

Every weekday, Adriana Orozco serves up fresh organic salads at Intel. She prepares quinoa, Brussels sprouts and edamame for the Santa Clara company's employees, ingredients Orozco couldn't afford to give her own family last year on her \$29,000 salary.

Instead, when shopping for home, Orozco picked through overripe fruit at a discount store.

"These tech companies are making so much money, but they are not sharing it," said Orozco. Now she's organizing her fellow cafeteria employees, who work at Intel's offices but are employed by a contractor - Eurest, from North Carolina. She wants them to join the Unite Here labor union.

"The tech employees make so much and we make so little," said Orozco, 35. "That is not fair."

The tech boom has brought great wealth to Silicon Valley. But alongside the highly paid executives and engineers labor tens of thousands of contract workers staffing cafeterias, running shuttles, tending gardens and cleaning floors. They make small salaries and have few benefits, according to a report from UC Santa Cruz.

Like Orozco, many workers who provide services for the tech firms are actually employed by vendors that compete for contracts and try to keep costs low.

The contract workers earn on average roughly \$40,000 a year, and about half of the workers spend more than 30 percent of their salaries on rent, the report said. UC Santa Cruz researchers Chris Benner and Kyle Neering estimate as many as 39,000 contract service workers labor at Silicon Valley tech firms.

Even though contract employees work on the campuses of some of the world's most powerful companies, they are paid 30 percent less than their counterparts serving in similar positions who are directly employed by the tech giants. That has caused some workers to push for a union or advocate that more contract workers be hired directly by tech companies themselves as full-time employees.

Last year, Facebook was the first tech company to publicly outline standards for all of its vendors, requiring them to pay contract workers a minimum of \$15 an hour, give them 15 days of paid time off and offer new parents leave time or a bonus.

"Taking these steps is the right thing to do for our business and our community," Chief Operating Officer Sheryl Sandberg said at the time.

Few companies followed Facebook's lead in publicly setting standards for all their vendors, but others have raised wages. Apple and Google raised wages for its shuttle drivers, and after a Chronicle investigation revealed that several drivers for some tech companies were homeless, companies including Yahoo, eBay, PayPal and Genentech also boosted driver pay. Yahoo and Google have set a \$15-an-hour minimum wage for their food service workers.

Derecka Mehrens, executive director of community organization Working Partnerships USA, said she would like to see tech companies do more. Subcontracting has caused some companies to "race to the bottom," she said. The contract work does not just happen in blue collar jobs, but also white collar jobs in human resources and clerical work, she added.

"It allows for the core companies to look for a service at the best price and not see the impact - the personal, real impact that the conditions and wages are having on families," Mehrens said. Her organization is supporting efforts to unionize contract workers at tech campuses, including the cafeteria workers at Intel.

Orozco said she wants a union because she doesn't think it's fair that some of her co-workers have to work two jobs for financial survival. After she began her efforts to organize the Intel cafeteria, Orozco and her colleagues received a raise, bringing their hourly earnings from \$15 to \$18.54 an hour. But she would still like to see better benefits for workers.

"I want them to see us and respect us as women who are trying to make things for ourselves and for our families," said Orozco, speaking in Spanish through an interpreter.

She's concerned about saving money. Her husband, who drives a food delivery truck for a Google vendor, also recently received a raise, bringing his pay to \$36,000 a year. Still, much of the family income goes to housing - \$1,380 a month for a two bedroom apartment in San Jose. It's just big enough for Orozco, her husband, their 16-year-old daughter and 13-year-old son.

"My kids have to share a bedroom, and I don't feel good about this," Orozco said. "They are starting to get older, and they want their privacy, but there's no way I can afford a three-bedroom apartment here."

Both Intel and Eurest said they respect the legal right of workers to decide whether they want to join a union.

"Eurest provides competitive hourly wages and benefits, including medical and health benefits," wrote spokeswoman Lore Postman in an email.

"The union questions exist between our supplier and its employees, and it is not appropriate for Intel to intercede," wrote Intel spokeswoman Claudine Mangano in an email.

Supporters of the efforts to organize Intel's cafeteria workers say they hope to set a standard for wages and benefits for cafeteria workers there, hopefully one that will extend to other food service workers in the region. A similar wave happened with the Teamsters push to organize tech bus drivers, an effort that began at Facebook vendor Loop Transportation.

Labor experts say the tech companies can play a key role in improving the wages and benefits of contract workers. A vendor can't easily increase its workers wages without charging those companies more.

"The vendor is really at the mercy of the companies," said Ken Jacobs, chair of the UC Berkeley Labor Center.

Jacobs points out that contract workers organizing isn't necessarily bad for tech companies. It helps create allies for the companies, and it won't have a big impact on their bottom line, Jacobs adds.

"All of this organizing is an important way to ensure that prosperity is shared," he said.

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Adriana Orozco, Intel cafeteria worker