

LEAKED WAL-MART MEMO SHOCKS AMERICA

Wal-Mart Watch and New York Times Break the Story:



Wal-Mart Memo Suggests Ways to Cut Employee Benefit Costs
By STEVEN GREENHOUSE AND MICHAEL BARBARO

An internal memo sent to Wal-Mart's board proposes numerous ways to hold down spending on health care and other benefits while seeking to minimize damage to the retailer's reputation. Among the recommendations are hiring more part-time workers and discouraging unhealthy people from working at Wal-Mart...To discourage unhealthy job applicants, Ms. Chambers suggests that Wal-Mart arrange for "all jobs to include some physical activity (e.g., all cashiers do some cart-gathering)." The memo acknowledged that Wal-Mart, the world's largest retailer, had to walk a fine line in restraining benefit costs because critics had attacked it for being stingy on wages and health coverage. Ms. Chambers acknowledged that 46 percent of the children of Wal-Mart's 1.33 million United States employees were uninsured or on Medicaid.

MEDIA AND PUBLIC STUNNED BY CONTENTS OF THE MEMO:

"Wal-Mart Still Doesn't Get It"
—NEW REPUBLIC

"Wal-Mart again shows us the face of corporate greed"
—LETTER, ST. PETERSBURG TIMES

"Fat? Over 40? Don't Bother Applying for a Wal-Mart Job"
—THE INDEPENDENT

"Wal-Mart memo may raise litigation risk"
—LOS ANGELES TIMES

"An internal Wal-Mart Stores Inc. memo... raises questions about how far employers can legally go in preferential hiring."
—WALL STREET JOURNAL

"Wal-Mart has a long, long rap sheet in violations against workers on wage an hour violations, on child labor laws, on immigration laws and on discrimination laws."
—REP. GEORGE MILLER

"One longtime Wal-Mart associate, who declined to be named for fear of retaliation, said the memo had left a lot of employees angry."
—ASSOCIATED PRESS

"Lately I feel like I'm out here defending the indefensible."
—RON GALLOWAY, PRO-WAL-MART FILMMAKER ON LOU DOBBS TONIGHT

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To read the whole memo visit WalmartWatch.com/memo