

# City of Los Angeles raises private health care workers' minimum wage to \$25 an hour

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Effective August 13, the City of Los Angeles has implemented a Healthcare Workers Minimum Wage Ordinance, which raises the minimum wage of private health care workers to \$25 an hour in the city, with cost-of-living increases beginning in 2024. By comparison, the current citywide minimum wage is \$16.04.

The ordinance is the result of a proposed ballot initiative brought by the Service Employees International Union - United Healthcare Workers West (SEIU-UHW) who had collected a sufficient number of signatures to qualify for the November ballot. Thereafter on June 21, 2022 the Democratic-controlled Los Angeles City Council, at the urging of SEIU-UHW, chose to unanimously adopt the ordinance instead of having it on the November ballot.

According to the ordinance, "A 2021 Washington Post-Kaiser Family Foundation survey found that nearly 30% of health care workers are considering leaving their profession altogether, and nearly 60% reported impacts to their mental health stemming from their work during the COVID-19 pandemic."

It continues: "A 2020 survey found nursing assistants, with a median income under \$30,000, had a turnover rate of 27% per year, significantly higher than the turnover rate of 16% for registered nurses, whose median income is \$73,300."

The ostensible purpose of the ordinance is to address work shortages, inflation and increased costs of living while also ensuring that health care workers are "fairly compensated for keeping us safe while facing risks to themselves and their families."

## Los Angeles, one of the most expensive cities in the world

While seemingly a substantial measure, many workers affected will still struggle to scrape by as Los Angeles is one of the most expensive cities to live in in the world. The

median price of a home in the Los Angeles area is \$883,000, making a home unaffordable for most residents. According to the University of Southern California Casden Economics Forecast published in November 2021, the current average monthly rent is \$2,073, with the average rent predicted to rise to \$2,325 by 2023. This contributes to a homeless population that is nearing 70,000 people, many of whom are employed.

The new measure excludes the vast majority of health care workers who work in the public sector, including facilities run by Los Angeles County and the University of California. The health care industry is cynically exploiting this fact in a well-funded ballot campaign to overturn it. The measure applies to 4,500 union employees, including nursing assistants, security guards, receptionists, housekeepers, groundskeepers, janitors and others and could potentially affect more than 10,000 non-union workers. In some cases, these positions are currently paid a miserable \$18 an hour.

The ordinance also contains sweeping language allowing for a one-year waiver for the wage increase for employers that "can demonstrate by substantial evidence that compliance with this article would raise substantial doubt about the Employer's ability to continue as a going concern under generally accepted accounting standards." This means that health care providers will be able to exclude themselves from paying their employees a minimum of \$25 per hour, if they can prove that a wage increase would limit their ability to maintain profitability. Nothing a capable, creative accountant cannot do.

Finally, it does nothing to address the unsafe staffing ratios and levels of overwork which have brought the health care system to the brink, or provide COVID-19 protections for patients and employees, especially as more virulent, vaccine-resistant variants of the virus continue to spread unhindered. Nor does it include any measure against the fast spread of monkeypox and the expected flu surge this winter.

Nevertheless, the measure must reflect serious anxieties within the city government that the health care system could be on the brink of collapse if nothing is done about the huge

turnover in the sector, driven by intolerable working conditions. Most importantly, the Democrats and the unions behind the initiative are worried that this could produce an explosive movement of health care workers which could escape their control and push for far more sweeping and radical demands.

The language of the ordinance states, “while healthcare workers are experiencing unprecedentedly difficult working conditions and burnout, hospital systems made huge profits. ... The healthcare industry needs to use some of its profits to fairly compensate its workers.”

That state of affairs, however, is due to deliberate policies at the local and national levels by the very forces behind the ballot initiative itself. The Democrats, no less than the Republicans and the former Trump administration, have done everything to prioritize private profit over public health. Even as the new wage takes effect, Biden’s Centers for Disease Control and Prevention is abandoning social distancing and quarantine protocols, and the Los Angeles Unified School District is once again reopening for in-person classes, portending a massive surge of both COVID-19 and monkeypox in the fall.

### **The trade unions betray one struggle after another**

As for the SEIU-UHW and the trade unions as a whole, they have betrayed and suppressed one struggle after another. In Los Angeles, the SEIU-UHW shut down a strike at Cedars-Sinai Medical Center after only five days, with none of the workers’ demands having been met. Late last year, a coalition of unions at Kaiser Permanente canceled a strike by 32,000 health care workers at the last minute and imposed a contract with substandard wages, no guaranteed staffing ratios and tens of millions in corporate financing for the unions through the Labor-Management Partnership and other joint schemes.

This experience has been repeated again and again nationwide. In June, the Oregon Nurses Association canceled a strike of 1,600 nurses at Oregon’s Providence St. Vincent Medical Center and forced through a sellout contract. In Minneapolis-St. Paul, 15,000 nurses continue to work without a contract. In Michigan, the Michigan Nurses Association is keeping its members at Michigan Medicine on the job past the expiration of their contract and focusing on fruitless appeals to the University of Michigan Board of Regents. At Palomar Health in San Diego, 3,000 nurses and health care workers voted by 96 percent to strike. The California Nurses Association and Caregivers and

Healthcare Employees Union called it off, announced a sellout tentative agreement and rushed a vote with no time to review the contract.

Meanwhile, there are growing indications that nurses’ opposition is increasingly developing outside of established channels, demonstrated by the mass movement against the legal frame-ups of Tennessee nurse Radonda Vaught and Michelle Heughins, which have been organized entirely outside of the unions.

No doubt the SEIU-UHW will point to the ordinance as vindicating its “strategy” of preventing and limiting strikes while focusing workers’ attention on ballot initiatives and Democratic Party campaigns. But what is given can be easily taken away. Even the limited gains in the new law are not secure as long as workers are being held back and canalized into safe official channels.

The ordinance has prompted an aggressive response from the health care industry, which is pouring millions into a ballot initiative campaign to overturn it. Even if this corporate campaign gathers enough signatures to put the motion on the ballot, which is highly likely, the pay increase will be postponed until 2024. Right-wing and corporate interests have long successfully used ballot initiatives to overturn laws and enforce reactionary measures, including Proposition 22 in 2020 which overturned the reclassification of Uber drivers as employees, and Proposition 8 in 2008 which banned gay marriage.

The apparent strength of such campaigns comes not from the popularity of those measures, but from the feckless and cowardly opposition from the Democratic Party, which is far more terrified of popular opposition from the working class. It cannot be excluded, moreover, that Mayor Eric Garcetti and city Democrats may back down even before the ballot initiative is voted upon.

The way forward for better wages and working conditions for health care workers and others is not through piecemeal scraps granted by the Democrats but through their independent mobilization on the basis of a struggle against the profit-driven health care system. This requires a struggle not just against private health care providers but against both capitalist parties and their lackeys in the union bureaucracy.



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