



Injuries, Dead-End Jobs, and Racial Inequity in Amazon's Minnesota Operations

A Case Study on the Human Costs of Amazon's Growth

Executive Summary

Amazon has not lived up to its promise of providing quality jobs to workers in the United States.¹ An analysis of the corporate giant's operations in Minnesota illustrates how it fails to provide a safe workplace, stable employment, and adequate compensation to its workers, who are disproportionately Black and include many East African immigrants. As Amazon expands its footprint throughout the country and in Minnesota—with new facilities opening in 2021 around the state—an analysis of Amazon's current warehouses in Minnesota reveals a range of grave concerns for workers, communities, and the public.² The authors of this report examined data from the U.S. Census, the Bureau of Labor Statistics, and the Occupational Safety and Health Administration for Amazon warehouses in Minnesota, with a particular focus on the two longest-standing Amazon facilities in the state, located in the Twin Cities suburb of Shakopee in Scott County. Key findings include the following:

- **Extreme rates of injury.** Amazon warehouse workers in Minnesota are more than twice as likely to be injured at work as other Minnesota warehouse workers. According to Amazon's own records from 2018 to 2020, the rate of injuries at its Minnesota warehouse facilities is 11.1 cases annually per 100 full-time-equivalent workers. This is the equivalent of one injury for every nine workers each year—more than double the rate at non-Amazon Minnesota warehouses (5.2) and more than four times the average rate for all private industries in Minnesota (2.7) during the same period. The warehousing industry average (including Amazon) in Minnesota during that period was 7.0 cases annually per 100 full-time-equivalent workers.³ In particular, Amazon's flagship warehouse in Minnesota, the Shakopee fulfillment center, has consistently reported extremely high rates of injury. In 2020, no industry in Minnesota had a higher average injury rate than the Shakopee Amazon fulfillment center, as seen below in **Figure 3**.⁴

- **Racial earnings gap and occupational segregation.** Black workers are overrepresented in Scott County warehouses (which are mostly Amazon facilities), representing 38 percent of the warehousing workforce and only 8 percent of the total workforce in the Twin Cities.⁵ (See **Figure 1.**) Additionally, Black warehouse workers' monthly earnings are only 63 percent of white warehouse workers' monthly earnings.⁶ (See **Figure 2.**)
- **Triple-digit turnover rates.** Annual turnover at the Shakopee Amazon warehouses is as high as 170 percent. This means that for every job at the Shakopee Amazon facilities, almost two workers left their positions there over the course of a year. By contrast, turnover in Minnesota at non-Amazon warehouses was only about 61 percent.⁷ (See **Figure 4** and **Table 1.**)
- **Wage decline in the warehouse sector.** Real wages for warehouse workers in Minnesota declined over 14 percent between 2015 and 2018, the years after Amazon began operating from Shakopee, as reflected by the latest available Census data.⁸ (See **Figure 5.**) As of 2018, Scott County warehouses (mostly Amazon) represented about a third of all warehouse employment in Minnesota.⁹
- **Exploitation of seasonal and nonstandard workforce.** Amazon uses seasonal and nonstandard work arrangements to erode labor standards and thwart worker organizing.¹⁰
- **Costs to the public.** Amazon breeds poverty in communities, even as it profits from a government program that provides nutrition assistance to people living in poverty. It diverts public dollars away from schools and libraries in order to finance roads and highways feeding its facilities. Traffic around Amazon facilities creates pollution that harms the health of Shakopee residents and contributes to climate change. And Amazon's predatory pricing has contributed to the decline of competing retailers in Minnesota.¹¹

The picture that emerges is a troubling one. Amazon has fueled its rapid growth by employing workers—many of them Black—in extremely dangerous jobs that pay inadequate wages and are not designed to provide long-term employment.¹² The relentless pace of work at Amazon warehouses—which the company enforces through its invasive electronic surveillance systems and harsh disciplinary practices—has had devastating impacts on these workers' bodies.¹³ And while Amazon expands its operations by undercompensating warehouse workers and pressuring them to work at unsafe speeds, the company's profits have grown exponentially and reached new highs.¹⁴

Recently, Congress has begun taking important steps to rein in the growing monopoly power of Amazon, with Minnesota's Senator Amy Klobuchar taking a lead role as chair of the Senate Judiciary antitrust subcommittee.¹⁵ Amazon already dominates the warehouse sector in Minnesota, with Scott County warehouses representing about a third of total warehouse employment in the state.¹⁶ As Amazon pursues further expansion in Minnesota, it is time for Minnesota's state government to also take bold steps to respond to the negative impacts of Amazon's growing operations and address the specific harms affecting Minnesotans who have toiled to make that growth possible.

We conclude the report with recommendations for state lawmakers and regulators that, if adopted, would mitigate some of the worst impacts of Amazon's presence to date and lay the groundwork for the company to become a responsible employer that will truly help Minnesota

thrive. To start, the State of Minnesota, the Minnesota Legislature, Minnesota OSHA, and other appropriate public agencies must take the following steps:

- Convene public hearings on Amazon’s presence in Minnesota;
- Launch a wall-to-wall Minnesota OSHA investigation of health and safety hazards in Amazon facilities;
- Mandate rest breaks and reasonable, transparent work-pace standards in the warehouse industry;
- Ban harmful and opaque surveillance and disciplinary policies such as “Time Off Task”; and
- Investigate and address occupational segregation and racial inequity at Amazon’s Minnesota operations.

By adopting these recommendations, Minnesota lawmakers and regulators can begin to mitigate the harm caused by Amazon and ensure that the company lives up to its promise to provide high-quality jobs and public benefit to the residents of the state.

Recommendations for responses to Amazon's harm to Minnesota



PUBLIC HEARINGS

Convene public hearings on Amazon’s presence in Minnesota.



WALL-TO-WALL INVESTIGATION

Launch wall-to-wall MNOSHA investigation of Amazon facilities



TRANSPARENT WORK-PACE STANDARDS

Ban “Time Off Task,” mandate breaks, and set reasonable and transparent work-pace standards in the warehouse industry.