Oracle the Latest to Face Pay Discrimination Lawsuit

A <u>U.S. Department of Labor Office of Federal Contract Compliance Programs</u> (<u>OFCCP</u>) filing on Jan. 25 alleged Oracle discriminated against black, Asian and female employees, as well as international workers with visas, funneling them into lower-paying roles and ultimately underpaying them to the tune of \$400 million dollars.

The OFCCP, which enforces equal pay and ensures government contractors comply with anti-discrimination legislation, states: Oracle "impermissibly denies equal employment opportunity to non-Asian applicants for employment, strongly preferring a workforce that it can later underpay. Once employed, women, Blacks and Asians are systematically underpaid relative to their peers." The practice allegedly goes back to 2013.

As <u>TechCrunch reports</u>, "The office also alleges Oracle discriminates against those who have visas, often putting them in low-level jobs. The vast majority of hires from Oracle's <u>college</u> recruiting program, the suit alleges, were international students with student visas."

"These students required work authorization to remain in the United States after graduation," the suit alleges. "In other words, Oracle overwhelmingly hires workers dependent upon Oracle for sponsorship to remain in the United States."

The OFCCP filed the suit against Oracle last January, following the Labor Department's 2014 audit of the company. That suit was followed by an employee-led class-action lawsuit last September alleging Oracle pays women less than men in similar jobs.

OFCCP says other tech companies also discriminate

Oracle isn't the only large tech company the OFCCP says has engaged in these practices. In 2017, the OFCCP found that <u>Google violated federal law</u> based on information showing that systemic pay discrepancies exist within the company, The Guardian reported.

The Guardian quoted testimony from Janette Wipper, a Department of Labor regional director, saying, "We found systemic compensation disparities against women pretty much across the entire workforce."

And Janet Herold, regional solicitor for the Department of Labor, told The Guardian, "The investigation is not <u>complete</u>, but at this point the department has received compelling evidence of very significant discrimination against women in the most common positions at Google headquarters ...The government's analysis

at this point indicates that discrimination against women in Google is quite extreme, even in this industry."

That same year, according to TechCrunch, the OFCCP <u>sued Palantir for racial discrimination</u>. Palantir, several months later, <u>settled with the DOL</u>, agreeing to pay \$1.7 million in back wages and other types of monetary relief to those affected.

Sometimes, it doesn't even take a lawsuit; Salesforce CEO Marc Benioff has said it's "so easy" to close the pay gap using human resources management <u>software</u> "with a push of one button, every CEO in the world can know exactly what their pay discrepancy is between men and women," Benioff said in this video interview.

In 2016, CNN reported, "[Salesforce] examined salaries last year, comparing people with similar roles and adjusting for location, then corrected "unexplained differences" between men and women. As a result, 6 percent of employees had their pay raised. Both women and men received boosts." The company spent an additional \$3 million to further equalize pay for its approximately 25,000 worldwide employees the following year.

Oracle, of course, says the discrimination lawsuit is "meritless." In a statement to TechCrunch, Oracle's EVP and general counsel said, "This meritless lawsuit is based on false allegations and a seriously flawed process within the OFCCP that relies on cherry picked statistics rather than reality. ... We fiercely disagree with the spurious claims and will <u>continue</u> in the process to prove them false. We are in compliance with our regulatory obligations, committed to equality, and proud of our employees."

Methinks they doth protest too much. I find it far more likely to believe that this kind of systematic discrimination occurred than not. We know the wage gap exists. We know pay discrimination exists, <u>even in tech</u>. We know sexism and racism and unconscious bias exist — so, Oracle, maybe instead of wasting time, money and energy denying and fighting these claims, perhaps admit your mistake, make amends, and move forward.