

After a Remote Year, Tech's Shadow Workforce Barely Hangs On

A year ago, while people across America were still taking the subway to work, sharing elevators and conference rooms, Silicon Valley was emptying out. Its companies were among the first to ask that people work remotely, sending them home with laptops and new software to get the job done. To soften the transition out of the office, they coddled their workers with perks like subscriptions to meditation apps, UberEats credits, stipends for ergonomic chairs. As months passed, pundits and LinkedInInfluencer types wondered if the office had a future at all.

Yet tens of thousands of people in Silicon Valley make a living by keeping those buildings running: cafeteria workers who serve three meals a day, janitors who keep the workspace clean, bus drivers who shuttle employees from San Francisco to the Valley. When tech campuses became ghost towns overnight, that micro-economy collapsed. For many of these workers, the shift to remote work has created more questions than answers, and it has eroded certainty about their future. It's also created new expectations of what tech companies owe their workers, including those in the shadows of engineers.

By the time Nvidia closed its campus in Santa Clara last spring, Marcial Delgado had been working there for nearly 20 years, making his way up from dishwasher to grill cook to lead cook. The Endeavor Café, one of three cafeterias on campus, felt like a second home, and the engineers who came in every day for breakfast and lunch were familiar faces. The second week of March 2020, Delgado got the call, along with the rest of the cafeteria staff, not to come in.

Delgado retreated to the two-bedroom apartment that he shares with his three young sons. One of his sons has asthma, and Delgado worried about his exposure to the coronavirus. Mostly, he worried about his job. Over the coming months, millions of people across the United States would lose their jobs, as the economy hurtled toward a recession. But Silicon Valley turned out to be something of an oasis. While some tech companies were hurt by the pandemic, many others saw business tick up as the world became more reliant on their products. And some of them—including Nvidia, as well as giants like Facebook and Google—continued to pay their service workers.

Delgado has watched friends lose their jobs this year; some have fallen behind on rent payments or faced evictions. In comparison, he realizes how lucky he is to still have income, and to have the time to focus on his kids, who spent the better part of last year in remote school. The steady paycheck was a relief. So was keeping his employer-provided health insurance, which covers the prescription he takes for high blood pressure and his son's asthma medication. But the worry never left his mind.

"The pay could end tomorrow," says Delgado. "You always have a feeling inside of, 'What's going to happen? What's going to happen?'" There's always anxiety there. You never stop thinking it."

Homegrown technology companies have created massive wealth in Silicon Valley; by some estimates, the GDP per capita in San Jose is greater than all but the three richest countries in the world. But the money has also brought challenges. The gulf between rich and poor is enormous, and the cost of living has risen so high that even tech workers making well over six figures feel the crunch. Everyone else is barely scraping by.

The region's large corporate campuses are supported by a small army of workers, most of whom are not directly employed by the tech companies but by staffing firms. Delgado, for example, is employed by Bon Appetit, a food service company that contracts with Nvidia. While the jobs pay more than California's minimum wage, they're still considered low-wage work: At the tech companies, subcontracted workers make 70 percent less than equivalent full-time employees, according to research from UC Santa Cruz. And the value of that wage doesn't go as far in Silicon Valley as it might elsewhere: In Santa Clara, where Delgado lives, the cost of housing has risen exponentially since he moved there decades ago, following his brother from Jalisco. Now, he says, about 70 percent of his income goes toward paying the rent.

In the pandemic, that's added new anxiety for the lower-wage workers in Silicon Valley. One month without pay can very easily spiral into losing housing, the ability to put food on the table, the loss of the ground beneath their feet. "There's a lot of fear," says Maria Noel Fernandez, the director of organizing and civic engagement for Working Partnerships USA, a Silicon Valley labor organization. "There's a sentiment that there's a ticking clock. When will their lives be completely thrown apart?"

Alma Cardenas had been bracing for her life to be thrown apart since March. For six years, Cardenas had worked as a barista at Verizon's hub in San Jose, where she made drinks for the campus's 3,400 employees. When the pandemic began, Verizon closed its offices. The company continued to pay its subcontractors, like many of the other tech companies nearby, but Cardenas knew the next paycheck was never guaranteed. "Not knowing what would happen next month, or even how to manage that worry—it caused a lot of depression for me," she says.

Article continues at link below

Source: *Wired* (03/24/2021)
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 Subscription may be required

Region	February 2020	January 2021	February 2021	Percentage Point Change	
				1 month	12 months
San José–Sunnyvale MSA	2.6%	5.8%	5.4%	- 0.4	+ 2.8
San Francisco MD	2.2%	6.0%	5.5%	- 0.5	+ 3.3
California	4.3%	9.2%	8.4%	- 0.8	+ 4.1
United States	3.8%	6.8%	6.6%	- 0.2	+ 2.8

Sector — February 2021	San Jose MSA	San Francisco MD	Combined Region	Percentage Change (Combined Region)	
				1 month	12 months
Total Nonfarm	1,059,300	1,032,200	2,091,500	+ 0.7%	- 11.1%
Construction	49,600	40,700	90,300	+ 0.3%	- 9.3%
Manufacturing	167,900	36,200	204,100	+ 0.3%	- 2.5%
Retail Trade	73,500	68,500	142,000	- 0.7%	- 9.8%
Information	107,100	106,200	213,300	- 0.7%	+ 2.2%
Professional & Business Services	237,700	278,400	516,100	+ 0.8%	- 3.9%
Educational Services	40,600	28,500	69,100	+ 3.8%	- 18.5%
Health Care & Social Assistance	128,100	110,700	238,800	- 0.1%	- 5.0%
Leisure & Hospitality	59,600	66,600	126,200	+ 9.1%	- 50.0%
Government	91,400	124,000	215,400	0.0%	- 7.1%

Note: San José MSA (San José–Sunnyvale–Santa Clara Metropolitan Statistical Area) = Santa Clara and San Benito Counties
San Francisco MD (San Francisco–Redwood City–South San Francisco Metropolitan Division) = San Mateo and San Francisco Counties

Source: California Employment Development Department, LMID

	Labor Force			Employed			Unemployment		
	February 2020	February 2021	Change	February 2020	February 2021	Change	February 2020	February 2021	Change
California	19,514,100	19,022,800	- 2.5%	18,669,900	17,423,300	- 6.7%	4.3%	8.4%	+ 4.1
Alameda County	842,100	809,700	- 3.8%	817,400	754,900	- 7.6%	2.9%	6.8%	+ 3.9
Contra Costa County	560,000	539,900	- 3.6%	542,700	501,600	- 7.6%	3.1%	7.1%	+ 4.0
Marin County	137,900	131,100	- 4.9%	134,700	124,500	- 7.6%	2.4%	5.0%	+ 2.6
Napa County	72,500	68,700	- 5.2%	70,200	63,800	- 9.1%	3.2%	7.1%	+ 3.9
San Francisco County	583,900	541,100	- 7.3%	570,800	510,200	- 10.6%	2.2%	5.7%	+ 3.5
San Mateo County	459,400	425,000	- 7.5%	449,800	402,500	- 10.5%	2.1%	5.3%	+ 3.2
Santa Clara County	1,055,200	1,017,600	- 3.6%	1,028,300	963,300	- 6.3%	2.5%	5.3%	+ 2.8
Solano County	207,500	203,500	- 1.9%	199,400	187,000	- 6.2%	3.9%	8.1%	+ 4.2
Sonoma County	256,000	239,600	- 6.4%	248,800	224,300	- 9.8%	2.8%	6.4%	+ 3.6
SF Bay Area (sum)	4,174,500	3,976,200	- 4.8%	4,062,100	3,732,100	- 8.1%	2.7%	6.1%	+ 3.5

Note: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Company	Location	# Affected	WARN SUMMARY	
			Events YTD †	Individuals Affected YTD †
Analog Devices	Milpitas	255	187	23,320
Exela Enterprise Solutions	Milpitas	57		
Four Seasons Silicon Valley	Palo Alto	119		
Godiva Chocolatier	Multiple locations	14		4,450
Lehigh Southwest Cement	Cupertino	29		
Total		474		

* **WARN: Worker Adjustment and Retraining Notification**
(notice of mass layoff or closure)

† **YTD: Year to Date**
(Program year: July 1–present)

‡ **Previous YTD:**
(Same date range as YTD, one year prior)

Note: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: California EDD, CalJOBS: WARN data