

Amazon to raise pay for 500,000 workers after failed unionization drive

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Amazon will increase pay between 50 cents to \$3 an hour for more than half a million workers on its fulfillment, delivery and sorting teams, the US tech giant announced Wednesday.

The raises, which will take effect between May and June, come ahead of a federal hearing over a defeated unionization drive and after President Joe Biden singled out Amazon for avoiding [federal income taxes](#).

The Seattle-based e-commerce empire has gone on a hiring spree during the pandemic, adding 500,000 people last year. It now employs around 1.3 million people globally.

Typically, the company reevaluates salaries every fall, ahead of the holiday shopping bonanza. But it moved the annual review forward this year as it seeks to additionally hire "for tens of thousands of jobs across our operations in the U.S.," Darcie Henry, a worldwide operations vice president said in a statement.

The pay boost will be doled out to employees on the customer fulfillment, delivery, package sortation and specialty fulfillment teams, while other teams will see their annual compensation reviewed throughout the year, the statement added.

In 2018, Amazon raised its [minimum wage](#) to \$15 an hour for all US employees and has recently joined several other [large corporations](#) in advocating the federal minimum be increased to the same amount.

Amazon touted its starting hourly wage—among other benefits—as it fended off a bitterly contested and ultimately unsuccessful effort to create the company's first union at a US-based facility earlier this month.

Unions and [political leaders](#) had maintained that Amazon employees face constant pressure and monitoring, with little job protection, highlighting the need for [collective bargaining](#).

Organizers of the failed union drive accused the company of intimidating workers before the mail-in vote and have filed a case with the National Labor Relations Board.

Defending Amazon's treatment of employees after the union vote, company founder and Chief Executive Jeff Bezos promised a better "vision" for workers.

In a letter, he laid out a new goal for the [company](#) to be "Earth's best employer and Earth's safest place to work".

Amazon announced its latest pay raise the day before it is scheduled to release its first-quarter earnings.

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