



**Memorandum In Support of the Twenty-First Century Antitrust Act
(S933A Gianaris/A1812A Dinowitz)**

January 25, 2022

Dear Members of the New York State Legislature,

Teamsters Joint Council 16, on behalf of 26 local unions and 120,000 workers in New York, strongly supports The Twenty-First Century Antitrust Act (S933A Gianaris/A1812 Dinowitz) to protect workers, small businesses, and consumers from corporate abuses. We urge you to swiftly pass this legislation and make New York a national leader in antitrust enforcement.

Unchecked corporate dominance has resulted in increasing consumer prices and stagnant or deteriorating wages in many industries. Our antitrust laws were meant to check the power of dominant corporations, but after decades of misinterpretations by courts, fueled by misleading corporate legal arguments and conservative propaganda, New York's antitrust laws are in urgent need of reform.

In many industries, dominant corporations are gaining market share, not by providing better products or services, but by lowering pay and making employees work longer, faster, and less safely. These bad actors are undercutting the labor standards that Teamster members have fought for decades to establish. Responsible local businesses are left to choose between coming down to the level of these abusive corporations or losing business to them.

One need look no further than Amazon, whose growing market share is an existential threat to logistics workers, whether they are employed by Amazon or not. Package delivery has long been an industry that provided union, family-sustaining jobs to working New Yorkers. Amazon has quickly become a dominant employer and has used that position to lower standards for the entire industry. Amazon has undercut good jobs by paying half the union rate and lengthening the workweek. When a company is this big, and it is non-union, then the employer can dictate wages and working conditions unilaterally for its own workers, and those bad conditions trickle down to the rest of the industry as well.

In addition to being a dominant employer in the logistics labor market, Amazon is a dominant purchaser of package delivery services and is able to exert additional pressure on other logistics companies to expand hours of work and delivery days.

The 21st Century Antitrust Act will update our antitrust laws to give the Attorney General and workers themselves the power to hold bad actors accountable. The legislation, which overwhelmingly passed the Senate on June 7th, 2021 with a vote of 43 to 20, addresses the impacts that corporate concentration has on consumers, small businesses and workers. Specifically, the Twenty-First Century Antitrust Act:

- Updates NY law to address anti-competitive acts by a single firm;
- Creates an “abuse of dominance standard” which lowers the unreasonably high threshold under current law for showing a firm has monopoly power and, once dominance is demonstrated, then subjects dominant corporations to greater scrutiny, ensuring they don’t abuse their power to stifle competition;
- Expressly includes language addressing the impact of labor market dominance on workers by barring dominant employers from using their outsized influence to the detriment of workers;
- Requires corporations to notify the Attorney General in advance of potentially harmful mergers, and allowing the AG to scrutinize deals, including merger impact on labor markets;
- Prohibits abusive practices by dominant firms such as refusals to deal with competing businesses, and imposing coercive contracts limiting the freedom of workers, independent contractors, and competitors;
- Empowers New Yorkers to join class action suits to enforce their rights under the Act
- Enhances criminal penalties for antitrust violations.

Teamsters Joint Council 16 strongly supports The Twenty-First Century Antitrust Act and we urge you to swiftly pass this legislation and protect New York’s workers, small businesses, and consumers.

Sincerely,



Thomas Gesualdi

President

Teamsters Joint Council 16