

Testimony of Eric Frumin Strategic Organizing Center

Before the

House Committee on Education and Labor, Workforce Protections Subcommittee

On

Workplace Protections for Warehouse Workers

Washington, DC. Nov. 17, 2022

Chair Adams, Ranking Member Keller:

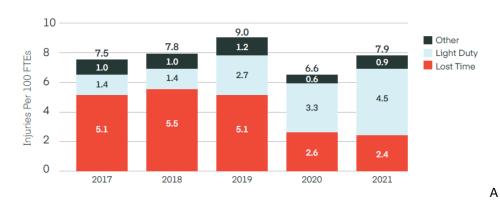
I am Eric Frumin, the Health and Safety Director for the Strategic Organizing Center. The SOC is a democratic coalition of national labor unions founded in 2005 representing more than 2.3 million workers. The SOC greatly appreciates the opportunity to testify today about working conditions and the health and safety of workers in the warehouse industry.

We cannot have a serious conversation about worker safety in the warehouse industry without focusing on the enormous toll of serious injury and disability that threatens hundreds of thousands of Amazon warehouse workers every single day.

Since 2020, we analyzed the last five years of Amazon's internal injury data about the dangers in the warehouse industry and found that this threat has long since reached crisis proportions. See Figure 1, showing the injury rates reported by Amazon at all its facilities 2017-2021.

¹ These internal corporate data are collected by OSHA, and <u>released publicly on OSHA's Injury Tracking Application</u> (ITA) <u>website</u>. Our reports, and details about the sources for the data used in those reports, are available at <u>www.thesoc.org</u>, including <u>The Injury Machine</u> (March, 2022) and <u>Primed for Pain</u> (June 2021). We have also documented the similar hazards in the company's delivery operations (<u>The Worst Mile</u>, June 2022), as well as Amazon's failure to properly identify and report to OSHA thousands of the COVID cases likely transmitted within its facilities (<u>The Hidden Pandemic</u>, November, 2021).

Figure 1
Annual Injury Rates by Type at Amazon Facilities, 2017-2021



In fact, as of last year, Amazon caused more serious injuries to warehouse workers than all the rest of America's warehouses combined. See Table 1 on p. 8

Despite Jeff Bezos' 2021 pledge to make Amazon "the Earth's Safest Place to Work," Bezos and his managers allowed the company's overall injury rate to jump by 20% in the same year.

A serious injury is one that prevents a worker from returning to her regular job, classified as "light duty" or "lost time." In 2021, Amazon's serious injury rate was over double the rate for non-Amazon warehouses (6.8 serious injuries/100 full-time equivalent workers (FTE's) for Amazon as compared to 3.3/100 for non-Amazon warehouses). See Figure 2.

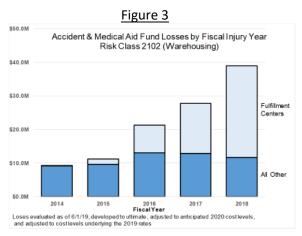
Figure 2
Injury Rates by Type at Amazon and Non-Amazon
Warehouses, 2021



And these are not short-term disabilities – after a serious injury, the typical Amazon warehouse worker is away from their regular job for almost 9 weeks.

The Injury Crisis in Washington State, Amazon's Home State

The crisis at Amazon is not just a recent change, either. Indeed, in the company's home state, the publicly-available signs of trouble were striking years ago. As early as 2016, as Amazon's increased its warehouse infrastructure, the state's Department of Labor and Industries (L&I) started seeing a sharp increase in the number of workers compensation cases attributable solely to the growth of "Fulfillment Centers," and which continued through 2018 (based on the L&I's June 2019 analysis) – increasing employer Workers Compensation premium costs for the entire warehouse industry. Seen Figure 3.



Source: WA Dept. of Labor and Industries

That sharp increase led L&I in 2020 to reclassify employers in the warehouse industry, separating Fulfillment Centers and assigning all the increased premium costs to the new category – with the strong support of the warehouse industry.²

Which warehouse companies owned these out-of-control warehouses? Only Amazon.

And at the time of that rulemaking, Amazon's Dupont, WA warehouse had the highest injury rate of any Amazon warehouse in the nation reported to OSHA's ITA website – a total injury rate of 23.9 serious injuries per 100 "full-time equivalent employees" (FTE's). In response to both the state's workers compensation rulemaking and the emerging chorus of media reports about the injury crisis at Amazon, including the company's injury data that journalists and others had received,³ Washington's Labor & Industries agency (L&I) opened an inspection at the Dupont warehouse. Six months later, on May 4, 2021, in an enforcement action unprecedented in OSHA's 50-year history, L&I issued a Citation at the Dupont site documenting ergonomic hazards in multiple job "processes" at Dupont:

² Testimony of Robert Mitchell, Retro & Finance manager at the Washington Food Industry Association, WA L&I warehouse industry reclassification rulemaking, Oct. 27, 2020. (On file with SOC)

³ Prominently, the report by the Center for Investigative Reporting/Reveal: https://www.theatlantic.com/technology/archive/2019/11/amazon-warehouse-reports-show-worker-injuries/602530/

Inbound: Unloading trailers, palletizing, pallet to pallet transfer, de-palletizing, and sorting. Unboxing and checking in, transferring to conveyor, stowing on shelves.

Outbound: Picking from shelves, transferring and packing items and loading trailers. Lifting, awkward postures, and repetitive motions were the primary risk factors. Risk levels varied from relatively low, such as at the AFE wall, to very high, such as when loading trailers.

Pace of work: Employees are expected to maintain a very high pace of work. Information collected documented that pressure is put on workers to maintain that pace without adequate recovery time to reduce the risk of MSDs. There is a direct connection between Amazon's employee monitoring and discipline systems and workplace MSDs.

Source: OSHA citation # 317961850

This was certainly not the first time that a federal or state OSHA agency had found that ergonomic hazards violated the OSH Act. However, it was the first time in OSHA's history when OSHA had determined that the "Pace of Work" in and of itself was a violation – separately from the physical engineering of the workplace (such as the height of the equipment, the weights of the packages, etc.).

Amazon at that point had a choice, knowing as it did that its injury rates were steadily climbing in 2017-2019. Throughout that period, Amazon had seen the serious injury rates at Dupont hover around the astonishingly high rate of 20 serious injuries/100 FTEs, and actually increase in 2020 to its peak of 23.9 cases – the highest in Amazon's US warehouse operations.

By 2021, Amazon had demonstrated its failure to apply its considerable resources to preventing this crisis: not once throughout these years did Amazon ask its in-house ergonomics experts to visit the Dupont warehouse, a short drive from the company's Seattle headquarters. In fact, the very first time that a staff Amazon ergonomics expert set foot in the Dupont warehouse was after the L&I inspectors arrived to start their surprise inspection.⁴

Amazon chose not to comply with the OSHA Citation's straightforward mandate to conduct a scientifically-based ergonomics assessment to reduce the high risks of injury in Dupont. Instead, it appealed that violation, and then demanded that the WA appeals board give Amazon special permission to escape the state law's mandate to "abate" serious hazards during the appeals process.

Knowing that the appeal would easily take years (and indeed, the appeal is still pending with no decision likely in the near future), L&I strongly objected to any "stay" of the abatement requirement. The state Attorney General warned the appeals board that if Amazon were not compelled to address OSHA's findings, "it is indisputable that...there will be hundreds of serious injuries at this worksite while this litigation is pending." The appeals board responded by denying Amazon's request for a "Stay of Abatement."

⁴ L&I inspector interview with Dupont Site Safety Manager Chris Murphy, 1/21/21: Q: Other than our site visit [L&I Inspection], had you met with [Amazon's ergonomics team members] or pulled them [in] on a project? Murphy Answer: "No, not that I can think of."

⁵ Department's Opposition to Motion to Stay Abatement, Re: AMAZON COM SERVICES LLC DBA AMAZON COM, Docket No. 21 W0156, Board of Industrial Appeals to the State of Washington, Jul. 2, 2021, p. 7, https://www.courts.wa.gov/

See also: "Fine with fines? Amazon isn't making enough changes to protect warehouse workers, state says," Seattle Times, Mar. 29, 2022: https://www.union-bulletin.com/seattle-times/-fine-with-fines-amazon-isn-t-making-enough-changes-to-protect-warehouse-workers-state-says/article-234fb26f-2eeb-569d-8128-168a236fc6c0.html

Throughout this period, Amazon continued to deny that it had a crisis, that its engineering designs were causing injury risks or that it had enforceable production quotas.⁶

In response to a worker complaint, in September, 2021 L&I opened a second inspection, at another Amazon warehouse even closer to Seattle, in Kent WA. Injury rates in Kent were also very high compared to the rest of the warehouse industry and even to other Amazon warehouses. Amazon responded initially by blocking the inspectors and their experts from even collecting the basic scientific information to evaluate injury risks.⁷

L&I persisted, secured a warrant from the Washington court, and completed the investigation. On March 9, 2022, L&I issued a second Citation, with virtually the same violations as in the previous Citation in Dupont. However, because of Amazon's resistance to L&I's previous efforts, L&I classified the violations as Willful. Inspectors said the "willful" determination was made at Kent because the company "is demonstrating plain indifference in that they have been made aware of the hazards and increased injury rates yet are making no effort to take corrective action."

Willful violations are very rare under the OSHA law – requiring that a company either "intentionally disregard" or be "plainly indifferent" to the requirements of the law.

If any employer in modern industrial history deserved that description, it is Amazon.

Once again, Amazon responded to the latest violations by appealing the Citation and again demanding that the appeals board "stay" the "abatement" requirement during the years of appeals proceedings. Once again, the appeals board denied Amazon's request, and the appeal is still pending, with little prospect of relief in sight for the hundreds of Kent workers at risk for serious injuries in the jobs identified by L&I as posing high risks of serious injury.⁹

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⁶ Seattle Times, June 10, 2021: "Amazon to maintain pace of warehouse work despite regulator's citation." https://www.seattletimes.com/business/amazon/amazon-to-maintain-pace-of-warehouse-work-despite-regulators-citation/. "Amazon says its productivity targets for warehouse workers will remain unchanged despite a determination last month from Washington state's workplace safety regulator that the pressure Amazon places on workers to meet those targets is causing injuries and violating the law. 'Safety and performance targets can go hand in hand, that can continue to be the case,' said Heather MacDougall, Amazon's vice president of worldwide health and safety, at a news conference Wednesday... Amazon spokesperson Alyssa Bronikowski said in an email that workers are given ample time to rest during shifts, and that the company is 'continuously learning and seeing improvements.'"

⁷ Business Insider, Dec. 23. 2021: "Amazon tried to bar state officials from entering warehouses to investigate workplace safety complaints, officials say." "Amazon tried to bar workplace safety inspectors from entering warehouses near Seattle, state officials said. The company also made 'multiple' and 'direct' attempts to 'undermine our data collection,' the officials said."

⁸ Enforcement Case File Information, Washington State Department of Labor and Industries, inspection number 317965723, Mar. 9, 2022 (obtained in response to public records request; on file with SOC)

⁹ Same Kent case file.

Now Amazon has gone on the offensive – challenging in US Federal court the constitutionality of the WA state law requiring employers to "abate" violations during appeals. These kinds of protections have been essential for decades in protecting workers in high-hazard industries like underground mining. It is unacceptable to make workers wait for years while appeals over serious violations are pending, and Amazon's failure to comply with existing citations is a perfect example of the need for that protection. The high injury risks that Amazon has inflicted on its workforce are completely unacceptable.

But these horrendous results are no "accident". They are a predictable outcome of the company's business model, which prioritizes speed, production and profit over worker safety. Amazon optimizes its production system to put workers' bodies under extreme levels of stress — far beyond any reasonable expectation of safety -- while constantly reminding them that Amazon will fire them if they don't keep up with the inhumane pace of work.¹¹

Amazon knows how to stop this brutal set of conditions. In 2020, as Amazon's COVID cases became a full-blown crisis, temporarily eased its work speed pressures by suspending disciplinary action based on production metrics. And the company's injury rate in 2020 dropped significantly. So there is no secret to an immediate fix to help Amazon's workforce.

However, as soon as Prime Day approached in October, 2020, Amazon reimplemented its work rate requirement, and sure enough the injury rate in 2021 jumped up again.

Sadly, it is no surprise that this business model is also becoming the norm for the rest of the warehouse industry. During the WA State proceedings on the classification of employers under the Workers Compensation law, the representative for the grocery industry who supported separating "Fulfillment Centers" from other warehouses warned the Department of Labor and Industries about the likelihood that other employers would move to the Amazon model:

Although for 2021, Amazon will ... not be the only entity in that risk code for long. As our economy and technology advances, so will businesses. We will eventually see other companies based in Washington state ... join Amazon in this new risk code as other places advance as Amazon has. Amazon is an industry type leader, but there will be others as it is the way of the future.¹²

Which is exactly why this hearing is so important to America's workers, their families and communities. Amazon's system – "The Injury Machine" – must be stopped before it destroys even more workers' bodies and livelihoods.

Throughout this crisis, Amazon's executives have repeatedly denied the severity of the injury crisis at the company, and tried to blame everyone else – including their own workers. They have severely

¹⁰ Complaint For Declaratory and Injunctive Relief, Amazon.com Services vs Washington Department of Labor and Industries, US District Court, Eastern District of Washington, Dkt. # 2:22-cv-01404, Oct. 3, 2022.

¹¹ See: Business Insider, "<u>Amazon workers say minor aches suddenly became debilitating as they raced to meet speed targets</u>" Oct. 19, 2022

¹² Robert Mitchel testimony, WA L&I warehouse industry reclassification rulemaking, Oct. 27, 2020.

misrepresented their own injury records to investors, journalists and the public, claiming that these outrageously high injury rates were "about average" within the relevant industries.

We have alerted the Securities and Exchange Commission to these material misrepresentations, and called on the SEC to investigate Amazon CEO Andy Jassy's public statements, which seem to have misled even sophisticated investors.¹³

In response to the copious evidence of both rampant injuries at Amazon and the management's utter failure to address the problem, OSHA offices around the nation are launching investigations. Both Washington State and Federal OSHA have undertaken detailed investigations of these abusive workloads – the most comprehensive national workplace inspections in OSHA's 52-year history.

One of the warehouses currently under investigation by Federal OSHA is the ALB1 warehouse near Albany, NY, where Amazon reported in 2021 the highest injury rate of any primary Amazon warehouse in the nation – 20 serious injuries/100 workers.

For members of this Committee, that rate would mean that 8 of you would have been injured badly enough over the last two years to be unable to do your jobs.

As the next holiday shopping season begins, and on behalf of Amazon workers throughout the nation, we demand that Amazon stop denying the dangers, stop opposing OSHA's interventions, and comply with the orders to fix hazards. Yes, following some of those orders from OSHA could take a little time. But Andy Jassy could issue a directive this afternoon to stop firing workers whose bodies require a break from the pressure. Nothing is preventing him from doing so.

We again appreciate the chance to bring these abuses to your attention, and urgently request that Committee continue to focus its own attention on this crisis, including:

- Urging Secretary Walsh to continue the Administration's full support for OSHA's interventions to improve conditions in the warehouse industry, including these investigations;
- Alerting the leadership of the nation's warehousing companies to the dangers of the Amazon business model; and
- Demanding that Amazon fulfill its legal mandate to protect workers.

Thank you.		
Respectfully Submitted,		
Eric Frumin		
Health and Safety Director		
Strategic Organizing Center		

¹³ SOC Complaint to Securities and Exchange Commission: https://thesoc.org/what-we-do/soc-request-for-sec-investigation-of-amazon-com-inc-s-false-and-misleading-health-and-safety-disclosures/

Table 1

Injury rates among largest employers in US warehouse industry

(Warehouse sites reported by employers to OSHA Injury Tracking Application, 2021)

Employers	Number of	Total	Total	Total	Total LT	Total	Avg.
Reporting	warehouse	injuries	"Lost-	"Light-	and LD	employees	employees/
Injuries	sites		time"	Duty"			warehouse
All	4,492	54,578	18,957	30,326	49283	1,153,131	257
Amazon	308	26,875	6,290	18,655	24945	371,492	1,206
All non-	4,184	27,703	12,667	11,671	24,338	699702	167
Amazon							

<u>Source</u>: Worker injury data reported by employers to OSHA's Injury Tracking Application, for worksites with at least 20 employees in an average pay period in 2021, in industry NAICS code 49311 – General Warehousing and Storage