

Joint Statement of Acting Chairwoman Rebecca Kelly Slaughter

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In the Matter of Amazon Flex

Commission File No. 1923123

February 22, 2021

The internet-enabled gig economy is substantial and continues to grow. According to one study, U.S. families earning income from the internet-enabled gig economy rose from under 2% of the sample in 2013 to 4.5% by early 2018, with more than 5 million U.S. households earning some income from this type of work by 2018.¹ Another study estimates worldwide

The conduct alleged in the complaint is outrageous. According to the complaint, Amazon recruited delivery drivers (and, possibly, attracted customers) by promising that drivers would collect all the tips awarded them by Amazon customers. At a certain point, it decided to divert thirty percent of those tips from drivers to the company to subsidize the amounts it had committed to paying its drivers. The complaint alleges that Amazon then went to great lengths to ensure that no one would figure out what it was doing, by changing the way it presented earnings to drivers and drafting misleading answers for service representatives to give to drivers upset at being short-changed.

Our settlement with Amazon ensures that these drivers will get back every dollar that was promised, every dollar that a customer chose to give as a tip for their service. That is a good result for an enforcement action under the FTC Act, the law we apply today. But we believe that, given the importance of candor and fairness to workers in the gig economy, our current authorities could be improved. Calaw-2 (i)3 (y (ppl)-u)-2 (ha)-1 (i)-2 (t)-2 (i3TJ(dol)-(o)TJ(w)75 Tw 4(e02 Tw