

Wal-Mart Living Wage Campaign

This campaign is about fair wages, strong families and corporate accountability. It is about ensuring that Wal-Mart's new Ithaca store pay workers a living wage – enough to meet their basic needs and to help them support their families decently. This minimum living wage is \$19,102 for the year (\$9.18/hour) plus health insurance. A fair day's pay for a fair day's work is one of the basic tenets of our society. Those who work full-time should earn enough to live decently. But many don't. As a result their world is often one of crisis, insecurity and an inability to afford basic necessities like food, housing, health care and child care. We look forward to the wide selection, quality merchandise and low prices that Wal-Mart promises. But we expect more from large and profitable companies like Wal-Mart. Workers also need to be paid a living wage, be treated with respect and in a fair and equitable manner.

Some Facts About Wal-Mart

Wal-Mart does not pay a living wage

Most of Wal-Mart's employees work as cashiers, sales associates, and stockers. Its average pay nationally for cashiers is less than \$15,000, and this includes many workers who have worked there for years. The starting (entry level) pay is less than \$7. And Wal-Mart's pay is low even within its industry, about one-third lower than other large retail companies, according to one recent study.

Wal-Mart can afford to pay a living wage

Wal-Mart made \$9 billion in profits last year. It is the largest employer in the U.S., the largest food retailer and the 3rd largest pharmacy. It accounts for 2% of the entire GDP (production) in the U.S. If it were an independent nation, it would be 18th largest in the world (just below Switzerland and Russia). Five of the ten richest people in the United States (all billionaires) are major owners of Wal-Mart. Wal-Mart is one company that *can* afford to do better.

Wal-Mart is not the only business that pays low wages, but it is the largest and richest

It is true (and outrageous) that between one-quarter and one-third of all jobs pay workers less than a living wage. But Wal-Mart is the largest company in the U.S. employing 10 % of all retail workers in the country. It can afford to do better. Because of its size and power it is also driving wages down throughout the country. Supermarket workers, for example, today earn on average \$1/hour less since Wal-Mart entered the supermarket business. Wal-Mart is a leader and when we convince the Ithaca Wal-Mart to pay a living wage, others will also.

A living wage benefits other businesses and the community as a whole

Most of any wage increase will be spent in local stores (including Wal-Mart itself), increasing local sales and taxes. This will boost our local economy. And since public assistance in the form of Medicaid, food stamps, and other support is needed to subsidize low-wage employers (like Wal-Mart), our community would realize a lower overall tax bill as Wal-Mart boosted wages. With higher wages and income, working families would experience less stress and distress in their lives, and would be stronger and healthier.

Wal-Mart does not provide adequate health insurance for its employees

Due to restrictions on employee eligibility, inadequate coverage, and high premiums, deductibles and co-pays, less than half of Wal-Mart employees get company health insurance, compared to close to two-

thirds of employees at other large retailers. For example part-time employees (up to 34 hours/week) are eligible for coverage only after two years. In addition, workers on the plan are required to pay a 20% co-pay as well as part of the premium, as much as \$3,000 for family coverage with a \$350 deductible.

Without a living wage many Wal-Mart employees require government assistance

Georgia and California recently reported that a disproportionate number of children covered by State health insurance programs are children of Wal-Mart employees. This is no surprise. When employers like Wal-Mart do not pay working families enough to sustain themselves they often must rely on government assistance to make ends meet. Many Wal-Mart employees qualify for housing assistance, federal tax credits and deductions for low-income families, health care subsidies, low-income energy assistance, and school subsidies. All taxpayers pay these costs. The total cost to taxpayers nationally for public assistance to Wal-Mart employees and their families could be as much as \$2 billion a year.

The Wal-Mart workplace is unfair in other ways – Wal-Mart discriminates against women

According to the largest discrimination lawsuit ever brought against any company, Wal-Mart pays women employees less than men for the same work (\$5,000 less per year on average), and bypasses them for key promotions to management positions (65% of its hourly employees are women, but only about 30% of management is female).

Wal-Mart also violates Federal laws regarding hours and worker rights

Hourly workers in 30 states have filed claims accusing Wal-Mart of forcing them to work long hours off the clock and sometimes without breaks, and federal authorities have filed more than 45 labor rights complaints accusing Wal-Mart managers in more than two dozen stores of unfair worker intimidation.

The Walmartization of America threatens us all

Wal-Mart's policies have become a symbol for what is causing a very dangerous national trend - the erosion of the middle class. Wal-Mart's low pay and its pressure on suppliers have helped force wages down throughout the country. Since Wal-Mart entered the grocery business around the country, for example, wages and benefits overall have gone down 14% - that's like a wage cut of about \$1/hour! Wal-Mart also demands lower and lower prices from its suppliers. This also forces them to cut wages or shift operations overseas. This benefits business owners in China (10% of all American imports from China are for Wal-Mart) and other countries (over half of all Wal-Mart products are manufactured overseas), but hurts working families here. The Walmartization of America is a situation in which there are fewer and fewer middle class jobs, leaving most people struggling to make ends meet because they are working but their pay is too low.

Help get the Ithaca Wal-Mart to pay a living wage

Write to Ithaca Wal-Mart General Manager Dave Jacobson, letting him know that you expect Wal-Mart to pay a living wage. His address is PO Box 6433, Ithaca NY 14851. Please be sure to also send or e-mail your letter to us (or at least a copy). We will collect them and provide them to Wal-Mart and keep a count of how many have written. You can also visit our website at www.tclivingwage.org.

Wal-Mart: A Company That Can Afford to Do Better

The Ithaca Wal-Mart Living Wage Campaign is sponsored by the Tompkins County Living Wage Coalition/Workers' Rights Center. Contact us at 269-0409 or TCWRC@yahoo.com or 115 The Commons, Ithaca