

LAWSUIT ACCUSES GOOGLE AND APPLE OF CHOKING OFF COMPETITION TO KEEP WAGES ARTIFICIALLY LOW



It is not very likely that the two corporate giants, Google and Apple would see eye-to-eye on any issue and both never miss out on any opportunity to outdo and surpass the other. However, a new complaint filed on Monday, that when it comes to mutual business interests they are willing to bury differences and join hands. Moreover, Google and Apple are not alone and it seems that some of the largest technology firms of the world could have connived to infringe fed antitrust laws, by entering into clandestine deals not to take on each other's finest employees. Previous workers of both the companies have filed a fresh complaint, seeking to turn their original complaint, filed a year ago, into a class action suit, representing upwards of 100,000 technology employees. The lawsuit alleges that many companies, among them Apple, Google, Intel, Intuit, Adobe, Lucasfilm and Pixar had agreed amongst themselves that they would not hire each other employees. This ensured that employees seeking to change jobs were greatly inhibited and their wages were artificially confined within inflexible pay parameters that the companies had set up. This, the lawsuit claims went on for five years, between 2005 and 2009. Technology workers allege that their expertise, know-how and creativity contributed a great deal, to making the companies what they are now. It hurts, that instead of valuing their contribution, they, behind their backs were conspiring and cutting deals to eradicate competition and put a cap on their earnings. The suit makes some damning allegations against the head honchos of three companies, Apple, Google and Intuit and says that between them Steve Jobs, Eric Schmidt and Bill Campbell actively assisted in insuring that the recruiting bans were effective. The companies exchanged between themselves lists of employees who were not to be called and the CEO's sent emails to one another to keep abreast of the proceedings. The lawsuit had also cited a report by economist and statistician Dr. Edward Leamer, who had said that the "gentleman's agreement" had an extensive, unpleasant effect on pay. The Justice Department upheld Leamer's investigation saying that the agreements upset conventional price-setting methods and led to suppressed payments. The companies said that the so called "gentleman's agreements" were only intended to stop each other from poaching on workers, whose specialized skills made them in short supply, and hence valued hires. It's only intent was to ensure that their respective recruitment departments did not unduly target other employees and constantly barrage them with better offers, in terms of salary and benefits, reducing their efficiency and imbuing in them a mindset of continuing to job-hop looking for the best possible offer. Technology workers are highly skilled workers, and computer security specialists, web developers and network architects are among the most in-demand workers and attract the best salaries, compared to other professions. Annual meridian salaries are upwards of \$US110, 000. Responding to the lawsuit, a Google spokesperson said that it has been the company's policy to keenly and assertively recruit outstanding talent. Intuit and Adobe management declined to comment saying that as the matter was still pending, it was the company's policy not to comment on it. An Intel spokesperson refuted the allegations saying that company disagreed with them. A federal judge in California overruled the companies' attempts to get the suit dismissed, saying that they must face it. If the allegations stick, then it could belie claims that Google and Apple are amongst the best American employers. It is reported that Google provides its employees with three meals a day while Apple salaries are amongst the highest in the land.