

Jeff Bezos' Whole Foods slashes medical benefits for nearly 2,000 part-time workers

Eddie Haywood
3 October 2019

Amazon-owned grocery chain Whole Foods Market announced last month that it is eliminating medical benefits for nearly 2,000 part-time workers employed at its stores across the United States. The cuts come after the company announced in March that it would cut workers' hours to between 20 and 30 hours per week. The cuts to healthcare benefits will go into effect January 1, 2020 and will affect approximately 1,900 workers.

Whole Foods was bought by Amazon in 2017 for \$13.7 billion. The grocery chain employs more than 91,000 workers at 500 stores in the US, Canada and the UK.

The healthcare cuts for his employees stands in sharp contrast with the vast wealth of Amazon CEO Jeff Bezos who sits atop a personal fortune of \$115 billion. Analysis provided by consumer tracking group Decision Data found that Bezos makes enough money in 2 to 6 hours to more than cover the cost of an entire year of benefits for all of the workers facing cuts.

Justifying the benefits cut, Whole Foods stated it "made the change to better meet the needs of our business and create a more equitable and efficient scheduling model." Translated, this means that the economic interests of workers are to be sacrificed by the profit considerations of Amazon, with the burden of skyrocketing of health care costs placed squarely on the backs of workers.

Underlining this, the company stated that it is "working to help employees find resources for alternative health care options or to explore moving them to full-time positions offering health benefits." In other words, Whole Foods fully intends to shift the cost of health care to workers.

The costs of health insurance for workers are enormous. The slashing of insurance for Whole Foods

workers follows the overall trend set by Obamacare, which shifted the burden of the rising cost of health insurance from corporations to workers.

In 2017, only 56 per cent of workers acquired their health care coverage from their employers, down from 75 percent in 2008.

According to figures published by the Center for Economic Policy and Research (CEPR), the decline since 1979 in health care coverage for workers in the US is drastic. Between 1979 and 2008, employer-based coverage dropped 12.4 per cent. Presently, over 28 million workers, 8.8 percent of the population, have no insurance.

In its announcement of the cuts, Whole Foods attempted to minimize the news by stating that "only" two percent of the total workforce would be impacted. In reality, the gutting of benefits and slashing of wages for workers is part of the decades-long social counterrevolution carried out against the working class by the financial aristocracy, impacting workers across all economic sectors.

Since the pay increase to \$15 per hour announced in October by Amazon CEO Jeff Bezos, Whole Foods workers at nearly every store location have seen a corresponding cut in their hours to as little as 20 per week. Notably, the cutting of work hours has left workers to perform the same workload in less time, with Whole Foods not hiring new workers to take the slack.

The cutting of hours and medical benefits expose the fraudulent character of Jeff Bezos' wage increase as a cynical public relations ploy to halt mounting opposition to Amazon's brutal exploitation of its workers. The wage increase is to be more than offset with hours cuts and the gutting of benefits.

In an interview with *Business Insider*, a 15-year

worker at Whole Foods stated she was “devastated” by the news of the medical benefits cut. She reported that her family was covered by the health-insurance plan she is enrolled in through her job at Whole Foods, and that she would now have to increase her hours or look for a second job, as well as face increased cost for childcare.

“I am in shock. I’ve worked here 15 years. This is why I keep the job — because of my benefits.”

The gutting of workers’ benefits and hours by Whole Foods is not surprising in the least. After the announcement of workers getting hours cuts in March, the World Socialist Web Site wrote: “The cut in hours to Whole Foods workers lines up with the experience of workers at Amazon itself, who discovered that their modest pay increase was tied to the elimination of stock bonuses and other benefits.”

The attack on the social and economic position of workers is by no means isolated to Whole Foods and Amazon workers, but rather a calculated strategy by the financial aristocracy to eradicate every social gain won by the working class through immense struggle in decades past.

Workers from all sectors—autoworkers, teachers, public and private—have experienced their standard of living drop over the last half century, with wage and benefits cuts and gutting of workplace safety regulations all part of a coordinated attack by both the Republican and Democratic parties carrying out the dictates of the financial aristocracy against the working class.



To contact the WSW and the
Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)