

Google employees protest company's Durham wage policy. Here's why they're upset

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Google will pay workers at its new Durham office lower salaries than most of its other engineering hubs, a move that has led to internal protests from some workers.

One group, the Alphabet Workers Union (AWU), has filed an internal petition against the decision to pay Durham employees lower rates, saying it was "unsatisfied" with the decision and its potential effects on employees there. Alphabet is Google's parent company.

The pay reductions, which Google said was in response to the lower cost levels in the Research Triangle, were first reported by The Washington Post. Similar pay structures were implemented in Houston and Des Moines, Iowa, according to AWU.

"We ask Google: why is this new policy being introduced after our work contributed to a *record-breaking* performance in the [stock market](#), in spite of Covid-19?" the AWU petition says.

Google told employees in 2020 they could see pay cuts if they moved to less expensive areas. The company even created a calculator to show employees the effects of potential moves, Reuters reported.

Since then, more than 10,000 Google employees have applied for remote work or transferred to a new office, with 85% of those requests being approved, according to Google.

In a statement, Google confirmed the pay differences at the North Carolina office.

"Our goal is to always pay at the top of the local market, including in the Raleigh-Durham area," a Google spokesperson said in an email. "In our annual review, we found that our compensation guidelines in the Research Triangle region exceeded the market pay benchmarks, so we made adjustments to align with the local market."

"As we continue to invest in the region, new employees and those who transfer from other offices will still be paid at the top of the local

market," the spokesperson added, "and all employees have the potential to be rewarded further based on performance and promotion opportunities. We know that our employees have a choice about where they work and we'll continue to make sure our total rewards support them and help them grow their career at Google."

Google said last year that it would open an engineering hub in downtown Durham. The company has already hired dozens of employees here, and expects to hire 1,000 workers in Durham in the coming years. Google typically pays wages at the top 5% to 10% of local market pay ranges for its jobs, according to the company.

Google has said the Durham office will be one of its top cloud computing hubs in the nation, though it hasn't shared what salaries it will pay.

Apple, which is also moving to the region, has said it will pay an average salary of \$187,000 per year, The N&O previously reported. Apple was forced to reveal those details because it agreed to nearly \$1 billion in incentives from state and local governments, in exchange for hiring at least 3,000 workers in the Triangle.

Google did not take any incentives when it moved here.

Kamala Subramaniam, the new head of Google's Durham office, said Google picked Durham because of its proximity to large universities—such as UNC-Chapel Hill, Duke and Subramaniam's own alma mater, N.C. State—as well as a number of historically Black colleges.

"Walking into the Google Durham site should be a statement in itself: It should be diverse with the historically underrepresented groups across all levels," she told the N&O last year.

The Post reported that some employees did not like the appearance of Google choosing the Triangle for its diversity, while also choosing to pay workers there less.

In its petition, AWU said: "If they succeed in their goal of hiring a diverse workforce in this area (and we hope they do!), the data will tell the story that Google is paying minorities less."

The Post reported that, in addition to wages, stock grants were also reduced for workers in North Carolina. In some cases, those stock grants could be 25% lower than if the [employee](#) worked at Google's Atlanta office, the Post reported, citing a letter posted on Google's internal forum.

The paper said many employees had already relocated to the region before learning of the pay cuts.

Google, in its statement, said: "Employees working there have not seen a reduction in salary or in their existing equity grants."

Google, like many tech companies, has begun hiring outside of its traditional home of the Bay Area in California during the pandemic.

Google pitched its growth to other regions as a way to boost the U.S. economy and diversify its workforce.

"I believe a lasting [economic recovery](#) will come from local communities, and the people and small businesses that give them life. Google wants to be a part of that recovery," Alphabet CEO Sundar Pichai said in a statement when Google announced its Durham campus.

The company wouldn't be the only one cutting wages for workers who have moved away from the Bay Area, which is one of the most

expensive places to live in the country. Facebook, now Meta, said last year it would adjust salaries of workers who decided to work remotely in a lower-cost region, Bloomberg News reported. Twitter, the social media company, has enacted similar policies.

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