

# Report: Walmart Workers Cost Taxpayers \$6.2 Billion In Public Assistance



[Clare O'Connor](#),

Walmart's low-wage workers cost U.S. taxpayers an estimated \$6.2 billion in public assistance including food stamps, Medicaid and subsidized housing, according to a report published to coincide with Tax Day, April 15.

Americans for Tax Fairness, [a coalition of 400](#) national and state-level progressive groups, made this estimate using data from a 2013 study by Democratic Staff of the U.S. Committee on [Education](#) and the Workforce.

"The study estimated the cost to Wisconsin's taxpayers of Walmart's low wages and benefits, which often force workers to rely on various public assistance programs," reads the report, [available in full here](#).

"It found that a single Walmart Supercenter cost taxpayers between \$904,542 and \$1.75 million per year, or between \$3,015 and \$5,815 on average for each of 300 workers."

Americans for Tax Fairness then took the mid-point of that range (\$4,415) and multiplied it by Walmart's approximately 1.4 million workers to come up with an estimate of the overall taxpayers' bill for the Bentonville, Ark.-based big box giant's staffers.

The report provides a [state-by-state breakdown of these figures](#), as well as some context on the other side of the coin: [Walmart's huge share of the nationwide SNAP, or food stamp, market](#).

"Walmart told analysts last year that the company has captured 18 percent of the SNAP market," it reads. "Using that figure, we estimate that the company accounted for \$13.5 billion out of \$76 billion in food stamp sales in 2013."

Walmart spokesperson Randy Hargrove described this week's report as "inaccurate and misleading," referring to its use of extrapolated data and adding that public assistance program eligibility requirements vary from state to state.

"More than 99 percent of our associates earn above minimum wage," he said. "In fact, the average hourly wage for our associates, both full and part-time, is an average of \$11.83 per hour."

He said the company had no internal figures to share on the number of workers receiving public assistance.

"The bottom line is Walmart provides associates with more opportunities for career growth and greater economic security for their families than other companies in America," he said. "Our full and part-time workers get bonuses for store performance, access to a 401K-retirement plan, education and health benefits."

Hargrove added that the number of Walmart employees receiving Medicaid is similar to the percentage for other large retailers -- and comparable to the national average.

He pointed to [a 2005 report by economist Jason Furman](#), now a White House adviser, describing Walmart's Medicaid enrollment as "a reflection of [its] enormous size."

Other large retail chains have been the focus of similar reports in recent months. In October, [two studies released to coincide](#) showed that American fast food industry outsourced a combined \$7 billion in annual labor costs to taxpayers. [McDonald's](#) **MCD +0.24%** alone accounted for \$1.2 billion of that outlay.

Yum Brands came in at a distant number two, with its Pizza Hut, Taco Bell and KFC subsidiaries costing \$648 million in benefits programs for workers each year.

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