

# Part-Time, Temporary or Contingent Workers

## BACKGROUND

The trend of employers "improving staff flexibility" (read: cutting costs) by exploiting part-time, temporary and contingent workers is well-documented. But the government has yet to respond by modernizing labor standards to protect this growing workforce.

In fact, the state government itself has developed a problematic dependency on temporary and part-time workers. For example, the quality of our state universities and community colleges has been called into question because of a dramatic rise in the percentage of "non-tenure-track faculty" (read: part-time instructors) that teach from half to two-thirds of the courses.

As employers look for new ways to sidestep laws that increase their labor costs, the very definition of an "employee" is now in question. A recent General Accounting Office report found that "employers are attempting to avoid legal responsibility for workers by claiming that they are not the employer." By reclassifying employees as "contractors," employers can avoid paying overtime wages, unemployment insurance, workers' comp, family leave, retirement benefits and other costs related to basic workplace standards and rights.

This trend has not only spawned a gigantic and growing temporary staffing industry (including notorious companies like Labor Ready which charges its workers a fee to cash their paychecks

and was recently accused of massive workers' compensation fraud in this state), it has also landed some employers and governments in legal trouble:

■ Federal courts found Microsoft guilty of "misclassifying" thousands of employees as contractors and illegally denying them benefits, leading to a \$97 million settlement in December 2000.

■ King County was forced to pay some \$40 million in back wages to temporary workers, who received no benefits despite a 1988 voter mandate that county workers who are employed for more than six months receive benefits.

## LABOR'S POSITION

The Washington State Labor Council is very alarmed at this trend and we believe the State Legislature should be, too. Recent court cases only scratch the surface of the proliferation of working people being denied fundamental rights because of outdated labor laws.

There are important social issues related to this trend that deserve attention from policymakers and legislators. Not only do these workers make less money than the "regular employees" for doing the same work, they also receive few or no benefits. The vast majority of temporary workers are denied sick leave and vacation, and fewer than 6% get health care coverage. And by their very nature, they have no job security.

Increasingly, these are the "working poor" who are forced to seek public as-

sistance between jobs or when their families need health care.

Citing the tremendous growth of the temporary workforce in this country, the National Labor Relations Board finally voted in September 2000 that temporary workers should have the right to join a union. The board overturned a previous decision that required temporary workers working side by side unionized full-time employees to seek approval from their agency to have that right.

But much more must be done. In order to protect these workers from exploitation, labor believes the Legislature should take steps to address what specific rights and protections temporary or contingent workers are entitled to.

We believe lawmakers should make it illegal for employers to discriminate against part-timers or temps by paying them lower wages than they do full-timers who do the same work. And the law should insist employers who provide benefits to full-time workers like vacation pay, holiday pay and sick leave provide the same benefits to part-timers and temps on a prorated basis.

In addition, the state should examine *its own* employment policies. About 10,000 of the 13,600 faculty members in our community and technical colleges are now part-timers, and on average, they get paid about half of what full-time faculty earns *for the same course load*.

For years, lawmakers have promised to address pay and benefit disparity between part-time and full-time faculty, but despite good-faith efforts from a handful of legislators, relatively little progress has been made.

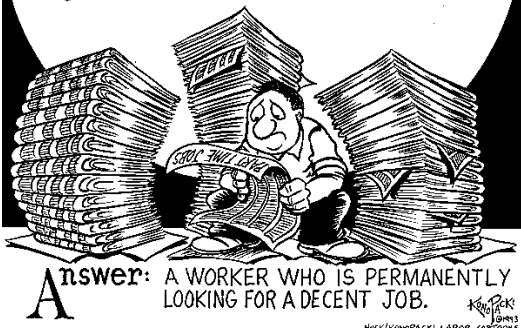
## RECENT HISTORY

□ **1999** — Bills to establish equal pay for equal work at community and technical colleges died in committee, but the budget allocated funds to begin addressing the problem (though not nearly enough.)

□ **2000** — SB6324 would have required a contingent workforce study, and SB6323 would have made it illegal to terminate or misclassify employees to avoid providing employment-based benefits. *Both died.*

## A Myth Dispelled

**Q**uestion: WHAT IS THE DEFINITION OF A "TEMPORARY"?



**A**nswer: A WORKER WHO IS PERMANENTLY LOOKING FOR A DECENT JOB.

*Some employers say workers prefer the flexibility and variety of temporary work. But the industry's own association, the National Association of Temporary and Staffing Services, reveals that 78% of temps would prefer full-time, permanent employment.*