

Walmart's Hunger Games

*How America's Largest Employer
and Richest Family Worsen the Hunger Crisis*

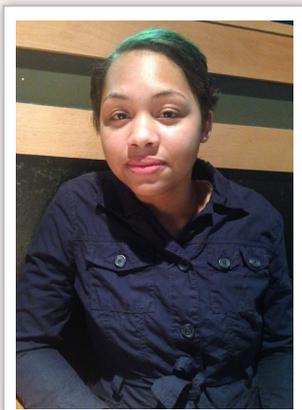
A Call for Walmart's Owners to Change

Michele Simon **EATDRINK** November 2014
POLITICS

In the United States, 49 million individuals suffer from hunger, including 15.8 million children.¹ In the last three years, the number of participants in the federal Supplemental Nutrition Assistance Program (SNAP, formerly called food stamps) grew by 42% to more than 47 million Americans.² The

growth in SNAP eligibility is not just due to people who can't find work, but also because many people are under-employed or in jobs where they are paid too little to cover their own food costs.

The hunger crisis in the United States is the result of larger economic factors at play. Today, income inequality is at



La'Randa Jackson – Cincinnati, Ohio

"I skip a lot of meals. The most important thing is food for the babies, then my younger brothers. Then, if there's enough, my mom and I eat." Walmart workers like 20-year-old **La'Randa Jackson** from Cincinnati, Ohio, are skipping meals so that their families can be fed. La'Randa's family receives food stamps and an allotment of groceries each month. Many times, it isn't enough to get through the month.

Some months, La'Randa has to ask the food bank to make an emergency exception and provide extra food for the month. "The lady who works there knows we have babies at home," she says.

its highest levels since the 1920s. While corporate profits are reaching record levels, the majority of American families are working harder for less and average wages are at the lowest point since 1948.³

Men and women are looking for fair pay for their hard work, but low wages, erratic scheduling and involuntary part-timing are keeping them from supporting their families, including putting a warm dinner on the table at night.

At Walmart – our country's largest employer – too many workers are unable to provide food for their families because they are paid poverty wages and cannot get full-time, consistent hours.

Walmart and the Walton family are at the center of a profit-building empire that allows them to build their wealth off of workers' inability to afford food.

In addition to paying workers so little that too many rely on public assistance,

Walmart and the Waltons are building their wealth with income from food stamps.

And while Walmart and the Waltons often tout their anti-hunger charities, this giving, through its huge public relations push, shifts the conversation away from addressing the larger food insecurity issues the corporation and its owners are creating.

The conversation they want to avoid is how Walmart and the Waltons have helped to create the hunger crisis in America. They also have the ability – more than any other business – to lift hundreds of thousands of working families out of poverty by improving jobs at its stores, which would, in turn, reduce hunger across the nation.

Walmart Sets the Standard for Low-Pay in Retail and the Economy

A close look at the causes of hunger in America shows the overlap with the

Richard - California*

"I'm working to keep my kids fed and clothed. The worst feeling is hearing my kids cry at night because I can't feed them." Richard works as an unloader at the Walmart store in California and goes days without eating so that he has enough money to buy food for his two children.

Recent studies have found that the rates of food insecurity are particularly high in households with incomes near or below the federal poverty level, and in single-parent households with children.

Because money is tight, Richard is forced to buy less healthy food for his children. "I try to give them as much fruits and vegetables as I can possibly afford, but junk food is the cheapest food I can get for my kids. I hate to say it, but it is a lot of food like pizza."

**Walmart workers have faced retaliation by Walmart for speaking out. This person has chosen to conceal his name and work location.*

symptoms of the Walmart economy. And that is no coincidence.

In the U.S. today, the fastest growing job sector is low-wage retail jobs^{4,5}, with one in every 10 retail employees working at Walmart.⁶ With its size and reach nationwide, Walmart's pay and other practices set the standard for the retail industry and drive down pay in other industries as well.

Estimates of hourly Walmart wages vary, but one study by the National Bureau of Economic Research found that Walmart cashiers average just \$8.48/hour,⁷ while another industry report found the average pay to be \$8.81⁸ per hour. At this rate, an employee who works 34 hours per week, which is Walmart's definition of full-time, is paid \$15,500 per year, which is about \$8,000 below the federal poverty line for a family of four.⁹

Walmart has confirmed that the company pays the majority of its workers less than \$25,000 a year.¹⁰ As a result, many Walmart workers are at or near the federal poverty line and are unable to

feed and clothe their families and provide basic necessities for their children.

Walmart's Systematic Part-Timing Keeps Take Home Pay Low

Since 2006, the retail and wholesale sector has cut one million full-time jobs while adding 500,000 part-time jobs.¹¹

As many as 600,000 Walmart workers currently work part-time, although many want to work full-time and are pushing for additional hours.¹² The company intensified its hiring of temporary workers last year, while continuing to deny full-time hours to many employees who want them.¹³

Food Insecurity is a Constant Battle for Low Income Families

More than one in seven Americans are now on food stamps.¹⁴ But not everyone is impacted equally. Women, seniors, and people of color are more vulnerable to food insecurity and hunger. For example, women are twice as likely as men to use food stamps.¹⁵ African-American and Hispanic



Cantare Davunt - Apple Valley, Minnesota

On \$10.10 an hour and an unpredictable part-time schedule, Minnesota Walmart worker **Cantare Davunt** ends up digging into her cabinets for older, non-perishable food staples like Ramen so she can have a hot meal. Sometimes she relies on family and friends for meals and recently began the process of applying for food stamps.

This type of part-time, low-paid workers is increasingly the face of hunger in America. Nearly 60 percent of recipients of food assistance are employed as part-time workers.



Diana Tigon - Arlington, Texas

Diana Tigon is a cashier at the Walmart store in Arlington, Texas. She is strapped for cash and on rough weeks has to go full days without eating meals. Friends in her neighborhood started to take notice and bring her food from time to time. "On weeks between paychecks you just have to make it until payday on Wednesday."

households experienced more than double the rate of food insecurity, compared to White, non-Hispanic households.¹⁶

These same groups are disproportionately impacted by the Walmart economy. Walmart is currently the largest private employer of women, African-Americans and Latinos in United States. Fifty-seven percent of Walmart workers are women and the rate of African-American employment at Walmart is nearly 50% higher than the number of African-Americans in the population overall.¹⁷ Women and people

of color are disproportionately in lower-paid positions at Walmart.¹⁸

Taxpayers Subsidize Walmart Workers' Groceries While the Waltons Profit from Food Stamp Revenue

Walmart's low-wages and poor benefits frequently result in too many workers turning to a variety of public assistance programs. A recent report estimated the cost to taxpayers of Walmart workers' total reliance on public assistance is \$6.2 billion a year.¹⁹

Walmart and the Low Wage Economy

| | Communities more likely to face hunger/food insecurity | Walmart's Role |
|--|--|--|
| Low Wage Workers | 88% of food bank clients have household incomes of less than \$25,000 / year | Most Walmart workers, as many as 825,000 workers, make less than \$25,000 / year |
| Employed, but Part-time Hours | More than 57% of employed recipients of food assistance were working part-time | Estimates are 600,000 part-time workers at Walmart, many seeking full-time hours |
| Women and People of Color Disproportionately Affected | Women are twice as likely as men to use food stamps. Rate of food insecurity among people of color is double that for whites | Walmart is the largest private employer of women, African Americans, and Latinos in the nation |

The Food Stamp Profit Scheme at Walmart

Waltons pay workers less than \$25K a year

Workers receive food stamps to pay for groceries

Workers buy groceries at Walmart

Walmart builds \$16 billion in annual profits

Waltons build \$150 billion wealth

In addition to forcing low-paid workers to rely on food stamps, Walmart is also, by their own reporting, the largest retailer for food stamp redemption in the United States. In 2013, Walmart reported that it captured 18% (nearly 1 in 5) of all food stamp spending.²⁰ Based on that percentage, Americans for Tax Fairness estimated that Walmart benefits from \$13.5 billion in food stamp dollars.²¹

In fact, federal food assistance is so critical to Walmart's bottom-line that in early 2014, Walmart executives specifically cited cuts to food stamps to help explain declining sales.²²

It's also no wonder that Walmart lobbies aggressively on federal food assistance programs such as food stamps.²³

Walmart's Hunger Games

Faced with growing criticism of its poor treatment of workers and role in reinforcing an unbalanced economy, Walmart has been promoting its support for anti-hunger programs this year. But rather than just donating to food banks, Walmart made a game out of its giving. In order to "win" Walmart's funds, food banks had to compete, essentially pitting

hungry families in different parts of the country against each other.

Walmart's anti-hunger initiative appears to exist solely to serve the company's business interests. Instead of being philanthropy, it's ... public relations, influence buying, and greasing the skids to reduce opposition to their entrance into urban markets ... ensuring that tens of billions of dollars continue coming their way from the food stamp program.²⁴

- Andy Fisher, Civil Eats

Walmart and the Waltons Can Solve the Hunger Crisis

National organizations and experts working to reduce hunger consistently cite low wages and part-time work as the most common root causes of hunger – both major problems for workers at Walmart.

Walmart and the Waltons can have a direct impact in fighting hunger for the 1.3 million Americans that it employs. If Walmart decided tomorrow to provide a living wage and full-time hours, the many workers featured in this brief – and hundreds of thousands of others – would be able to pay for their own groceries.



Martha Sellers - Pico Rivera, California

"I want to know if the Waltons are aware that their workers are in poverty and if they care." **Martha Sellers** has worked at the Walmart store in Pico Rivera, Calif. for 11 years. When her partner passed away, she struggled to cover bills and started to skip meals or eat cheap noodles to save money. She is afraid to see a doctor because she knows her diet is so poor.

With \$150 billion in wealth, the Waltons could easily make the choice to end the hunger crisis for the men and women who work at their stores.

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