

# Tesla faces fresh discrimination claim from staff

Tesla is facing a lawsuit from 15 [Black](#) staff who accuse the electric car giants of racial [discrimination](#)

## What is the [complaint](#)?

They say Tesla has been turned “into a racially hostile work environment”. On purpose, is the suggestion. They say use of the N-word is common and goes unpunished. And that black staff are routinely overlooked for promotion.

One says after he complained, his boss said to him: “Suck it up and be a man, this happens here all the time.”

Attorney Mike Arias says: “It’s hard to imagine a workplace culture that these hard-working people had to endure day after day, having to live through racist comments and abusive behaviour.”

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He added: "Hearing story after story of employees being subjected to this level of disgusting and threatening behaviour and language is still almost unbelievable."

## **Is this the first lawsuit Tesla has faced?**

Oh, no. Tesla attracts complaints. On one hand, that is just what happens to big companies with tens of thousands of staff – Tesla has around 100,000. But there is a sense that in [Elon Musk](#)'s drive to get results some things that big companies should be dealing with get missed.

Earlier this year, California's Department of Fair Employment and Housing (DFEH) filed a lawsuit against Tesla, claiming that its Fremont factory is a "racially segregated environment where Black workers are subjected to racial slurs and discriminated against".

Tesla is also under investigation by the US Equal Employment Opportunity Commission (EEOC).

One of those filing suit claims he was fired simply for reporting racial discrimination.

It lost a racial harassment case against Owen Diaz last year, a \$137 million award later reduced to \$15 million, which Diaz may appeal. Business Insider reported in March there have been 46 lawsuits accusing Tesla of sexual or racial harassment in the last five years.

## **\$137 million!!**

It's America. The point of such high awards is that they are punitive. They are supposed to act as a shock to the company, a sign that it really needs to change its behaviour. The

initial amount is usually reduced, as in that case.

## How valuable is Tesla?

The shares are up hugely since the pandemic began, some of that due to a realisation that electric cars were the future. It was also a meme stock that a new breed of investors piled in to. Lately, the gloss has come off the stock.

Tesla was worth \$1.3 trillion two years ago, it is now about half that.

Sales are lately falling, down 18% in the last quarter, which may be due to supply chain issues rather than a fall in interest in its cars.

What does Tesla say? Nothing on this latest claim yet.

But on its company blog last February it insisted it strongly opposes all forms of discrimination and harassment and has a dedicated Employee Relations team that responds to and investigates all complaints.

That                      blog                      is                      here:  
<https://www.tesla.com/blog/dfehs-misguided-lawsuit>