnews/2012/12/20/UPMC-charged-with-union-violations/stories/201212200298#ixzz2qlpsIpw5>

- As the region’s largest employer, UPMC sets a standard for labor in Pittsburgh and the continuation of anti-worker campaigns like this could have a negative impact on workers’ rights in the region.

INTRODUCTION

UPMC is, according to the *Pittsburgh Post-Gazette*, “defined by superlatives—largest health care provider in the region, biggest property owner in Allegheny County.” It is considered a tax-exempt non-profit, which means it gets a \$20 million tax break from the city every year, and it pays taxes on only a portion of its properties and no payroll preparation tax.³

UPMC is an integrated nonprofit health system containing a network of hospitals, physician practices, a health insurance division, and an “international and commercial services division,” which all told had \$10 billion in operating revenue in 2013.⁴ With 22 hospitals, 400 outpatient sites, and more than 62,000 employees, it is the largest private sector employer in Pennsylvania.⁵ Jeffrey Romoff, the president and CEO of UPMC, received compensation of more than \$6 million in fiscal year 2012.⁶ His pay in that year was more than the CEOs of The Cleveland Clinic (\$2.56 million),⁷ Harvard’s Partners Healthcare System (\$2.16 million),⁸ Mayo Clinic (\$2.0 million)⁹ and Johns Hopkins Medicine (\$1.01 million).¹⁰ Additionally, 26 other employees at UPMC earned between \$1 million and \$2.5 million each.¹¹

By contrast, the wages for many UPMC employees, such as dietary workers, medical assistants, environment services aides, lab technicians, unit clerks and others begins at \$10 per hour and reaches a maximum of approximately \$16 per hour. These low-paid workers also make contributions to their health insurance that substantially reduce their take home pay.¹²

Though the employees interviewed for this report work full time, they say they don’t earn enough to get by without public assistance, which is confirmed by the Living Wage Calculator

³ “Pittsburgh Lawsuit Challenges UPMC’s Tax Status,” Moriah Balingit, Pittsburgh Post-Gazette, March 21, 2013. Available at: <http://www.post-gazette.com/local/city/2013/03/21/Pittsburgh-lawsuit-challenges-UPMC-s-tax-status/stories/2013032102100000000#ixzz2q1sgxBF3>

⁴ UPMC Audited Consolidated Financial Statements for the Year Ended June 30, 2013. Available via UPMC’s website at <http://www.upmc.com/about/finances/Documents/2013-audited-financials.pdf>

⁵ UPMC Facts & Stats, available at: <http://www.upmc.com/about/facts/pages/default.aspx>

⁶ IRS Form 990 for UPMC Group, fiscal year ended June 30, 2012, p. 312. <http://www.upmc.com/about/finances/irs-filings/Documents/UPMC-GROUP-MEDIA-FINAL-5-14-13.pdf>

⁷ IRS Form 990 group return for The Cleveland Clinic Foundation for calendar year 2011, p. 197.

<http://www.guidestar.org/FinDocuments/2011/912/153/2011-912153073-08ce1a42-9.pdf> -- CEO Delos (Toby) Cosgrove is the first on the list, with total compensation in Column E. Since Cleveland Clinic’s fiscal year is not identical to UPMC’s, the Clinic’s 990 for 2011 is an appropriate comparison to UPMC, because the last six months of calendar year 2011 overlap with the first six months of UPMC’s fiscal year 2012.

⁸ IRS form 990 for Partners Healthcare System, Inc., for the fiscal year ended September 30, 2012, p. 42.

<http://www.guidestar.org/FinDocuments/2012/043/230/2012-043230035-098e73dd-9.pdf> -- CEO Gary L. Gottlieb is the second on the list, with total compensation in Column E. Partners’s fiscal year is not identical to UPMC’s, but this comparison is appropriate because there are nine months of overlap between Partners’s fiscal year 2012 and UPMC’s fiscal year 2012.

⁹ IRS Form 990 for Mayo Clinic, calendar year 2011, p. 221. <http://www.guidestar.org/FinDocuments/2011/416/011/2011-416011702-08dbaa94-9.pdf> -- CEO John Noseworthy is roughly in the middle of the page, with total compensation listed in Column E. Since Mayo’s fiscal year is not identical to UPMC’s, Mayo’s 990 for 2011 is an appropriate comparison to UPMC, because the last six months of calendar year 2011 overlap with the first six months of UPMC’s fiscal year 2012.

¹⁰ IRS Form 990 for Johns Hopkins Hospital for the fiscal year ended June 30, 2012, p. 50.

<http://www.guidestar.org/FinDocuments/2012/520/591/2012-520591656-09756b62-9.pdf> -- CEO of Johns Hopkins Medicine Edward D Miller (since retired) is the first on the list, with total compensation in Column E.

¹¹ IRS Form 990 for UPMC Group, fiscal year 2012. <http://www.upmc.com/about/finances/irs-filings/Documents/UPMC-GROUP-MEDIA-FINAL-5-14-13.pdf> -- A list of the employees and their pay is available in a spreadsheet on request, but they are all listed on pages 308-13.

¹² “Unhealthy Choices: How UPMC’s Low Wages Endanger the Future of Pittsburgh’s Middle Class,” Pittsburgh United. Wage tables on page. 7; health insurance information on page 9. <http://www.pittsburghunited.org/sites/default/files/Unhealthy%20Choices.pdf>

published by MIT.¹³ UPMC has the third highest number of full time employees enrolled in Medicaid of any employer, after Wal-Mart and McDonald's.¹⁴ Many of the workers interviewed pointed out the irony of working for a highly profitable charitable institution that perpetuates poverty for its largest group of employees.

Inescapable poverty, massive pay disparities, a lack of job security and no voice in the workplace, are reasons that UPMC employees give for deciding to form their union in early 2012. Rather than work with employees to address their concerns, UPMC has instead vociferously opposed the employees' organizing efforts and has engaged in a variety of conduct alleged to be illegal by the NLRB.

BACKGROUND ON LABOR LAW AND UNION ORGANIZING

It is declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.¹⁵

--National Labor Relations Act

These words are not those of a labor organization, or a pro-union group; rather they are the explicit findings and policies of Congress, signed by President Franklin Roosevelt in 1935, and now codified as Section 1 of the National Labor Relations Act (NLRA). The law is clear in providing that "Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, and shall also have the right to refrain from any or all of such activities."¹⁶

It's important to note that the right to organize is the choice of employees and is not a right that the employer grants or can take away from them. It is inalienable. Though the courts have ruled that an employer may present its opinions as to unionization, it may not hinder, obstruct, or chill workers' lawful organizing efforts.

But many employers ignore the law and violate workers' rights by harassing, intimidating, coercing, discriminating against and firing employees who support forming a union. This is not a rare occurrence in today's workplaces; according to a 2007 study by the Center for Economic and Policy Research (CEPR), "almost one in five union organizers or activists can expect to be fired as a result of their activities in union election campaigns."¹⁷

¹³ Living Wage Calculator, available at: <http://livingwage.mit.edu/> -- Calculator modeled on one developed by the Economic Policy. This calculator shows that a family of two adults and two children would need both adults working full-time at \$16.98 per hour to make a living wage in the City of Pittsburgh; see link at <http://livingwage.mit.edu/places/4200361000>

¹⁴ "Unhealthy Choices: How UPMC's Low Wages Endanger the Future of Pittsburgh's Middle Class," Pittsburgh United, p. 8.

¹⁵ National Labor Relations Act; 29 U.S.C. §§151-169, §151.

¹⁶ *Id.* at §158.

¹⁷ John Schmitt and Ben Zipperer, "Dropping the Ax: Illegal Firings during Union Election Campaigns," Center for Economic and Policy Research, January 2007, 1.

Kate Bronfenbrenner's 2009 study for the Economic Policy Institute (EPI) reveals that in addition to discharges, employers also altered benefits or working conditions in 22% of organizing drives, and engaged in harassment and discipline of union activists in 41% of organizing drives.¹⁸ The EPI study found that starting in the 1970s and 1980s, employers began refining their "anti-union 'tool-kit'" to create sophisticated and comprehensive forms of stopping an organizing effort in its tracks. The study found a "chilling pattern" of employers using anti-union organizations and consultants, as well as in-house personnel, to run "aggressive campaigns of threats, interrogation, surveillance, harassment, coercion, and retaliation."¹⁹ These sorts of terminations and discipline send a message to other union supporters that they risk their jobs if they exercise their legal right to organize a union. They create a culture of fear in the workforce that chills the employees' lawful activities.

ORGANIZING AT UPMC: WORKERS' EXPERIENCE

UPMC employees have chosen to organize their union in order to negotiate better wages, fix problematic staffing issues, gain a voice in their workplace, increase the quality of patient care, and gain job security in delivering vital services. Many have spoken out about their reasons for organizing, and as a result many have been discriminated against.

Marcus Ptomey, a long-time UPMC employee, explained, "I've worked at UPMC Presby for 10 years as a Unit Technician in the GI Lab. I work alongside nurses to help give my patients the best care they can get. But like many of my co-workers I struggle to make ends meet because the pay is so low. I was eager to join with my co-workers to form our union so that the priorities of working families are heard at our city's largest employer, but UPMC didn't like that."

Similarly, **Jamie Hopson**, who has worked for seven years as a Patient Care Technician explained, "I decided to form a union with my co-workers because we aren't paid enough to support our families and we want a voice on the job."

Sophie Harris* has been a billing coder at UPMC for several years. As a coder, she reviews patient charts, converting all the diagnosis and prescription information into codes.

Sophie explained that she is organizing because "I really don't have a voice at work. None of us have a voice. You can go to management and complain about something, but without a union it'll be used against you. We need a union so we can sit down and negotiate with the employer. They need to know our concerns in a way that we feel safe communicating with them. And the employees need to have a contract so we can know what to expect each year. Instead we are struggling, really struggling, to make ends meet, living paycheck to paycheck. I don't think it's too much to ask to have a little money left over at the end of each month."

*The employee asked that a fictional name be used, as she feared retribution at work for speaking out.

¹⁸ Kate Bronfenbrenner, "No Holds Barred—The Intensification of Employer Opposition to Organizing," Economic Policy Institute, May 20, 2009, 14, <http://www.epi.org/publications/entry/bp235>.

¹⁹ *Id.* at 9.

Laura Smith* has been a pharmacy technician at UPMC for six years. Pharmacy technicians assist the pharmacists by compounding and dispensing pharmaceuticals. Laura describes it as being “important detailed work, but also basically the manual labor portion of being a pharmacist.” When she began working at UPMC, she was paid \$10.50 per hour and is now paid \$13 per hour for this skilled work. She said that most of the increase has gone towards paying for the higher cost of health insurance she receives through the hospital. “Somehow it feels like my take home pay is less now than when I started,” she explains.

“The whole reason I went into healthcare was to take care of people. If you treat employees better, then there is a domino effect that extends all the way to the patients. But UPMC doesn’t treat the employees with as much respect as it should. And if employees are underpaid, overworked, and overstressed, there is high turnover and the system doesn’t work as well as it should.”

The low pay leads to high turnover, which troubles Laura. “The biggest problems are training and experience. The more you can trust techs, the better patients are treated and protected. The techs are the final check on the pharmacist’s work, so it’s important they be honest and competent. The newer employees don’t catch the mistakes of the pharmacists. However, a lot of people feel that because of the low pay there is no incentive to stay in the field.”

Laura described her decision to organize: “I have coworkers who have children and health problems, and I watch them struggle to make ends meet in this physically demanding job. Full-time workers should be able to support families, but we can’t do that here.”

“Healthcare as a field has a responsibility to take care of people—patients, community, and workers—and even though UPMC does a lot of things right, I believe it has lost sight of the original intent of the hospitals. It has become too focused on profits over patients and workers.”

*The employee asked that a fictional name be used, as she feared retribution at work for speaking out.

Christoria Hughes moved to Pittsburgh six years ago at the age of 50 in order to help support her granddaughter at the University of Pittsburgh. She began working in the dietary/food service department, earning \$8.75 per hour. Employees in this department are responsible for making, serving, and delivering all the food at the hospital. By early 2012, Christoria was still only being paid \$9.75 per hour. She said that once they began talking about organizing, her pay went up to \$12 per hour. However, after taxes and deductions, her take home pay is approximately \$1,200 per month.

Christoria began organizing because she and her co-workers have not seen things getting better at the hospital. “I work with people who have been here 30 plus years, and their standard of living has not increased much over that time.” Due to the low salaries, there are constant staffing issues that directly affect patient care. More and more of the employees are not categorized as

full-time, but rather flex-casual, where they don't know week by week how many hours they will work.

Christoria explains, "I've chosen to organize because we need a say in what our futures are going to be. Our work is hard, but I love helping people. I just want to see that hard work used to uplift me and my co-workers. I don't want to worry that I'll go in one day and find out that I've been fired or my hours have been cut because the manager is in a bad mood. It's not right."

Christoria asked, "Doesn't UPMC have a responsibility to the community? We are part of that community."

FEDERAL GOVERNMENT SAYS UPMC'S ANTI-WORKER CAMPAIGN IS ILLEGAL

Instead of permitting employees to choose freely whether or not to organize, UPMC has chosen a course of coercive and discriminatory conduct that runs counter to federal labor law and betrays the community that it has been trusted to serve. As a result, the NLRB, the federal agency tasked with enforcing and adjudicating labor law violations, has issued two massive complaints that enumerate the various ways that UPMC and its agents are alleged to have violated workers' rights.

For the NLRB, issuing a complaint is a very serious matter. In its public statements about the Board's investigations and findings to date, UPMC has treated the Labor Board's complaints as mere allegations that can be made without any finding of merit.²⁰ UPMC either misunderstands or purposefully obscures the NLRB process, as the NLRB does not issue complaints until after conducting a rigorous review process. The NLRB found merit and issued complaints in only 6% of cases in 2012. In fact, the Labor Board will not issue a complaint until after it has conducted an investigation and reviewed the employers' evidence and exculpatory arguments. Due to the high standard required to be met in issuing a complaint, the Regional Offices won over 90% of complaints after hearing.²¹

Allegations of violations of workers' rights began almost as soon as UPMC learned of the workers' organizing efforts, which started in early 2012. It's important to remember that the NLRB can act on unfair labor practice charges only if employees first file them. We have no way of estimating how many workers are intimidated or harassed but don't know how to or choose not to take their cases to the Labor Board.

The following is a broad outline of what the NLRB has alleged in the case of UPMC.

²⁰ <http://www.post-gazette.com/business/businessnews/2013/10/02/NLRB-charges-UPMC-with-more-than-a-dozen-violations-against-union-organizing-workers/stories/201310020093#ixzz2qrU86euw>

²¹ NLRB Summary of Operations FY 2012, p. 3-4.

The First Complaint: December 2012

Following its investigation of workers' testimony, the NLRB issued a massive complaint on December 2012 charging UPMC with intimidation, interrogation, surveillance, and disciplining workers in order to diminish their labor rights. The conduct detailed in the complaint included:

- letters sent by UPMC hospital presidents to every employee that misrepresented their rights;
- surveillance of employees who were involved in the organizing campaign;
- directing employees that they must call the police and refuse to speak to union organizers who come to their homes;
- threats to send workers home if they were talking about the union or distributing union authorization cards;
- verbal warnings and suspensions of employees for their union activities;
- and termination of two employees, Ronald Oakes and Frank Lavelle, because of their lawful union activity.²²

These actions arguably accomplished what UPMC intended. Firing even a few workers sends a clear message to other workers that they risk everything by trying to exercise their rights. A billing coder at UPMC interviewed for this report described her fellow coworkers as being “afraid to breathe for fear that they’ll be targeted by UPMC.”

The employees have beseeched UPMC to end its retaliation and allow workers to have an open conversation about the union. Chaney Lewis, who has worked for more than 8 years at UPMC transporting patients, and has suffered discrimination due to his union activity, stated, "All I want to do is exercise my right as a citizen to talk to my co-workers about the option of forming a union. If the union comes, it comes. If it doesn't, well that's all right, too, if that's what people decide when they aren't afraid and aren't coerced. But please, let's just play fairly."²³

UPMC's conduct places it in the company an estimated one-third of employers who illegally terminate employees in order to stop a union drive.²⁴ However, *the extent of UPMC's discriminatory conduct puts it in a class by itself. Robert Chester, the Regional Director of the Pittsburgh regional office of the NLRB, told the Pittsburgh Post-Gazette that this complaint was the largest brought against a single employer during his tenure heading the Pittsburgh office.*²⁵

²² NLRB Order Consolidating Cases, Consolidated Complaint and Notice of Hearing, Cases 06-CA-086542—06-CA-090144 (December 13, 2012).

²³ “Process Questions: Battle to Unionize at UPMC Heating Up,” Charlie Deitch, Pittsburgh City Paper, June 27, 2012. Available at: <http://www.pghcitypaper.com/pittsburgh/process-questions-battle-to-unionize-at-upmc-heating-up/Content?oid=1537994>

²⁴ Kate Bronfenbrenner, “No Holds Barred—The Intensification of Employer Opposition to Organizing,” Economic Policy Institute, May 20, 2009, 23, <http://www.epi.org/publications/entry/bp235>.

²⁵ <http://www.post-gazette.com/business/businessnews/2012/12/20/UPMC-charged-with-union-violations/stories/201212200298#ixzz2qlpsIpw5>

On January 30, 2013, the NLRB and UPMC agreed to settle the first complaint without a trial. The settlement focused on making whole workers who unfairly suffered as a result of their lawful union activities and on ensuring that the discriminatory conduct cease. Specifically, the settlement required UPMC to stop all discriminatory conduct; post physical and intranet notices of employees' rights; train managers, supervisors, and security concerning the issues raised in the complaint; reinstate fired workers Ronald Oakes and Frank Lavelle and provide them back pay; and compensate employees who lost wages after being suspended or given changes in duty.

January 9, 2014 Amended Complaint

Though the January 30, 2013 settlement was intended to end UPMC's discriminatory conduct through the use of trainings and posting notices on workers' rights, UPMC continued its previous course of conduct almost immediately. The NLRB has alleged that starting in February 2013, UPMC again engaged in a host of illegal conduct, including but not limited to:

- UPMC conducted surveillance of employees as they engaged in lawful union activities;
- UPMC managers and supervisors threatened employees with discipline and poor evaluations because of their union activities or sympathies;
- UPMC threatened to arrest employees who were engaged in lawful union activities;
- UPMC coerced and intimidated employees due to their lawful union activities;
- UPMC interrogated employees about their union activities and sympathies;
- UPMC threatened employees with discipline unless they wrote statements about their union activities and sympathies;
- UPMC retaliated against employees who gave testimony to the NLRB; and
- UPMC discharged Ronald Oakes just weeks after he was reinstated under the terms of the settlement in retaliation for testifying in the NLRB proceeding. It also discharged employees Finley Littlejohn, Albert Turner, and James Staus.²⁶

Supply Specialist, Jim Staus, explained that, "for the past seven and a half years, I made sure that the nurses of UPMC had what they needed to make sure patients are taken care of every day. I worked hard each and every day so I could take care of my wife and daughter, but every year it's gotten harder and harder to make ends meet." Though Staus worked full time before being fired for trying to organize, he and his family had to rely on food stamps and a food bank to put food on the table.²⁷

Shuttle Driver, Al Turner, explained that he loved his job and was proud of the work that he did. "But when it became harder for myself and my coworkers to afford the basic essentials, like food, clothing, and rent—I decided to speak up." Turner explained why he refuses to be intimidated. "This fight isn't just about me, it is for all working class people in Pittsburgh. UPMC isn't above the law, and together we can make jobs at UPMC the good jobs we need to make our families and economy good again."²⁸

²⁶ Second Order Further Consolidating Case and Amended Consolidated Complaint, Cases 06-CA-102465—06-CA-115826 (January 9, 2014).

²⁷ "Unhealthy Choices: How UPMC's Low Wages Endanger the Future of Pittsburgh's Middle Class," Pittsburgh United, p. 8.

²⁸ *Id.* at 15.

After being terminated a second time for his union activities, Ronald Oakes declared, “I will continue to stand up for good jobs here in Pittsburgh. It is time for UPMC to stop harassing workers and put an end to its anti-worker campaign.”²⁹

UPMC AND NATIONAL RIGHT TO WORK FOUNDATION

In May of 2013, the anti-union National Right To Work Legal Defense Foundation began supporting UPMC’s efforts to curb employees’ organizing, first with an offer to “help UPMC employees who oppose unionization.”³⁰ This was followed on July 30, 2013, by an ad campaign to publicize this “offer.”³¹ The National Right to Work Legal Defense Foundation is part of a web of conservative right-wing organizations—including the American Legislative Exchange Council—that rely heavily on the funding of conservative billionaires and push for deregulation, regressive tax policies, and conservative social agendas.³²

Labor law scholar Joan Flynn has described the organization as one of the NLRB’s “most aggressive enemies.”³³ Harvard Law professor and labor law scholar Benjamin Sachs has written that “[o]ne of the most prominent opponents of the labor movement is the National Right to Work Committee and its sister organization, the National Right to Work Legal Defense Foundation. These organizations, which do not disclose the source of their funding, proclaim that they exist to fight what they describe as the ‘abuses’ of ‘compulsory unionism.’ The Right to Work Committee states that ‘all Americans must have the right to join a union if they choose to, but none should ever be forced to affiliate with a union in order to get or keep a job.’ Of course, in practice, the Committee has never worried much about making sure that Americans have the right to join a union. And, the Legal Defense Foundation’s high-profile cases show that they are much more concerned with making it harder for workers to unionize than they are with making sure that workers don’t have to pay fees to unions against their wishes.”³⁴

Though UPMC has denied coordinating with this anti-labor organization,³⁵ evidence from UPMC’s internal intranet system shows that UPMC is promoting the organization’s activities and directing employees to contact them. UPMC’s promotion and apparent coordination with an organization that has been ideologically opposed to unionization and has worked to dismantle unions, sends a clear message about where UPMC management stands.

CONCLUSION: UNIONS CAN HELP STRENGTHEN THE MIDDLE CLASS, AGAIN

²⁹ “NLRB Accuses UPMC of Intimidating Workers,” Alex Nixon, Pittsburgh Tribune-Review, October 2, 2013. Available at: <http://triblive.com/business/headlines/4813515-74/upmc-union-workers#ixzz2qru0k3cO>

³⁰ *Pittsburgh Business Times* story from Kris Mamula at <http://www.bizjournals.com/pittsburgh/blog/the-pulse/2013/05/foundation-offers-upmc-legal-aid.html>

³¹ National Right To Work Legal Defense Foundation press release at <http://www.nrtw.org/en/press/2013/07/worker-advocate-launches-tv-ad-campaign-07302013>

³² “The Commonwealth Foundation and the Allegheny Institute: Think Tanks or Corporate Lobbyist Propaganda Mills?” A report by Keystone Progress and The Center for Media and Democracy, November 2013. <http://tinyurl.com/CommFound>

³³ Joan Flynn, “Expertness for What?: The Gould Years at the NLRB and the Irrepressible Myth of the “Independent” Agency (Fnaa1), 52 Admin. L. Rev. 465, 523 (2000).

³⁴ <http://onlabor.org/2013/09/27/improper-card-gathering-in-chattanooga-a-uaw-vw-update/>

³⁵ E-mail from Daniel Crossey of UPMC Health Plan, sent to unions in Pittsburgh, August 16, 2013, 2:04 PM. Copy on file with authors

In the Pittsburgh region, unions have played a critical role in addressing income inequality. In the steel industry that dominated Pittsburgh's economy, workers came together to improve their jobs, lift themselves out of poverty, and build their neighborhoods. The result? Pittsburgh became a vibrant community of families with steady jobs, stable incomes and secure retirements. They weren't getting rich, but they were making enough to provide for their families and contribute to the community.

Today, unions continue to help bring workers out of poverty and into the middle class. *The Wall Street Journal* – hardly a pro-labor publication – acknowledges that private-sector union members make some 23% more than private-sector non-union workers, and have far richer benefits.³⁶ This is true with private sector union membership at historic lows.³⁷ If more workplaces – particularly large employers like UPMC – were unionized, even non-union employers would need to raise standards to compete for workers.

But in Pittsburgh, UPMC's anti-union campaign makes it difficult for the middle class to grow—and for families to thrive. In many ways, UPMC is the region's new steel. It has replaced the steel mills as the largest employer in the dominant industry in Pittsburgh today. And as some have noted, UPMC leaders may be taking a cue from the steel barons of the past,³⁸ exacerbating the problems associated with income inequality in the city, the region and the state through the poverty jobs at its hospitals. While UPMC brought in \$1.3 billion in profits in the last three years³⁹ and a handful of executives made millions, thousands of service workers were paid—and continue to be paid—poverty-level wages.

UPMC's low wages put a strain on already-strapped taxpayers and public resources. As a result, the city is facing uneven prosperity and a growing income inequality gap. In fact, income inequality in the city is the highest it's been since the Great Depression, and UPMC is at the center of the problem. Pittsburgh's middle class is struggling—and shrinking.

As the largest employer in the area, UPMC has an enormous impact on jobs and the economy. The employer could single-handedly strengthen and build the middle class by improving jobs. Ending its anti-union campaign and retaliation against workers would be a major step towards this improvement. It would give employees a voice on the job and a real opportunity at improving their wages and job stability.

The NLRB prosecution of UPMC is a historic and significant step towards holding UPMC accountable to Pittsburgh, but UPMC can also take action to address the real and growing concerns about wages and its treatment of workers by allowing workers to form a union without illegally retaliating against them.

³⁶ Ben Casselman, "Closer Look at Union vs. Nonunion Workers' Wages," *The Wall Street Journal* "Real Time Economics" blog, December 17, 2012, 3:40pm. <http://blogs.wsj.com/economics/2012/12/17/closer-look-at-union-vs-nonunion-workers-wages> -- data are from 2011

³⁷ <http://unionstats.gsu.edu/Private-Sector-workers.htm> -- From the unionstats.com database maintained by Barry Hirsch of Georgia State University and David Macpherson of Trinity University

³⁸ Chris Potter, "A Test of Mettle: Labor steels itself for a fight with UPMC," *Pittsburgh City Paper*, September 4, 2013. <http://www.pghcitypaper.com/pittsburgh/a-test-of-mettle/Content?oid=1688876>

³⁹ This is from audited financial statements of UPMC, available via the UPMC website.

