

# Silicon Valley's poorest workers tell government 'we can't live like this'

Despite the tech boom, cafeteria staff, security workers and bus drivers have told US labor secretary Thomas Perez they feel like 'second-class citizens'

Lavish free cafeterias are well-known perks of Silicon Valley's biggest tech firms, but less known are the struggles of kitchen staff.  
Photograph: Lucy Nicholson/Reuters

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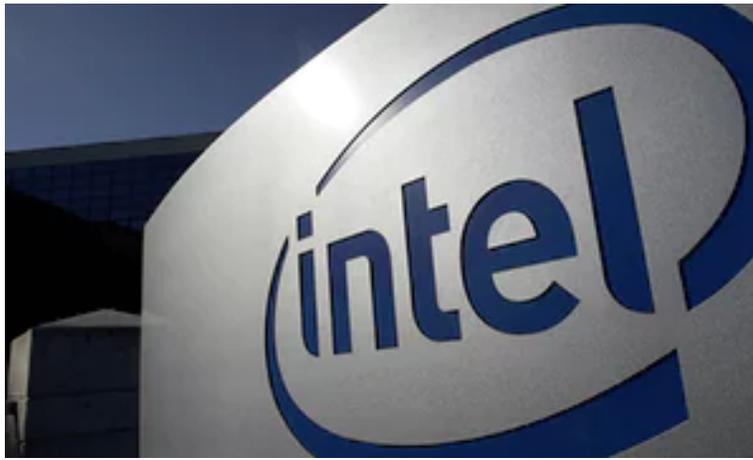
At Intel's corporate headquarters in Santa Clara, [California](#), the highly paid engineers and developers directly employed by the computer chip company wear blue identification badges.

Janitors, electricians, gardeners, security guards and cafeteria workers employed by various subcontractors wear green badges.

It's an important distinction for Nahima Aguiniga, 34, who works as a cashier and dishwasher at a cafe on the [Intel](#) campus. Blue badges get free coffee, soda and fruit; green badges have to pay.

Free food is just one of the perks Intel's blue badge employees enjoy. Like other Silicon Valley tech firms, the company competes for employees with [perks](#) like ping-pong tables, on-site spa services, dry cleaning and gyms with personal trainers.

"The way they treat green badges, it's like we're second-class citizens," said Aguiniga. A single mother of two, Aguiniga earns just \$13.50 per hour. She can't afford her own apartment in an area that has such a high cost of living that even [highly paid tech employees](#) and [venture capitalists](#) are balking. For the past 10 weeks, she and her children have been sharing a single room in her ex-mother-in-law's house.



Intel's cafeteria workers used to be unionized, but all staff were replaced when the company outsourced to Guckenheimer. Photograph: Paul Sakuma/AP

"It's not enough to get by," she said. "My children say, 'We don't want to be living like this,' and it breaks my heart that I don't have an answer for them. I'm hoping the union is the answer."

Aguiniga was one of a handful of workers who met privately with the United States secretary of labor, Thomas Perez, in San Jose on 26 January. Perez is spending the week in [Silicon Valley](#) to talk about the "future of work in America" with leaders from the tech industry and labor unions.

In a [blog post](#) published on 25 January, Perez referenced the tech industry's role in creating "entirely new industries and new job structures" – including the so-called "gig economy" – that are changing "the very nature of work". He announced that the Department of Labor will begin collecting data on the prevalence of gig economy workers in May 2017, the first time such a survey has been conducted since 2005.

According to Unite Here, the hotel and food service workers union, cafeteria workers at Intel earn an average wage of \$14.50 per hour, and the workforce is majority female and 78% Latino. That's a stark contrast to Intel's [direct workforce](#) that, like much of the tech industry, is highly paid, overwhelmingly male (75.9%) and just 8.3% Latino.

Earlier in the afternoon, she had joined some of her co-workers in delivering a petition to her employer, Guckenheimer Corporate Dining, asking them to allow workers a "fair process" to form a union.

The campaign to unionize at Intel by about 75 food service workers is the latest manifestation of efforts by low-wage workers to combat gaping inequality in one of the country's richest regions. The divide between how major tech companies' professional and support staff live has been the subject of increased organizing by labor unions, which have coordinated a campaign called [Silicon Valley Rising](#) that seeks to address "occupational segregation and severe income inequality" in the tech industry.

Compared to Uber drivers and Task Rabbit workers struggling to make a living through gig economy platforms, the struggles of Intel cafeteria workers are positively old-fashioned: a simple question of outsourcing. Over the past year, labor unions have targeted subcontracted workers at tech companies for unionization.

Companies including Facebook, Apple, eBay, Yahoo and Google all use third-party companies to run their notorious commuter buses around San Francisco's Bay area. Many of these drivers have now joined the

teamsters union, signing contracts guaranteeing wages between \$24 and \$31.50 an hour, as well as benefits and paid sick days. The Service Employees International Union (SEIU) has also launched campaigns to improve work standards for [security guards](#) at various tech firms.



Some tech firms have responded positively to such efforts. In May 2015, [Facebook announced](#) that it would require a \$15 an hour wage and paid sick days for all workers at its Menlo Park campus, including subcontracted workers like security guards and cafeteria workers.

But food service workers at Intel have not received such corporate support. The cafeteria staff at Intel used to be unionized, but almost all of those workers lost their jobs when Intel replaced its previous contractor with Guckenheimer in November 2014.

The union asked Intel to intercede on the workers' behalf, to no avail. An Intel spokesman told the [Wall Street Journal](#) at the time that the company was "simply a customer of Guckenheimer" and that it was "not appropriate for Intel to get involved in any employment issues involving these firms and their employees including hiring decisions".

Intel and Guckenheimer did not immediately respond to requests for comment on the current union campaign.

"We're calling on Intel to be a leader in building an economy that works for everyone," said Jessica Choy, a spokesperson for Unite Here.