

Google employees could face pay cuts if they choose to permanently work from home

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Google employees who choose to work from home permanently may face pay cuts, according to a report by Reuters.



Workers with longer commutes were reported to receive the highest <u>pay</u> <u>cuts</u>. Reuters found that an <u>employee</u> living in Stamford, Connecticut, an hour from Google's New York office, would be paid 15% less working from home, but a colleague living in New York would see no cut.

Another Google employee chose to make a two-hour commute to the Seattle office instead of a 10% pay cut for working from home full-time.

An employee working in the New York City office will be paid just as much as someone working remotely in the same area, a Google spokesperson told Reuters.

Julia Pollak, chief economist at ZipRecuiter, said companies cutting wages for remote workers may see a decrease in employee retention.

"Culturally, we're seeing a rise in pay transparency, and people feel very strongly that it's not fair to be paid different amounts for the same work and for the same quality output of work," Pollak told USA Today.

Pollak noted reports indicating <u>remote work</u> is here to stay and employees are willing to quit and find work elsewhere if it's taken away. She said changing the salary for an employee is difficult to do regardless of location.

Although remote work comes with fewer costs, such as gas for commutes, employees will argue the quality of their work hasn't changed, so their pay shouldn't either, Pollak said. She said the rise in remote working changed economics: Companies pay employees based on the value of their work, not their location.

"The companies that say that they will pay people the same, regardless of the personal choices they make about whether to live out of their cars or



out of mansions, will have the upper hand," Pollak said. "Pay cuts for remote work will not be received well."

Google did not answer a request for comment by USA Today.

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