



Testimony in support of HF 2774 to establish warehouse distribution worker safety requirements

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Labor, Industry, Veterans and Military Affairs Finance and Policy

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Good afternoon. Thank you to the Chairs and the Committee for the opportunity to testify today. My name is Irene Tung, Senior Researcher and Policy Analyst at the National Employment Law Project (NELP), a nonprofit, non-partisan research and advocacy organization specializing in employment policy. We partner with federal, state, and local lawmakers on a wide range of workforce issues including access to unemployment insurance, minimum wage enforcement, and health and safety protections.

I am testifying in support of HF 2774 which would provide critical regulation of the warehouse industry as large warehouse employers such as Amazon expand their operations in Minnesota.

Over the last three years, I have studied Amazon's workplace practices around the country including in Minnesota and I am the lead author of a new report on the wide-ranging human costs of Amazon's presence in Minnesota. In that report, we examined available government data related to Amazon in Minnesota and found extensive and unequivocal evidence that Amazon is failing to provide safe workplaces and stable, family-sustaining jobs in the state.¹

Amazon Workers are Injured at Double the Rate of Non-Amazon Warehouse Workers in Minnesota

Unfortunately, the experiences described by the workers testifying today are far from isolated incidents. Our analysis shows that Amazon warehouse workers are injured at dramatically higher rates than other workers in Minnesota—more than double the rate of non-Amazon warehouse workers and more than four times the rate of other private-sector workers. In 2020, the Shakopee Amazon fulfillment center had a higher injury rate than any industry in Minnesota. These injuries are almost all severe muscle strain injuries caused by rapid repetitive motions without sufficient recovery time and are completely preventable.

Turnover rates are often a telling indicator of job quality, and the data show astronomically high turnover at Scott County warehouses. At 170 percent, it's more than double the turnover rate at other warehouse facilities in Minnesota and confirms just how unsustainable these jobs are. This high turnover reflects the fact that so many workers are injured on the job, and many others are either fired by Amazon or leave the job because of intolerable conditions.

Lack of Transparency in Quotas, Discipline, and Termination Create a Climate of Fear and Drive High Injury Rates

As regulators such as Washington State OSHA have noted, the high rates of injuries at Amazon are directly attributable to the way that they company manages its workforce. What makes working at Amazon so much more dangerous than working at other Minnesota jobs is the excessively rapid pace of work, enforced through a distinctive disciplinary system that Amazon has pioneered, which combines intensive electronic monitoring with frequent discipline and terminations. Production quotas for workers are constantly changing with algorithms applied to

speed up rates. Workers are frequently disciplined for not meeting quotas but often have little information about the continually shifting quotas to which they are subject.

East African and Black Workers Bear the Brunt of Poor Working Conditions at Amazon Warehouses

Given the poor working conditions, what is also troubling is the degree to which Amazon disproportionately relies on Black workers including many East African workers. Census data show that at Scott County warehouses, which are primarily operated by Amazon, Black workers represent 38 percent of workers. We also found large pay inequities, with Black workers including East African workers earning 37 percent less than white workers at Scott County warehouses.

While Amazon has not released demographic breakdowns by occupations for their warehouses in Minnesota, the starkly lower earnings for Black and East African workers suggest that these workers are largely segregated into lower quality jobs.

HF 2774 Would Establish Transparency in Warehouse Worker Quotas and Ensure Workers Can Take Rest Breaks

Passing HF2774 is a crucial first step in setting up a regulatory framework that adequately addresses the harmful management practices at Amazon. Most importantly, this bill establishes transparency in quotas and prohibits employers from using quotas to prevent workers from taking rest breaks as provided for under state law.

I urge you to support this important legislation. Thank you for your attention and consideration. I'm submitting our full report on Amazon in Minnesota along with my written testimony.

¹ For all statistics cited in this testimony, please refer to the citations in Irene Tung, Maya Pinto, and Debbie Berkowitz, *Injuries, Dead-End Jobs and Racial Inequity in Amazon's Minnesota Operations*, National Employment Law Project, December 2021. Available at: <https://www.nelp.org/publication/injuries-dead-end-jobs-and-racial-inequity-in-amazons-minnesota-operations/>.