Trump Signs Order to Kill Federal Agency Investigating Tesla

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A federal probe into alleged workplace discrimination at <u>Tesla</u>, including "N-word, swastikas, threats, and nooses, on desks," has been abruptly axed by an executive order signed by <u>President Donald</u> <u>Trump</u> on Jan. 21.

The order dismantled the Department of Labor's Office of <u>Federal Contract Compliance</u> <u>Programs</u> (OFCCP), the agency responsible for enforcing equal employment laws among federal contractors.

With the agency nearly defunct, employees are left with grunt work; informing businesses that discrimination audits have halted and outstanding fines won't be collected, according to the <u>San</u> <u>Francisco Standard.</u>

Tesla was hit with a lawsuit in <u>September 2023</u> from the Equal Employment Opportunity Commission (EEOC), which accused the company of fostering a workplace where Black employees faced ongoing harassment and retaliation.

According to the EEOC's suit, since at least 2015 to the present, Black employees at Tesla's Fremont, California manufacturing facilities have routinely endured racial abuse, pervasive stereotyping, and hostility as well as epithets such as variations of the N-word, "monkey," "boy," and "black b*tch." Slurs were used casually and openly in high-traffic areas and at worker hubs. Black employees regularly encountered graffiti, including variations of the N-word, swastikas, threats, and nooses, on desks and other equipment, in bathroom stalls, within elevators, and even on new vehicles rolling off the production line, the EEOC said.

EEOC.gov

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Tesla was among the companies under active investigation by the OFCCP. The agency had planned to audit Tesla's Fremont factory in 2024, but those plans were scrapped before any findings could be made public.

"We had to mail the companies we audit to tell them they no longer have to comply with our rules or regulations," Aliyah Levin, president of the American Federation of Government Employees Local 2391 told the <u>San Francisco Standard</u>.

The fallout of the agency's closure reaches far beyond Tesla. In California alone, dozens of companies, including Google, Meta, BlackRock and PG&E, were slated for OFCCP investigations. Nationwide, more than 2,000 federal contractors were expected to be reviewed in 2024. Now, those cases have been wiped from the books.

The OFCCP played an important role in holding Silicon Valley accountable for workplace discrimination. The agency secured <u>multimillion-dollar settlements</u> from major tech firms over pay disparities in recent years, including LinkedIn, Google and Cisco. Under its agreements, companies faced continued federal oversight to ensure compliance with anti-discrimination laws.

Trump's order repealed the 1965 executive order that created the OFCCP, deeming it an "illegal" diversity, equity and inclusion (DEI) initiative. Acting Labor Secretary Vincent N. Micone enforced the decision and sent <u>an email</u> directing staff to "cease and desist all investigative and enforcement activity."