Microsoft Corporation One Microsoft Way Redmond, WA 98052

Dear Satya Nadella,

I write to express my concerns with the treatment of temporary workers <sup>1</sup> in the technology industry. According to a recent report from Temp Worker Justice and the National Employment Law Project, temporary workers face many injustices, including unequal pay for equal work, false promises of permanent employment, the abridgement of union rights, sexual harassment, discrimination, and reduced or non-existent benefits. <sup>2</sup> Temporary workers account for 40 to 50 percent of the workforce at many technology firms, yet Congress has been provided with limited information about their employment. <sup>3</sup> To better inform Congress and the constituents we represent, I seek additional information regarding your company's practices in employing temporary workers.

Justice for temporary workers is a bipartisan issue: 92% of Americans support equal pay for equal work.<sup>4</sup> Temporary workers that do the same work as permanent employees deserve equal compensation for their essential contributions. Many temporary workers stay in the same jobs for years, yet they continue to be deprived of the opportunity to become permanent employees and the benefits that come with permanent status. According to NELP, people of color are overrepresented in the temporary workforce and bear the brunt of this unequal system.<sup>5</sup>

To aid Congress in its understanding of this important issue, I request prompt responses to the following questions about your company's employment of temporary workers.

## **Prevalence and Demographics**

- How many temp workers do you have currently working with your company? How many over the past 5 years? How many over the past 10?
- What percentage of your workers are directly hired employees versus temp workers?
- In the last ten years, has the percentage of temp workers in your company increased or decreased? By how much?
- How many temporary staffing agencies and other labor contractors does your company contract with?

<sup>&</sup>lt;sup>1</sup> References to temporary workers in this letter should be interpreted to include all temporary, vendor, subcontracted, or other nonstandard workers that are not considered permanent direct employees by your organization

<sup>&</sup>lt;sup>2</sup> https://www.nelp.org/publication/temps-in-tech-how-big-techs-use-of-temp-labor-degrades-job-quality-and-locks-workers-out-of-permanent-stable-jobs/

https://www.nytimes.com/2019/05/28/technology/google-temp-workers.html

<sup>&</sup>lt;sup>4</sup> https://www.tempworkerjustice.org/fair-pay-1

<sup>&</sup>lt;sup>5</sup> https://www.nelp.org/news-releases/temporary-jobs-growing-fast-temp-workers-legal-protections/

- What are the demographics of your direct-hire workforce (race/ethnicity, gender, age), and what are the demographics of your temp and subcontracted workforce?
- Is there a higher percentage of H-2B employees among the temp workers at your company compared to the standard workforce?

## **Equal Pay**

- Are temp workers employed doing some of the same work as standard employees?
- Where temp workers are doing similar work as standard employees, how does the employee pay compare to the billing rate and the pay rate for temp workers?
- Do temp workers and standard workers perform integrated work at your firm or are temps relegated to a separate or specific category of works?
- Do temp workers have the same or different education/qualifications as standard employees?
- What is the pay range for temp workers in each of the job categories for which temps are hired? What was that pay range ten years ago? Over the past ten years, have wages for temp workers in those categories increased, decreased, or stayed the same?
- How are the wages, benefits, raises, and promotions determined for temp workers?
- How do the benefits available to temp workers compare to the benefits provided to permanent employees?
- Do temp workers have access to healthcare through your company? If not, are there standards of healthcare which must be offered by the employers of temp workers, and how are they enforced?

## **Access to Information**

- Are temp workers at your company able to access the amount that is paid by your company to their temp agency?
- Are temp workers given information about opportunities for permanent employment? If so, does this information provide a clear transition process with a concrete timeline?
- To whom do temp workers report problems arising at work (e.g. sexual or racial harassment, problems with pay)? Are these reports handled the same or differently than those from standard employees?
- Does your firm provide an orientation for new employees? Do temps participate in such an orientation?

## **Path to Permanent Employment**

- What is the average length of employment for temp workers? What percentage are on assignment for more than one year?
- What are the specific criteria your company uses to evaluate the performance of temp workers with respect to recommending their conversion to direct "permanent" employment? (e.g. performance metrics, duration of employment)
- What percentage of temp workers are offered permanent positions with your company, and what percentage of those offers are accepted?
- If temp workers are offered permanent positions, what is the average duration of temporary employment preceding offers of permanent employment?

• If your company has experienced layoffs as a result of the COVID-19 pandemic, what percentage of temp workers were laid off and how does this compare to permanent employees?

As leaders in the technology industry, I encourage you to join in the effort to protect the temporary workers that have become a major component of your workforce. Your willingness to answer these questions and cooperate with Congressional efforts to better understand the magnitude of this issue is appreciated in advance. I respectfully request your company's written response no later than October 18, 2021.

Sincerely,

Emanuel Cleaver, II Member of Congress