

Amazon sued in US for 'stealing' delivery driver tips

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The District of Columbia on Wednesday said it is suing Amazon for allegedly stealing tips from its Flex service delivery drivers to reduce labor costs and boost profits.

The [lawsuit](#) accuses Amazon of breaking local law regarding deceptive trade practices and came despite the [company](#) having already compensated drivers as part of a settlement with the Federal Trade Commission.

"When a company is caught stealing from its [workers](#), it is not enough for the company to repay the amount stolen," Karl Racine, attorney general of the local Washington, DC government, argued in the [suit](#).

"Stealing from workers is theft, and significant penalties are necessary to strongly disincentivize this unlawful conduct."

The suit aimed at Amazon.com and Amazon Logistics contends that from late 2016 to mid-2019 the e-commerce colossus tricked consumers into thinking tip money was going to Flex service drivers when it was actually being used to reduce operating costs.

"Amazon, one of the world's wealthiest companies, certainly does not need to take tips that belong to workers," Racine said in a release.

"Amazon can and should do better."

Amazon launched Flex in 2015, offering drivers the opportunity to earn from \$18 to \$25 hourly, plus tips, for using their own vehicles to deliver groceries or packages for the company.

The suit charges that the following year, Amazon changed the driver payment model in a way that resulted in a large portion of tip money being used to secretly subsidize driver pay.

"Nothing is more important to us than customer trust," Amazon spokesperson Maria Boschetti said in response to an AFP inquiry.

"This lawsuit involves a practice we changed three years ago and is without merit—all of the customer tips at issue were already paid to drivers as part of a settlement last year with the FTC."

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