

WALMART TO RAISE MINIMUM WAGE TO \$12 AN HOUR

Ahead of the holiday shopping season, Walmart says it will give raises to more than 565,000 store workers.

By Sarah Nassauer
September 2, 2021

Walmart Inc. will increase its minimum wage to \$12 an hour and raise pay for hundreds of thousands of its US store workers as a tight labor market continues to create fierce competition for staff.

Walmart said Thursday it will give raises to more than 565,000 of its 1.6 million US workers, targeting those who work at registers, in the food and household goods areas and who restock shelves.

Those workers will receive at least a \$1-an-hour raise starting Sept. 25, the company said in a memo to staff, bringing Walmart's overall average wage to \$16.40 per hour for hourly workers.

The change will raise Walmart's starting pay from the \$11-an-hour floor Walmart established in 2018, a spokeswoman said. It is still below the \$15-an-hour starting pay at rivals such as Target Corp and Amazon.com Inc.

Walmart, the country's largest retailer by revenue, has announced a series of wage increases and bonuses for staff in stores and warehouses since last year as competition for hourly workers intensifies – across a broad section of businesses from restaurants and retailers to amusement parks and warehouses.

Among retailers, competition is especially fierce ahead of the fall holiday shopping season when most retailers earn a significant percentage of their annual revenue.

Walgreens-Boots Alliance Inc. said this week it will raise its starting wage for hourly employees to \$15 an hour by November 2022. Pay increases will start in October and continue in phases over the next year. The pharmacy chain said the move will cost \$450 million over the next three years. Earlier this month, CVS Health Corp. said it would raise its minimum hourly wage to \$15 an hour effective July 2022.

Earlier this week Walmart said it aims to hire 20,000 more warehouse and supply chain workers permanently. The company has also offered special bonus and pay increases to some warehouse workers to keep staff on the job and gave wage increases earlier this year to hourly workers focused on stocking shelves and online sales. Last year the retailer gave wage increases to some managers.

Competitors such as Amazon, Target and Costco Wholesale Corp. have also raised wages over the past year. Amazon also said this week it was seeking to hire about 55,000 people globally among its corporate and technology ranks during a recruiting event set for Sept. 15.

