

Amazon's public sector millions revealed: £50 million in just one year



Amazon made £11 million from HMRC – despite outrage over internet giant's tiny £1.7 tax payment

The extent of the public money received by Amazon, the controversial consumer goods multinational, has been revealed in a new report released today by GMB Union.



Overall, the company has been awarded 36 public sector contracts worth £660 million since 2015, according to the Tussell figures.

The figures emerge as Jack Dromey, Shadow Pensions Minister, calls for an HSE investigation of Amazon, at GMB's Annual Congress in Brighton today.

The findings were commissioned from Tussell, a data provider on UK public sector contracts.

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Tim Roache, GMB General Secretary

Amazon received £11 million for web hosting services from HMRC last year, despite paying just £1.7 million on profits of £72 million declared through its Amazon UK Services subsidiary in 2017.

A UK-based cloud hosting SME went bust **after HMRC decided to switch to Amazon in 2017.**

Amazon also received £4 million from the Department for Work and Pensions, at least in part for hosting elements of the Universal Credit system, the new figures show.

Two senior civil servants, who were reportedly amongst the architects of the Government's 'cloud first' procurement policy that directly benefited Amazon, were recently 'poached' to work for the company, raising questions over potential conflicts of interest.

Amazon workers are not robots: join our campaign

GMB has raised serious concerns over health and safety standards at Amazon's network of warehouses.

A Freedom of Information request showed that 115 ambulances were called out to an Amazon warehouse at Rugeley in Staffordshire over a three year period. Just 8 call-outs were made to a nearby Tesco distribution warehouse of the same size.

Tim Roache, GMB General Secretary, said:



“Amazon are taking us for mugs. They must quite literally laughing all the way to the bank – they’re making profit from a government that they refuse to pay their fair share of taxes to.

“They refuse dignity and rights for their workers, don’t pay their taxes and the government give them contracts anyway – it’s beyond a joke.”

Rebecca Long Bailey, Shadow Business Secretary, said:

“It is shocking that the government has spent millions with a company that makes massive profits while mistreating its workers and paying barely any tax.

“ Labour in government will insist that that when taxpayer funded public services and goods are delivered by private companies, they operate to the highest standards, with a public service ethos and not simply in the interests of shareholders.

Rebecca Long Bailey, Shadow Business Secretary

“Labour in government will insist that that when taxpayer funded public services and goods are delivered by private companies, they operate to the highest standards, with a public service ethos and not simply in the interests of shareholders.

“We will clamp down on tax avoidance and evasion, and implement our Tax Transparency and Enforcement Programme to build an economy that works for the many, not the few.

Jack Dromey, Shadow Pensions Minister, said:

“In November, I met with Amazon and asked them searching questions on their health and safety practices. The answers I received were insufficient.

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“I followed up with a letter asking them to agree to a joint health and safety audit with the GMB. They didn’t reply.

“If Amazon’s working practices are as safe as they claim, why will they not agree to undertake a joint health and safety audit with the union? It is the HSE’s public duty to investigate Amazon and protect the health and safety of its workers.”



Press office

07958 156846

press.office@gmb.org.uk

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info@gmb.org.uk

