

Amazon conciliatory as US eyes regulation

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US tech giant Amazon on Thursday sounded conciliatory notes as the US government considers stricter regulatory measures against America's largest digital platforms.

Founder Jeff Bezos told investors his e-commerce empire needs a better "vision" for its workers, just days after an effort to create the company's



first labor union was defeated.

Some Amazon executives had fired off snappy comments at various politicians who supported the labor campaign, but their <u>chief executive</u> took a more circumspect approach to the anti-union victory at its plant in Bessemer, Alabama.

"Does your chair take comfort in the outcome of the recent union vote in Bessemer?" Bezos asked rhetorically in an annual letter to shareholders.

"No, he doesn't. I think we need to do a better job for our employees."

In the letter, which was his final before stepping down as chief executive, Bezos laid out a new goal for the company to be "Earth's best employer and Earth's safest place to work."

"Despite what we've accomplished, it's clear to me that we need a better vision for our employees' success," Bezos said.

The vote count in the contentious unionization drive at the warehouse in the southern state of Alabama last week showed a wide majority of workers rejecting the move.

"Bezos's admission today demonstrates that what we have been saying about workplace conditions is correct," said Stuart Appelbaum, president of the union that vied to represent Amazon workers.

"But his admission won't change anything, workers need a union—not just another Amazon public relations effort in damage control."

Bezos rejected news reports that he said unfairly portray Amazon workers as "desperate souls and treated as robots."



"That's not accurate," Bezos said.

"They're sophisticated and thoughtful people who have options for where to work."

Unions and <u>political leaders</u> have argued that Amazon employees face constant pressure and monitoring, with little job protection, highlighting the need for collective bargaining.

Amazon has held firm that most of its workers don't want or need a union and that the company already provides more than most other employers, with a minimum \$15 hourly wage and other benefits.

Tax boost backed

Bezos had already shown deference to political momentum, announcing support for an increase in corporate taxes sought by US President Joe Biden to help finance a \$2 trillion infrastructure plan.

Bezos embraced the move just days after Biden singled out Amazon for avoiding <u>federal income taxes</u> while proposing to boost the <u>corporate tax</u> <u>rate</u> to 28 percent.

"We support the Biden administration's focus on making bold investments in American infrastructure," Bezos said.

"We recognize this investment will require concessions from all sides—both on the specifics of what's included as well as how it gets paid for (we're supportive of a rise in the corporate tax rate)."

Amazon has been the target of critics for years who claim it pays little or no corporate taxes. The company has defended its policies, saying that its investments offset taxes as intended by the tax code.



Last month, Biden cited a 2019 study showing 91 Fortune 500 companies, "the biggest companies in the world, including Amazon... pay not a single, solitary penny of federal income tax," adding, "that is just wrong."

Bezos's support for raising corporate taxes was echoed Thursday by the Chamber of Progress, a self-described "center-left" tech industry coalition whose roster of members includes Amazon, Facebook, Google and Twitter.

"Many tech industry leaders view corporate taxes as a patriotic duty and a wise investment in a well-functioning society," chamber chief Adam Kovacevich said in message posted online.

"President Biden's proposal to raise corporate tax rates to make major investments in infrastructure is a tradeoff that many in the tech industry can support."

Meanwhile, political will to regulate internet giants whose power has grown dramatically during the pandemic has seemed to increase.

US House Antitrust Subcommittee Chairman David Cicilline said Thursday that a 16-month investigation makes it clear that Congress must act.

"Amazon, Apple, Google and Facebook each hold monopoly power over significant sectors of our economy," Cicilline said in a statement.

"This monopoly moment must end."

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