



Worker Abuse

Wal-Mart is the largest corporation and private employer in the United States. Half of its employees leave the company each year. Why? We can only guess, but we bet there are a few good reasons:

- Wal-Mart faces 38 state and federal lawsuits filed by hourly workers in 30 states accusing the company of forced overtime off the clock.
- In October 2002, the National Organization for Women (NOW) reported that the Maine Department of Labor ordered Wal-Mart to pay the largest fine in state history for violating child labor laws. The Department of Labor discovered 1,436 child labor law infractions at 20 Wal-Mart chains.
- USA Today reported that Wal-Mart has more than 1,107 international operations, and that Bangladesh workers earn as little as nine cents an hour. Reports of foreign employee abuse included forced overtime, starvation wages, denial of access to healthcare, locked bathrooms, and pregnancy tests.
- Wal-Mart faces 38 state and federal lawsuits filed by hourly workers in 30 states, accusing the company of systematically forcing them to work long hours off the clock. A July 2000 internal audit of 128 Wal-Mart stores found 127 were “not in compliance” with company policies concerning workers not taking breaks. The audit found workers nationwide didn’t take breaks 76,472 times in a one-week period.
- On December 19, 2002, a Portland jury issued its unanimous verdict that Wal-Mart violated federal and state wage-and-hour laws by forcing employees at 18 Oregon stores to work overtime without pay from 1994 to 1999.
- In a class-action suit in Texas, on behalf of more than 200,000 current and former Wal-Mart workers, statisticians estimate that the company underpaid its Texas workers by \$150 million over four years by not paying them for the many times they worked during their daily 15-minute breaks. (NYT, 6/02)
- More than 8,000 pharmacists filed a class-action lawsuit in August 2002, charging that Wal-Mart owes them \$200 million in pay for “off the clock” work.
- Store managers earn bonuses based on earnings. Since the corporation dictates the inventory and operating expenses, managers’ only recourse to stimulate profits is essentially by putting a tight lid on wages.
- Wal-Mart expects its managers to increase sales each year, yet decrease labor costs by two tenths of a percent from the prior year’s figures.

These low wages, unfair labor practices like forced, unpaid overtime and gender discrimination complaints continue to plague Wal-Mart today.

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