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### Worker Equity: The Unasked Question for the Global Food Movement

How did humane conditions for chickens come to matter more than humane treatment of workers?

Submitted by:

**Marjorie Kelly**

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**By Marjorie Kelly**

So your food is slow, grown organically, sourced locally.

But how were the workers treated who produced and sold it? This is the question the global food movement too rarely asks, tending instead to focus on consumer health, ecological sustainability, and animal welfare. When working conditions are an issue, it's often about workers in other countries, like coffee growers in Central America.

How did workers in other nations come to matter more than those standing right next to us, serving us our meals or ringing the cash register at the grocery store? How did humane conditions for chickens come to matter more than humane treatment of workers?

When you lift the veil on this neglected area of worker treatment in our food system, what do you find? This is a question that Tellus Institute and Sustainalytics set out to answer in a report released this week, *Worker Equity in Food and Agriculture*. With support of the Rockefeller Foundation, this report surveys the landscape of practices at the 100 largest and most influential U.S. companies. What we found is troubling – with some glimmers of hope.

First, the troubling parts:

- **Workers who produce, process, sell and serve food to consumers face some of the lowest paying jobs and the highest levels of food insecurity in the U.S.**

Compared to other frontline workers, food workers earn about one-third less – only \$18,900 a year. Many of these jobs lack the rudimentary protections of wage and hour laws. The federal wage for tipped workers in restaurants, for example, has been frozen at \$2.13 since 1991. Food servers rely on food stamps at nearly double the rate of the overall population. The people serving us our food, in other words, are among those least able to eat well.

- **Some of the most dangerous jobs in the U.S. are in the food industry.**

While the fatality rate for all industries is 3.5 per 100,000 workers, in agriculture the rate is over 25, and for warehousing and transportation jobs it is 15. And then there's the meat slaughtering industry. Instead of outsourcing jobs to other countries – for low labor costs and lax health and safety monitoring – Human Rights Watch says “U.S. meat and poultry companies essentially are reproducing developing country employment conditions here.” With working conditions already hazardous, with workers wielding sharp knives at rapid rates, line speeds at slaughterhouses today are increasing as companies seek high profit margins.

- **A commitment to worker equity must come from the top.**

Yet, among the 100 companies we studied, we found only 18 that indicated they had a top-level committee tasked specifically with oversight of worker well-being issues, such as labor standards, employee development, or health and safety. About one in three companies had “ESG” committees – looking at environmental, social, and governance issues – but their definition of the social aspect of ESG seems to be vague and overly broad, neglecting to focus clearly and specifically on people inside the company and how well they're being compensated and treated.

Compensation issues are particularly overlooked, for average pay cannot even be tracked on a company-by-company basis, leaving this vital issue hidden in the shadows.

If the overall picture is not a bright one, there are glimmers of hope in emerging best practices at leading firms.

- **The grocery industry is one-third unionized – higher than other industries – and unions make a difference in wages.**

A unionized cashier makes \$13 an hour, compared to non-union cashiers making \$9.25, a 40 percent premium. We found that at least three companies among the 100 have extremely high union density, with 75 percent or more of workers covered by collective bargaining: Danone, Safeway, and Kroger.

- **Some companies pay frontline workers substantially higher than average wages.**

The highest paying company was General Mills, where operators, the most common job for hourly workers, were paid \$52,145. After four years, cashiers at Costco can earn \$43,000 a year – more than double the \$18,380 national mean wage for cashiers overall.

- **Humane working conditions seem to correlate with better food safety.**

A study by the United Food and Commercial Workers International Union found fewer meat recalls in unionized plants than at non-unionized ones. Between 2001 and 2009, 17 percent of Tyson's non-unionized plants had a product recall, compared to just 4 percent of unionized plants. The reasons seem to be that unionized plants have lower turnover, a greater culture of safety, and allow workers to negotiate with management over equipment and staffing.

- **Cooperatives have a surprisingly large presence in food and agriculture.**

They were 14 percent of the 100 companies we studied, and included impressively large companies like CHS Inc., with \$25 billion in revenue, and Land O'Lakes, with \$11 billion in revenue. These are farmer-owned companies, which can represent a more stable, transparent, and accessible form of ownership than that of publicly traded companies. CHS, for example, is

governed by a 17-member board directly elected by its producers, and all CHS directors are active farmers and ranchers. The firm was recently named by the Minneapolis Star-Tribune as one of the top places to work in Minnesota.

**Among other bright spots:**

Among the 31 privately held companies in our study, family-owned Wegmans, with \$5.1 billion in revenue, fosters a uniquely humane workplace for its 38,000 employees. Campbell's Soup, PepsiCo, and Darden Restaurants were among those taking the lead in stakeholder engagement efforts. Among its peers, Dole Foods received the top score from Sustainalytics for worker equity practices – including a relatively low number of temporary workers, a high rate of unionization, and strong policies on eliminating discrimination and honoring ILO conventions on freedom of association.

Marjorie Kelly, fellow at Tellus Institute, along with Heather Lang from Sustainalytics co-authored the report *Worker Equity in Food and Agriculture: Practices at the 100 largest and most influential U.S. companies*, available online at [www.sustainalytics.com/publications](http://www.sustainalytics.com/publications) or at [www.tellus.org](http://www.tellus.org). A joint webinar on the report will take place on Tuesday, November 13, 2012 at 1PM Eastern time. Register for this [webinar](#).

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