Google faces whistleblower complaint that it underpaid temp workers by as much as $100 million



In 2019 a *New York Times* report called Google's then-121,000-strong assortment of temporary employees "a shadow work force that now outnumbers the company's full-time employees."

Now, a whistleblower has filed a complaint with the Securities and Exchange Commission (SEC) stating that gaps in pay between temporary workers and full-time employees doing similar work had widened over the last few years, stretching far enough that the *Guardian* reports it broke local laws in the UK, Europe, and Asia. Even worse, documents viewed by the *Guardian* and the *New York Times* reveal that last December, Google managers discovered the problem and instead of addressing it immediately, they held off on taking action and only applied correct rates for the year's new hires.

The whistleblower is being represented by lawyers from

Whistleblower Aid and has approached the issue by claiming that Google misled investors in the US by not reporting the legal and financial liabilities it could face abroad. Google did not respond to a request for comment from *The Verge*, however in a statement reported by the *Times*, Google chief compliance officer Spyro Karetsos said "It's clear that this process has not been handled consistent with the high standards to which we hold ourselves as a company…We're going to figure out what went wrong here, why it happened, and we're going to make it right."

While the US doesn't require companies to pay temporary workers the same rates as full-time employees, the *NYT* reports that more than 30 countries do have pay parity laws. The problem apparently arose because Google mapped out the rates of comparable full-time roles in Europe, the Middle East, and Africa (EMEA) in 2012 and 2013, and the Asia/Pacific region in 2017 — but didn't update those rates afterward.

That meant staffing agencies filling the temporary roles were using outdated data that didn't match rising wages for full-time employees until compliance managers noticed the issue. The complaint says Google kept paying the outdated rates while managers went back and forth over what to do, and it claims the amount of back pay owed in more than 16 countries over the last nine years adds up to more than $100 million.

There's no word available on whether the SEC is investigating, but if Google faces an inquiry or is fined, then this problem could become even more expensive. Even at those numbers, it shouldn't slow down Google or its parent company Alphabet, which notched $18.5 billion in profit during Q2 of this year alone.

https://www.theverge.com/2021/9/10/22667247/google-pay-disparity-temp-workers-underpaid-sec-whistleblower