



What Do We Know About Wal-Mart?

An Overview of Facts and Studies for New Yorkers

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This report is intended to help New Yorkers make informed policy decisions about economic development in their communities. As Wal-Mart continues to expand across the state and looks to enter New York City, growing attention is being focused on the company’s employment practices and local economic impact. Given what’s at stake, good information is critical. But despite heightened interest in Wal-Mart, there is currently a wealth of incomplete and conflicting data about the company.

This report compiles what we know about Wal-Mart—in terms of its wages and health benefits, compliance with workplace laws, cost to the taxpayer, and impact on the local economy. Our goal is to provide sound information to the public and to policy makers as they evaluate the country’s largest private employer.

Wal-Mart vitals, 2005¹

Year established	1962
Number of stores in the U.S. ²	3,702
Growth in number of stores since 2000 ³	+ 1,055
Number of employees in the U.S. ⁴	1.2 million
Annual sales ⁵	\$285.2 billion
Annual profits ⁶	\$10.3 billion
Growth in profits since 2000	+ \$4.0 billion

Wal-Mart and the retail industry in New York

	New York State	New York City
Wal-Mart (2005)⁷		
Number of employees	34,052	0
Number of stores ⁸	99	0
Discount Stores	51	0
Supercenters	30	0
Sam’s Clubs	18	0
Growth in number of stores since 2000 ⁹	+ 16	
Retail industry (2004)¹⁰		
Number of employees	862,988	268,508
Number of stores	71,725	28,076

Average annual earnings of retail workers (in 2004 dollars)

	National	New York State
Wal-Mart¹²		
All employees	\$19,226	<i>Not available</i>
All employees paid by the hour	\$17,285	<i>Not available</i>
All employees paid by the hour – full-time	\$18,992	<i>Not available</i>
All employees paid by the hour – part-time	\$ 8,634	<i>Not available</i>
All retailers¹³		
All employees	\$24,023	\$25,518
All employees at discount department stores (e.g. Kmart and Target)	\$18,898	\$18,578
All employees at wholesale clubs and supercenters (e.g. Costco and BJ's)	\$22,101	\$21,781
All employees at supermarkets (e.g. Stop and Shop, Pathmark, Whole Foods)	\$19,699	\$18,097
All large retailers¹⁴		
All employees	\$24,647	\$24,839
All large private employers¹⁵		
All employees	\$42,839	\$55,832

The top retail jobs at Wal-Mart (in 2004 dollars)

Position	Average starting hourly wage ¹⁶	Percent of all hourly workers ¹⁷	Percent female ¹⁸	Average annual earnings ¹⁹	National average for these jobs in the retail industry ²⁰
Sales associate	\$7.05	23%	64%	\$14,787	\$22,760
Cashier	\$7.20	19%	88%	\$12,818	\$17,220
Team leader	\$8.01	8%	76%	\$23,572	\$37,170
Overnight stocker	\$7.85	6%	51%	\$19,302	\$19,780

WAGES

Putting Wal-Mart's wages in context

Basic Family Budget (2004)		Annual income needed for a household with one earner & one child	Annual income needed for a household with two earners & two children
Measures how much income a family needs in order to meet basic needs such as food, housing, and child care. ²¹ The wage is calculated for different family types and regions based on an assessment of the cost of living.	New York City	\$44,724	\$58,656
	Long Island	\$47,268	\$60,780
	Syracuse	\$33,684	\$47,208

Housing Wage (2004)		
Estimates the annual income required to afford renting an apartment on the open market. Housing is considered "affordable" if it accounts for no more than 30% of a household's budget. ²²	New York State	Studio: \$30,663 One bedroom: \$33,276 Two bedrooms: \$37,808
	New York City	Studio: \$33,840 One bedroom: \$36,600 Two bedrooms: \$40,720

Food Stamp Wage (2005)		
Families with incomes below this threshold qualify for food stamps. The threshold is set at 130% of the Federal Poverty Line before taxes. ²³	National	For a family of three: \$20,376 For a family of four: \$24,516

Medicaid Wage (2005)		
Families with incomes below this threshold qualify for Medicaid – a publicly-funded health care program for those who cannot afford to pay for medical care. ²⁴	National	For a single parent with an infant child: \$17,064 For two parents with two children: \$19,356

Federal Poverty Line (2004)		
A family of two adults and two children is officially considered to be in "poverty" if its income is below this threshold. ²⁵	National	For a family of four: \$19,157

HEALTH INSURANCE

Wal-Mart's health insurance, in context

	Wal-Mart	Comparison to other employers
1. Percent of employees covered		
Percent of employees covered by the employer's health insurance plan	Estimated at 41% – 46%. ²⁶	<ul style="list-style-type: none"> • In 2004, in the U.S. as a whole, 61% of employees received health insurance through their employer.²⁷ • For all large firms, the figure was 68%.²⁸ • For all retail firms, the figure was 48%.²⁹
Waiting period before employees are eligible for coverage	Full-time hourly “associates” have a six-month waiting period. Part-timers have a two-year waiting period and can never get family coverage. ³⁰	Overall, only 6% of employees in the private sector face a waiting period of six months or more. ³¹
2. Quality of the health insurance provided		
Employer spending on health benefits	In 2002, Wal-Mart spent an average of \$3,500 on health benefits for each covered employee. ³²	<ul style="list-style-type: none"> • In 2002, U.S. employers spent an average of \$5,646 per covered employee on health benefits.³³ • The average for the wholesale/retail trade industry was \$4,834.³⁴ • Costco, one of Wal-Mart's main competitors, spent nearly \$5,735 per employee in 2004.³⁵
Services and prescriptions excluded from plan	<ul style="list-style-type: none"> • The following are generally excluded: flu shots, eye exams and chiropractic services³⁶; regular check-ups (“wellness care/exams”); alcohol and smoking cessation programs³⁷; and contraceptive drugs.³⁸ • Women's preventative exams (e.g. mammograms) are not covered in the first year. Mental health and substance abuse services are not covered in the first year and limited thereafter.³⁹ • In the first year, Wal-Mart generally does not cover treatment of pre-existing conditions and prescription drug benefits are very limited.⁴⁰ 	The exclusion of contraceptive drug coverage has triggered a class action lawsuit, since approximately 80% of employees in employer-sponsored plans receive such coverage. ⁴¹
3. Costs paid by the employees		
Cost of premiums	Employees' premiums range from \$133 to \$264 a month for family coverage, ⁴² and from \$33 to \$72 a month for individual coverage. ⁴³	The average monthly premium for covered employees in any type of employer-sponsored plan in 2004 was \$222 for family coverage and \$47 for individual coverage. ⁴⁴
Employees' share of premiums	Wal-Mart employees pay for one-third of the cost of their health insurance. ⁴⁵	<ul style="list-style-type: none"> • The one-third employee share is typical for large retailers.⁴⁶ • The average at large U.S. companies is 20%. Employees of Costco, one of Wal-Mart's main competitors, pay 8%.⁴⁷ • 28% of U.S. workers paid nothing in 2002, because their employers contributed the full cost of the premiums.⁴⁸
Deductibles & co-insurance	Deductibles range from \$350 to \$1,000. ⁴⁹ After deductibles are reached, employees are then responsible for co-insurance, which generally equals 20% of the cost of care, up to a cap. ⁵⁰	A \$1,000 deductible is three times the norm. About 90% of retailers (and of U.S. employers overall) have deductibles of \$310 or less. ⁵¹
Surcharges	Full time employees hired from 1998 onwards face a \$50 surcharge every two weeks on top of cost of family coverage if their spouse could get insurance through another employer. ⁵²	<i>Information not available</i>

EMPLOYEES' USE OF PUBLIC HEALTH INSURANCE

State studies of the number of Wal-Mart workers who depend on public health insurance⁵³

State	Year of study	Public program	Number of Wal-Mart workers and/or their dependents receiving benefits	Estimated annual cost to the state ⁵⁴
Alabama ⁵⁵	2005	Medicaid	3,864 children of Wal-Mart employees	Between \$1.7 million and \$2.4 million
Arizona ⁵⁶	2005	Medicaid	Almost 2,700 employees	–
Arkansas ⁵⁷	2005	Public Assistance (vast majority Medicaid)	3,971 employees	\$4 million
Connecticut ⁵⁸	2004	Medicaid	824 employees had children in plan	–
Florida ⁵⁹	2005	Medicaid	12,300 employees or their dependents	–
	2005	State Children's Health Insurance Program (SCHIP)	1,375 children of Wal-Mart employees	\$468,936
Georgia ⁶⁰	2002	SCHIP	10,261 children of Wal-Mart employees	–
Iowa ⁶¹	2003-04	Medicaid	845 employees	–
Massachusetts ⁶²	2003-04	State health insurance programs; criteria include being low-income or medium-income	823 employees and 1,656 employee dependents	\$1.3 million
	2002-03	Uncompensated Care Pool	435 employees and their dependents	\$356,540
Montana ⁶³	2005	SCHIP	193 employees	–
New Hampshire ⁶⁴	2005	Medicaid and SCHIP	487 employees total	–
New Jersey ⁶⁵	2005	SCHIP	71 employees and 518 of their children	\$384,036
Tennessee ⁶⁶	2004	State health insurance program for the poor, uninsured and disabled	9,617 employees	\$15.3 million
Texas ⁶⁷	2004	SCHIP	2,611 families	–
	2005	SCHIP	2,333 families	–
Vermont ⁶⁸	2005	Medicaid	286 employees	–
Washington ⁶⁹	2003	Basic health plan for low-income residents	341 employees	\$651,992
	2004	Basic health plan for low-income residents	281 employees	\$475,452
West Virginia ⁷⁰	2004	SCHIP	452 employees	–
Wisconsin ⁷¹	2004	State health insurance program for low-income working families	1,813 employees and their relatives (1,175 adults and 638 children)	\$1.8 million to cover total of 3,765 people across both programs.
	2004	Medicaid	1,952 children of employees	

COMPLIANCE WITH WORKPLACE LAWS

Wal-Mart's record on employment and labor laws

Off-the-clock work	<ul style="list-style-type: none"> Over 40 pending wage-and-hour cases against Wal-Mart are currently seeking class action status in more than nineteen states.⁷² Among the allegations are that the company forced employees to work “off-the-clock” and failed to provide legally-required breaks.⁷³ In states such as New Mexico and Colorado, Wal-Mart settled lawsuits with over 69,000 workers who alleged that the company forced them to work unpaid hours.⁷⁴ In December 2002, an Oregon jury found in favor of 400 employees in a similar lawsuit.⁷⁵ An internal Wal-Mart audit of 128 stores found that in one week in July 2000 there were 60,767 instances of employees not taking breaks and 15,705 instances of employees working through meal times.⁷⁶
Illegal retaliation	<ul style="list-style-type: none"> The National Labor Relations Board (NLRB) has issued 60 complaints against Wal-Mart since 1995. These complaints cite the company for illegally retaliating against employees who attempted to organize, through illegal firings, unlawful surveillance, threats and intimidation.⁷⁷ One NLRB complaint in 2002 was issued because a Wal-Mart employee filed complaints regarding unsafe conditions with the Occupational Safety and Health Administration (OSHA), and employees were then told that any fines imposed on the company would come out of employee bonuses.⁷⁸
Workers' Compensation	<ul style="list-style-type: none"> In 2000, Washington State's Department of Labor and Industries (L&I) threatened to take over the management of Wal-Mart's Workers' Compensation claims. L&I found that Wal-Mart repeatedly did not allow employees to file accident reports or Workers' Compensation claims, failed to respond to claims, made unreasonable delays in payments, prematurely terminated and “miscalculated” compensation, had consistently poor record-keeping, and failed to recognize injured workers' rights to lost-time compensation. The announcement followed 66 penalties issued against the company between 1994 and 2000 that totaled more than \$31,000.⁷⁹
Race and gender discrimination	<ul style="list-style-type: none"> In 2002, the Kentucky state human rights commission ordered Wal-Mart to pay \$40,000 because the company had fired an interracial couple in Russellville, KY for violating fraternization and nepotism policies. White couples were allowed to continue their relationships in spite of these policies.⁸⁰ A lawsuit filed in 2001 alleges that Wal-Mart routinely discriminated against women, paying them less than men for the same jobs and promoting men ahead of women. The lawsuit potentially covers more than 1.5 million current and former employees, and if certified, would be the largest employment class action suit in U.S. history.⁸¹
Child labor	<ul style="list-style-type: none"> An internal Wal-Mart audit of 128 stores found that in one week in July 2000 there were 1,371 instances of minors working too late, during school hours, or for too many hours in a day.⁸² Wal-Mart recently paid \$135,540 to settle a case with the U.S. Department of Labor. The case alleged that the company violated child labor laws in Arkansas, Connecticut and New Hampshire between 1998 and 2002 by having teenage employees use hazardous equipment such as chain saws, paper balers and fork lifts.⁸³
Disability discrimination	<ul style="list-style-type: none"> In a consent decree with the Equal Employment Opportunity Commission (EEOC), Wal-Mart paid \$6.8 million for violating the Americans with Disabilities Act (ADA) between 1994 and 1998 by demanding that job applicants disclose disability-related information.⁸⁴ Wal-Mart paid over \$6 million in 2001 to settle 13 cases brought by the EEOC over failure to hire disabled persons.⁸⁵ In a recent case in Long Island, NY, a jury ordered Wal-Mart to pay \$7.5 million to a former employee who suffers from Cerebral Palsy. A day after he started his job as a pharmacy assistant, Wal-Mart violated the ADA by removing him from his position and reassigning him to collecting carts in the parking lot and picking up trash.⁸⁶
Suppliers and subcontractors	<ul style="list-style-type: none"> In March 2005, Wal-Mart paid \$11 million to settle an investigation by the U.S. Immigration and Customs Enforcement. The investigation hinged on the failure of Wal-Mart's cleaning subcontractors to comply with immigration laws.⁸⁷ A class-action lawsuit currently pending against Wal-Mart alleges that these janitors were paid less than the minimum wage and did not receive overtime pay; the janitors also charge that they were not provided Workers' Compensation coverage and were locked inside stores overnight.⁸⁸ Audits in 2001 documented that over half of Wal-Mart's suppliers were in violation of local laws and/or Wal-Mart's own standards, such as child labor and workplace safety. One third of the suppliers were in “serious” violation.⁸⁹

LOCAL ECONOMIC IMPACT

Policymakers and advocates are increasingly interested in understanding the local economic impact of Wal-Mart — how the company affects jobs, small businesses, community living standards, and local tax revenues. This is also a growing topic of research by economists and social scientists. However, there are not yet enough studies to allow us to make definitive conclusions about Wal-Mart’s local economic impact.

Still, the studies that do exist offer a useful guide to the core questions that researchers are asking about the company. In what follows, we review studies that use rigorous methods to examine the direct impact of one or more existing Wal-Mart stores.⁹⁰

1. What is the net impact of Wal-Mart on employment?

□ A study by University of Missouri economist Emek Basker found that, on average, 100 retail jobs were created in a given county the year after a Wal-Mart store opened.⁹¹ But 50 of those jobs disappeared over the following five years, leaving a net gain of 50 jobs. The study examined over 2,000 Wal-Mart stores that opened between 1977 and 1999, in nearly 1,800 counties across the country. The author found that both small and large businesses closed in the five years after Wal-Mart opened, which may explain the sharp decline in county employment after the first year. It is important to note that the first-year increase of 100 jobs was lower than the number of jobs at a typical Wal-Mart store, which suggests that some firms exited the market very quickly. The study also examined changes in employment in the wholesale industry, another segment in which Wal-Mart competes, and found a decline of approximately 20 wholesale jobs in a given county following Wal-Mart’s entry.

2. What is the impact of Wal-Mart on other businesses?

- A study by Georgeanne Artz and James McConnon, Jr., analyzed nineteen retail markets in Maine where Wal-Mart opened stores between 1992 and 1995.⁹² The authors found that towns with a new Wal-Mart experienced increased general merchandise sales compared to similar towns that did not host a Wal-Mart. In the average host town, general merchandise sales increased approximately 60% the year after Wal-Mart opened and 96% five years after it opened. General merchandise sales in towns without a Wal-Mart increased 11% after five years. However, in most of the communities studied (over 80%), *existing* businesses lost retail sales after Wal-Mart entered the market. In about one-third of the communities, this impact was severe (i.e., other businesses lost more than 10% of the existing market).
- A Mississippi State University study that examined eighteen Wal-Mart supercenters in small counties in the state found that existing retail stores in the area lost business while sales increased at the Wal-Mart supercenters.⁹³ The study considered sales tax data from 1990 to 2001 and considered various product categories: general merchandise, food, furniture, building supplies, and miscellaneous. Existing food stores suffered the largest decline in sales. In the first year after a supercenter opened, sales at food stores declined by 10%; five years later, sales had declined by approximately 17%. At miscellaneous retail stores, sales declined by 3% in the first year after a supercenter opened and by 9% after five years. The study also found that during the same decade, general merchandise sales declined by 24% in counties that did not host a Wal-Mart supercenter.
- A recent marketing study examined purchases by over 10,000 households at a pre-existing supermarket in a small East Coast town where a Wal-Mart supercenter opened.⁹⁴ Sales at the supermarket declined by 17% after the supercenter opened in August 2000 because shoppers made fewer visits to the supermarket.

- Economists studied 11 Iowa cities in which big-box stores opened during the 1990s and tested whether sales at these new stores were shifted from smaller existing businesses in the surrounding area.⁹⁵ Focusing on building materials stores (e.g., Home Depot, Lowe's, Menard's), the host county experienced large gains in building materials sales (of about \$30 million to \$70 million over the first three to five years) while surrounding counties suffered substantial losses. However, as additional big-box stores opened subsequently, these new stores captured sales from the counties in which the first group of big-box stores opened.

3. What is the impact of Wal-Mart on living standards in local communities?

- In a study of over 3,000 counties, researchers found that counties with more Wal-Mart stores had a larger increase (or a smaller reduction) in the poverty rate between 1987 and 1999 than did counties with fewer or no Wal-Mart stores.⁹⁶ Controlling for factors such as education, employment rates and population, the study also found that an additional Wal-Mart store was correlated with a statistically significant 0.2 percentage point increase in the county poverty rate. The authors conclude that “the presence of Wal-Mart unequivocally raised family poverty rates in U.S. counties during the 1990s relative to places that had no such stores.” The authors hypothesize that the increase in poverty rates can partly be explained by displaced workers going to work at Wal-Mart for lower wages.
- A study of 165 cities between 1982 and 2002 found that the entry of Wal-Mart stores was significantly correlated with a decrease in the prices of ten commonly-bought items (groceries were excluded).⁹⁷ The price effect was most pronounced in smaller cities and ranged from 1.5-3% in the short run to four times as much in the long run. For example, holding all else constant, the entry of a Wal-Mart correlated with a 3% drop in the price of toothpaste in the short run and a 13% drop in the long run. For other products such as cigarettes, Coke, pants, shirts, and underwear, however, the study found no significant effect.

4. What is the impact of Wal-Mart on local tax revenue?

- A study compared the tax revenue and the costs of public services associated with various types of development projects in Barnstable, Massachusetts.⁹⁸ It found that big-box retail developments cost more than the revenues they generated, producing an annual net loss of \$468 per 1,000 square feet. While the city gained revenues through property and sales taxes, these were outweighed by expenditures including the costs of general government and public works.

5. How much does Wal-Mart receive in public subsidies?

- In a study of a San Diego development project that was anchored by a regular Wal-Mart and a Sam's Club, researchers found that Wal-Mart received about \$9.5 million in public subsidies for the 1998 development.⁹⁹ The study estimated that the Wal-Mart and Sam's Club stores contributed approximately \$800,000 in annual sales tax to the city. The Wal-Mart store employed 315 workers (68% part-time), and the Sam's Club store employed 184 workers (65% part-time). The study was not able to ascertain whether pre-existing retail jobs were displaced after the Wal-Mart stores opened.
- A study by researchers who specialize in tracking economic development subsidies determined that, as a conservative estimate, Wal-Mart has received over \$1 billion in subsidies from state and local governments in recent years.¹⁰⁰ The study found that Wal-Mart received approximately \$245 million for 91 stores, \$624 million for 84 of its 91 distribution centers, and \$138 million in industrial revenue bonds for 69 stores. The subsidies took the form of: free or reduced-price land, infrastructure assistance, tax increment financing, property tax breaks, state corporate income tax credits, sales tax rebates, enterprise zone subsidies, job training and worker recruitment funds, tax-exempt bond financing, and general grants.

ENDNOTES

- ¹ Unless otherwise noted, all data in this table come from Wal-Mart Stores, Inc. *Wal-Mart: 2005 Annual Report*. Bentonville, AR: Wal-Mart Stores, 2005. <http://www.walmartstores.com/Files/2005AnnualReport.pdf>. (accessed 29 July 2005).
- ² This is the sum of the number of Discount Stores, Supercenters, Neighborhood Markets, and Sam's Club stores.
- ³ Wal-Mart Stores, Inc. *10-K Annual Report*. Filing with the United States Securities and Exchange Commission. 2001.
- ⁴ Wal-Mart Stores, Inc. *Key Topics: Employment Overview*. <http://www.walmartfacts.com/newsdesk/wal-mart-fact-sheets.aspx#a26> (accessed 29 July 2005).
- ⁵ This is the sum of annual sales worldwide for Wal-Mart stores and Sam's Club stores.
- ⁶ Profit figures represent the company's reported net income.
- ⁷ As of July 2005. Wal-Mart Stores, Inc. *New York Community Impact*. <http://www.walmartfacts.com/community/article.aspx?id=182> (accessed 29 July 2005).
- ⁸ There are four types of Wal-Mart store formats. *Discount Stores* offer a wide assortment of general merchandise, have a limited number of food products, and average about 100,000 square feet (though there are three distinct class sizes, with the newest as large as 200,000 square feet). *Supercenters* offer a wide assortment of general merchandise plus a full supermarket, and are about 187,000 square feet. *Sam's Clubs* are membership warehouse clubs and are about 128,000 square feet. *Neighborhood Markets* are a full supermarket with limited non-food products, and are about 43,000 square feet; these do not yet exist in New York State. Wal-Mart Stores, Inc. 2005, *op. cit.*, page 24.
- ⁹ Wal-Mart Stores, Inc. 2001. *op. cit.*
- ¹⁰ The retail trade industry is classified under the North American Industry Classification System (NAICS) with the code 44-45. New York City figures were calculated by summing Bronx County, Kings County, New York County, Queens County, and Richmond County. U.S. Department of Labor; Bureau of Labor Statistics; *Quarterly Census of Employment and Wages*, preliminary 2004 annual figures; generated by Anmol Chaddha. <http://www.bls.gov/cew/home.htm> (accessed 29 July 2005).
- ¹¹ In our analysis of Wal-Mart's wages, we do not rely on the company's own press releases and public relations documents; when contacted, company representatives were not sufficiently clear about the methods used to collect their data and the definition of their measures. Instead, we draw on actual payroll data that Wal-Mart was required to make public through a court order.
- ¹² These figures are reported in the source as annual earnings; they are not imputed from monthly, weekly, or hourly wages. These data cover employees who worked 45 weeks or more in the past year. Data in 2001 dollars were adjusted with the Consumer Price Index (Research Series) to 2004 dollars. Dr. Richard Drogin, *Statistical Analysis of Gender Patterns in Wal-Mart Workforce* February 2003, submitted as expert report in *Dukes v. Wal-Mart Stores*, No. C 01-02252 MJJ (N.D. Calif.), Appendices 6a and 6b.
- ¹³ Data in 2003 dollars were adjusted with the Consumer Price Index (Research Series) to 2004 dollars. NAICS code for wholesale clubs and supercenters is 452910; NAICS for discount department stores is 452112; NAICS for supermarkets is 445110. Based on 2003 First Quarter data. U.S. Department of Labor; Bureau of Labor Statistics; *Quarterly Census of Employment and Wages*; ST36NY03.ENB. <ftp://ftp.bls.gov/pub/special.requests/cew/> (accessed 29 July 2005).
- ¹⁴ "Large retailers" is defined as having 250-499 employees per establishment. Data in 2003 dollars were adjusted with the Consumer Price Index (Research Series) to 2004 dollars. Based on 2003 First Quarter data. U.S. Department of Labor; Bureau of Labor Statistics; *Quarterly Census of Employment and Wages*; SZ000003.ENB. <ftp://ftp.bls.gov/pub/special.requests/cew/2003/size>; (accessed 29 July 2005).
- ¹⁵ *Ibid.*
- ¹⁶ Average starting hourly wage is based on the starting wages for workers hired into these positions in 1998. All wage or earnings data in this table were adjusted with the Consumer Price Index (Research Series) to 2004 dollars. Top positions were chosen by number of full-time workers at each position. Drogin, *op. cit.*, Appendix 11a.
- ¹⁷ Drogin, *op. cit.*, Appendix 4a.
- ¹⁸ *Ibid.*
- ¹⁹ These data cover employees who worked 45 weeks or more in a year. Drogin, *op. cit.*, Appendices 6a and 6b.
- ²⁰ Occupational codes used are cashiers (41-2011), retail salespersons (41-2031), stocker (43-5081), team leader (41-1011). U.S. Department of Labor; Bureau of Labor Statistics; Occupational Employment Statistics; *May 2004 National Industry-Specific Occupational Employment and Wage Estimates: Sectors 44 and 45 - Retail Trade* last revised June 2, 2005. http://www.bls.gov/oes/current/naics2_44-45.htm (accessed 2 August 2005).
- ²¹ Economic Policy Institute. *Basic Family Budget Calculator*; generated by Anmol Chaddha. http://www.epi.org/content.cfm/datazone_fambud_budget (accessed 29 July 2005).
- ²² National Low Income Housing Coalition. *Out of Reach 2004*. <http://www.nlihc.org/or2004/> (accessed 29 July 2005).
- ²³ Based on maximum gross monthly income figures. Public Benefits Resource Center. *Food Stamps: Maximum Allowable Income Levels (October 1, 2004-September 30, 2005)*. Community Service Society. <http://www.cssny.org/pbrc/consumerbenefits/foodprograms.pdf> (accessed 29 July 2005).

- ²⁴ The single-parent scenario assumes the child is under 6 years old. The two-parent scenario assumes the children are both under 18. New York State Department of Health. *Medicaid*. Last revised June 2005. http://www.health.state.ny.us/health_care/medicaid/index.htm
- ²⁵ Assumes two adults with two related children under 18 years old. U.S. Census Bureau; Housing and Household Economic Statistics Division; *Poverty Thresholds 2004*. Last revised January 28, 2005. <http://www.census.gov/hhes/www/poverty/threshld/thresh04.html>.
- ²⁶ AFL-CIO. *Wal-Mart: An Example of Why Workers Remain Uninsured and Underinsured*. Washington: AFL-CIO, 2003. Citing Wysocki and Zimmerman (below) and an analysis of Wal-Mart's 2001 Form 5500 informational tax filing with the Internal Revenue Service and Department of Labor.
- ²⁷ The Kaiser Family Foundation and Health Research and Educational Trust (HRET). *Employer Health Benefits 2004 Annual Survey*. Washington and Menlo Park, California: Kaiser Family Foundation and HRET, 2004.
- ²⁸ *Ibid.* "Large firms" refers to those with 200 or more employees.
- ²⁹ This is at establishments that offer health insurance. Buckley, John E. and Robert W. Van Glezen, "Federal Statistics on Healthcare Benefits and Cost Trends: an Overview." *Monthly Labor Review* 127, no. 11 (2004): 50.
- ³⁰ In addition, Wal-Mart must be the part-time employee's "primary employer" in order for the employee to participate in the plan. Wal-Mart Stores, Inc. *2005 Associate Guide*. Bentonville, AR: Wal-Mart Stores, 2005 (On file at the Brennan Center for Justice), pp. 29-31.
- ³¹ U.S. Department of Labor. *National Compensation Survey: Employee Benefits in Private Industry in the United States, 2002-2003*. Washington: U.S. Department of Labor, 2005, Bulletin 2573.
- ³² Wysocki Jr., Bernard and Ann Zimmerman, "Bargain Hunter: Wal-Mart Cost-Cutting Finds a Big Target in Health Benefits." *The Wall Street Journal* 30 September 2003, sec. A, p. 1. Citing Mercer Human Resource Consulting and Wal-Mart.
- ³³ Wysocki and Zimmerman, *op. cit.* Citing Mercer Human Resource Consulting and Wal-Mart.
- ³⁴ *Ibid.*
- ³⁵ Holmes, Stanley and Wendy Zellner, "The Costco Way: Higher Wages Mean Higher Profits. But Try Telling Wall Street." *Business Week* 12 April 2004, p. 76.
- ³⁶ Wysocki and Zimmerman, *op. cit.*
- ³⁷ Wal-Mart Stores, Inc. *2005 Associate Guide, op. cit.*, pp. 52-64.
- ³⁸ Wysocki and Zimmerman, *op. cit.*
- ³⁹ Wal-Mart Stores, Inc. *2005 Associate Guide, op. cit.*, pp. 52-64.
- ⁴⁰ In addition, most employees in their first year of coverage are subject to a maximum of \$25,000 in covered benefits. Also, workers and their covered family members are not eligible for any organ transplant benefits during their first year of participation in the plan, and workers hired on or after January 1, 2004 have a limit of \$100,000 in transplant during their second year of coverage. Wal-Mart Stores, Inc. *2005 Associate Guide, op. cit.*, pp. 46, 49, 55, 57.
- ⁴¹ Wysocki and Zimmerman, *op. cit.* The statistics refers to self-funded employer-sponsored plans.
- ⁴² Abelson, Reed, "States are Battling Against Wal-Mart Over Health Care." *New York Times*. 1 November 2004, p. A1.
- ⁴³ Workers have four choices of their health plan; the plan with the lowest premiums has the highest deductible, and vice versa. AFL-CIO, *op. cit.* Citing Wal-Mart Stores, Inc. *Benefits At a Glance*. Effective January 2004.
- ⁴⁴ The Kaiser Family Foundation and HRET, *op. cit.*
- ⁴⁵ Abelson, *op. cit.*
- ⁴⁶ Wysocki and Zimmerman, *op. cit.* Citing the Segal Company.
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