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Subject: WAL-MART REVERSES COURSE ON MINIMUM WAGE INCREASE

FOR IMMEDIATE RELEASE

WAL-MART REVERSES COURSE ON MINIMUM WAGE INCREASE

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Washington, D.C., Wednesday, June 28, 2006 – In today’s issue of Roll Call, a top Wal-Mart lobbyist concedes that Wal-Mart has abandoned an earlier pledge to lobby Congress in support of a minimum wage increase. Lee Culpepper, Wal-Mart’s vice president for federal government affairs, questions a 2005 statement from Lee Scott that endorsed a minimum wage hike and tells Roll Call that they “haven’t said anything, more or less” on the issue. Excerpts are below and a copy of the full story is attached.

Last October, Wal-Mart chief executive Lee Scott made waves by urging Congress to consider raising the federal minimum wage — something many retailers had long opposed. He noted that the store’s own customers are “struggling to get by,” then added that “while it is unusual for us to take a public position on a public policy issue of this kind, we simply believe it is time for Congress to take a responsible look at the minimum wage and other legislation that may help working families.”

The declaration came as part of a broader push by the low-cost retailer to put a friendlier face on its often troubled corporate image. But now, with both chambers of Congress mulling hikes to the federal pay standard, Wal-Mart’s critics are charging that the company has abandoned Scott’s pledge to support a higher wage. They say that after reaping good public relations from Scott’s statement last fall, Wal-Mart has cynically dumped the issue, even as major trade groups it belongs to, primarily the U.S. Chamber of Commerce and the Retail Industry Leaders Association, help lead the fight against a higher minimum wage...

Wal-Mart officials acknowledge, and several Congressional aides confirm, that the retail giant is sitting out the debate on the minimum wage increase. But the company disputes the notion that the move amounts to an about-face from the position Scott represented last fall. Instead, Lee Culpepper, the company’s top lobbyist in Washington, D.C., said the chief executive’s statement was misinterpreted. Scott was not calling for Congress to raise the minimum wage, Culpepper said — he simply was asking lawmakers to consider the issue.

“We haven’t said anything more or less,” Culpepper said on Tuesday. “I think what he said was clear. He said Congress should take a look at it. If reporters want to report differently from that, I can’t speak to that.” Culpepper said the company’s lobbyists have communicated Wal-Mart’s position on the issue to its trade groups. “We’ve just made them aware that we’ve encouraged Congress to take a look at an increase in the minimum wage,” he said. But he said the company has not gone so far as to ask the trade groups not to lobby on the issue, leaving it up to them “to determine their association position.”

Roll Call: “Critics: Wal-Mart Flip-Flopped”

http://www.rollcall.com/issues/51_145/news/14053-1.html

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