

Senate Select Committee on Job Security

Amazon Australia is pleased to provide the following responses to Senator Sheldon's Questions on Notice, numbered 43 – 65 and 76 – 83.

Questions 43 – 65:

43. How does Amazon calculate the number of deliveries which can be safely and practicably achieved in a four-hour window? What data and variables go into this equation?

Answer: When calculating the number of deliveries that can be safely and practicably delivered within a block, Amazon Flex takes into account factors like vehicle size, package dimensions, estimated time for each part of the delivery process (e.g. check-in and collection of packages, loading the vehicle, driving to the delivery zone, making each delivery) and time to return undelivered packages to the delivery station.

44. How can drivers request additional compensation where a block has taken longer than four hours?

Answer: We undertake a proactive pay reconciliation process across Australia, on a regular basis, to ensure delivery partners are paid for excess time spent on delivery work. Delivery partners can also contact Amazon Flex directly to be compensated where unforeseen circumstances cause them to complete deliveries outside the allocated block time.

45. How many requests for additional compensation have been lodged by Flex drivers since the service launched in Australia, and how many have been accepted to the full additional time or rate that was requested?

Answer: The vast majority of compensation adjustments are made proactively through our reconciliation process that pays delivery partners for excess time spent on delivery work.

46. Is \$108 the absolute minimum that an Amazon Flex driver can earn before costs for a four-hour block? If no, what is?

Answer: Yes.

47. How did Amazon calculate what it considers to be the appropriate minimum pay for the four hour block?

Answer: Amazon Flex has adopted a nationally consistent approach to payments that meets or exceeds the industry standards under the *Industrial Relations Act 1996* (NSW) and, in Victoria, also meets the *Owner Driver and Forestry Contractors Act 2005* (VIC). The fees meet or exceed these industry standards having regard to the overall pattern of deliveries that delivery partners make and the relevant rates for the vehicle type under those laws.

48. Mr Cooley said at the hearing: *"We do also factor into our calculations things like the insurance that they pay, vehicle cost, vehicle depreciation, repairs and servicing, the cost of a driver's licence, rego, mobile phones and data costs. We factor those costs in as part of the calculation of our rates which, I'm assuming, the owner-driver regulations—which we comply with—also do."* What is the full

equation/calculation Mr Cooley is referring to, and what specific dollar values have been assigned to each specific cost within that calculation?

Answer: We pay Amazon Flex delivery partners in line with applicable laws. We regularly review the fluctuating factors that contribute to our expense calculation, e.g. fuel costs and kilometers traveled, to ensure that we are paying competitively.

49. What specific rate, award or pay guideline does Amazon believe it complies with in this rate determination for Amazon Flex drivers?

Answer: Please see response to #47.

50. What training is provided to Amazon Flex drivers?

Answer: Amazon Flex delivery partners receive training during onboarding and on an ongoing basis through a variety of channels, including training videos, safety newsletters, posters in delivery stations, in-app communications and resources available in the Amazon Flex app or on our microsite (accessible by scanning the QR code at delivery stations). As independent contractors, delivery partners can choose additional training that is appropriate for their business. In NSW, Amazon makes Bluecard training sessions available for delivery partners to meet their statutory obligation to hold a valid Bluecard. We pay for the training and delivery partners are paid for the time to take the training.

51. How long does the training take for a driver to complete?

Answer: See response to #50. The time it takes a delivery partner to review the variety of materials provided may vary and delivery partners are encouraged to review the training on an ongoing basis. At a minimum, the training videos in the app run for approximately 15 minutes and cover vehicle loading, visibility and safe lifting of packages, vehicle roadworthiness, station safety, COVID safety, accident prevention and traffic safety, fatigue management and a variety of policies (including with respect to protective clothing, passengers, pets and alcohol). Bluecard training takes approximately 4 hours.

52. What risks, responsibilities and legal obligations are covered by the training?

Answer: See response to #51.

53. What organisations or individuals, if any, were consulted in the development of the training?

Answer: We have internal workplace, health and safety teams within Amazon who are involved in the development of delivery partner safety training material. We partner with a registered training organisation to make Bluecard training available to delivery partners. We conduct monthly roundtables to source feedback from delivery partners and we have an in-app feedback mechanism at the end of each block. Delivery partners are also encouraged to leave direct feedback via the app which we review and action on a regular basis.

54. Is there a cap on the matching insurance policy that Amazon Flex provides to drivers?

Answer: Automobile liability coverage is capped at AUD\$35MM per occurrence, and own damage coverage is capped at the lesser of AUD\$500K or the market value of the vehicle.

55. Is there an excess on the matching insurance policy that Amazon Flex provides to drivers other than the exact excess which is included in the drivers' own policies?

Answer: An excess of AUD\$1,000 applies to each claim.

56. Can Flex drivers request more than one four-hour block in the same day? And if yes, is there a cap on the number that can be requested in a 24 hour or weekly period?

Answer: Blocks are offered to Amazon Flex delivery partners and it is up to each delivery partner to decide whether they wish to accept them or not. Delivery partners can accept two 4-hour blocks in the same day and the number of blocks are also capped per week.

57. Can Amazon Flex drivers subcontract their blocks to another driver, and if yes, what is Amazon's policy on this?

Answer: Amazon Flex delivery partners can substitute a different delivery partner to complete their block if their circumstances change and they no longer wish to perform a block that they have accepted.

58. Can Amazon Flex drivers cancel their block before it is completed, and if yes are they required to return the parcels to the distribution centre?

Answer: Yes. A delivery partner can cancel a block at any time and will need to return any undelivered parcels to the delivery station they collected them from.

59. If the answer to both parts of the above question is yes, what deadlines or other restrictions are there on when the parcels must be returned to the distribution centre?

Answer: Undelivered parcels must be delivered back to the delivery station they were collected from by 10pm on the same day.

60. Does Amazon know when drivers incur traffic violations while engaged as a Flex driver?

Answer: During the onboarding process, we conduct checks to ensure that the delivery partner accepted into the program meets Amazon's driving history requirements. It is up to the delivery partner to ensure that they drive safely and in accordance with all applicable laws while they are on the road. Delivery partners are not required to disclose traffic violations to Amazon.

61. Who is responsible for identifying the number of parcels which can safely be loaded into a Flex vehicle – the driver or an Amazon/Adecco employee/contractor?

Answer: See response to #43. Amazon also has health and safety standards in place, which are communicated to Amazon Flex delivery partners. Delivery partners have responsibility for assessing their vehicles and how the packages will be safely loaded in that vehicle. If a delivery partner is concerned that the packages for a particular block cannot be safely loaded into their vehicle, those packages are removed.

62. Are Amazon/Adecco employees/contractors allowed to direct for additional parcels to be loaded into the vehicle beyond what a driver believes is safe?

Answer: See response to #61. Amazon Flex does not direct additional parcels to be loaded if the delivery partner believes it is unsafe.

63. If a Flex driver contests the number of parcels that Amazon has directed to be loaded into the vehicle for a block, what is the process for addressing those concerns?

Answer: As explained in the response to #61 above, if a delivery partner is concerned that the packages for a particular block cannot be safely loaded into their vehicle, those packages are removed.

64. Mr Cooley said at the hearing that 19 drivers had been reinstated to the service after being dismissed and lodging an appeal. On what basis were the 19 drivers dismissed, and on what basis were their appeals successful?

Answer: The reasons included repeatedly cancelling blocks on short notice (within 45 minutes of the block start time) or repeatedly not attending a scheduled block at all. In these cases, Amazon considered further information put forward by the delivery partner using our review process and full access to their Amazon Flex account was restored. For example, one delivery partner appealed due to personal circumstances, which caused them to miss a number of blocks unexpectedly. The delivery partner's access to their Amazon Flex account was restored.

65. Does Amazon Flex support the introduction of a national framework for owner driver rates and conditions, such as was suggested by the Report of the Inquiry into the Victorian On-Demand Workforce?

Answer: Amazon Australia believes that there is value in having a simple and appropriate national framework for owner drivers and welcomes an opportunity to work with state and federal governments on a nationally consistent framework of regulations.

Questions 76 – 83:

In relation to questions 76-83, it is not apparent how these matters, including details of specific interactions with union officials, are relevant to the terms of reference. Notwithstanding, we are happy to respond to the questions generally, which pertain to workers' rights to organize and union rights of entry. Amazon respects the rights of all of its workers to freely choose whether to join or not to join a union. Amazon does not engage in surveillance in respect of how people exercise that choice. Amazon recognises union entry rights in line with applicable laws and facilitates all valid union entry at its sites in Australia. We facilitated dozens of authorised union visits by multiple unions in the past year. It is not standard practice for union officials to be asked to sign non-disclosure agreements when exercising entry rights at our Australian sites.