



JOINT ANTITRUST STATEMENT REGARDING COVID-19 AND COMPETITION IN LABOR MARKETS

Antitrust Enforcers Closely Monitoring Employer Coordination to Disadvantage Workers

Addressing the spread of Coronavirus Disease 2019 ("COVID-19") may require unprecedented cooperation between federal, state, local, and tribal governments, private businesses, and individuals in order to protect the health and safety of Americans. The Antitrust Division of the Department of Justice (the "Division") and the Bureau of Competition of the Federal Trade Commission (the "Bureau," and collectively the "Agencies") wish to make clear to the public that although there are many permissible ways that firms can engage in procompetitive collaboration, COVID-19 does not provide a reason to tolerate anticompetitive conduct that harms workers, including doctors, nurses, first responders, and those who work in grocery stores, pharmacies, and warehouses, among other essential service providers on the front lines of addressing the crisis.

The Agencies are on alert for employers, staffing companies (including medical travel and locum agencies), and recruiters, among others, who engage in collusion or other anticompetitive conduct in labor markets, such as agreements to lower wages or to reduce salaries or hours worked. For years, the Agencies have challenged unlawful wage-fixing and no-poach agreements, anticompetitive non-compete agreements, and the unlawful exchange of competitively sensitive employee information, including salary, wages, benefits, and compensation data. Moreover, the Division may criminally prosecute companies and individuals who enter into naked wage-fixing and no-poach agreements. Even absent a collusive agreement, the Bureau may pursue a civil enforcement action against companies and individuals that invite others to collude. The Agencies may also use their civil enforcement authority to challenge unilateral anticompetitive conduct by employers that harms competition in a labor market (monopsony power). Companies and individuals involved in the hiring, recruiting, retention, or placement of workers should be aware that anticompetitive conduct runs the risk of civil and/or criminal liability.

Although many individuals and businesses have demonstrated extraordinary compassion and flexibility in responding to COVID-19, and will continue to do so, others may use it as an opportunity to prey on American workers by subverting competition in labor markets. The Division and the Bureau will not hesitate to hold accountable those who do so. If you have information concerning harm to competition in a labor market, please email the Division's Citizen

Complaint Center <u>antitrust.complaints@usdoj.gov</u> and the Bureau's complaint center <u>antitrust@ftc.gov.</u>

More broadly, the Department of Justice is addressing actions by individuals and businesses to take advantage of COVID-19 through other fraudulent and illegal schemes. Anyone with information or concerns about this sort of conduct, or other COVID-19-related complaints, should contact the National Center for Disaster Fraud Hotline (1-866-720-5721) or e-mail (disaster@leo.gov).

The Federal Trade Commission's Bureau of Consumer Protection continues to investigate fraudulent and deceptive activity involving COVID-19. More information on the FTC's guidance on potential fraud, deceptive practices, and scams is available here, and to report a complaint go to www.ftc.gov/complaint.

In sum, the Agencies, along with the rest of the Department of Justice and the Federal Trade Commission, will continue working closely with the public, the business community, and other federal agencies to responsibly enforce the antitrust laws to protect the health, safety, and welfare of all Americans, including American workers.

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