

## **Put It In The Price**

Initially, the CIW complaints Publix heard about were regarding wages. As a company, we were focused on the issues at hand and recognized that the CIW's complaints should be addressed with the employers of the workers, not with retailers and their customers. The CIW then changed its focus to human rights issues for their Spring 2010 campaign. This included focusing on modern day slavery issues. Currently, Publix, as well as other grocery retailers, are being targeted as part of the 2011 'Do the Right Thing' tour. As a community partner for more than 80 years, it would be unconscionable to believe that our company would support a violation of human rights. We are unaware of a single instance of slavery existing in our supply chain. Publix is also unaware of a single instance of payment of less than the required minimum wage. Publix does not support any human rights violations and believes that our local, state and federal laws would prohibit such despicable behavior. If there are such grievances, we would direct those complaints to the appropriate local, state and federal government agencies.

### **The complaints we have heard thus far are**

- Workers being paid "virtually the same piece rate as they were in 1978".
- Workers have no right to overtime pay.
- Workers have no health insurance, sick leave, paid vacation or pension plans.
- Workers should be paid directly by the farmer as well as supermarket retailers, fast food companies, and others.
- Modern Day Slavery (beatings, no breaks, confinement, etc.)
- Productivity standards too strenuous
- "No right to organize in order to improve these conditions"

### **However, we encourage the CIW to consider the following facts**

- By law, workers must be paid at least a minimum wage, currently \$7.25 per hour. If growers want to pay more per hour, it can be based on pounds picked, or any other non-discriminatory method.
- Minimum wage has significantly changed since 1978, therefore, claims of unchanged work rates since then are unfounded.
- The U.S. Secretary of Labor published in the Federal Register that prevailing wages of farm workers in Florida will be \$9.50 per hour for H2A Farmworkers effective on March 1<sup>st</sup>, 2011 (see Federal Register 3/1/2011; FR DOC 2011-4419).
- Employers should pay wages - not those outside the employment relationship. Slavery is a criminal offense and should be vigorously investigated and prosecuted under existing laws.

- If productivity standards are too strenuous, farmworkers should work for another employer. A shortage of labor will require employers to revise standards or working conditions.
- Agriculture workers are exempt from the National Labor Relations Act.

We are an associate-owned, Florida based supermarket. Any campaign to support workers should support rather than target the associate owned supermarket. Associate ownership is an important difference between Publix and its competitors. We are consistently recognized as a Great Place to Work. We are unlike any of its competitors with regard to its treatment of employees. This is validated by simply entering any Publix store. So the CIW's campaign against Publix is one directed at an acknowledged employer of choice and a great place to work. The CIW's campaign to boycott the purchase of Publix tomatoes ironically hurts Florida farmworkers and the citizens of Florida who will see a withering Florida produce industry.

Most recently, Publix congratulated the Tomato Growers and the Coalition of Immokalee Workers for reaching a resolution. We assume that the resolution addressed farm worker pay in Florida. We viewed the agreement to increase the workers pay by an additional penny per pound, in addition to the federal minimum wage the workers currently earn on their harvests as a confirmation of the industry's commitment to act ethically, responsibly and in the best interests of their employees. We applauded both parties for successfully reaching this agreement, as from the beginning, we urged the parties to come to the table and seek resolution.

We suggest that whatever the impact of their negotiations, they put the cost of the tomatoes in the price they charge the industry for the goods. We are confident that customers will make their own purchasing decisions. Simply stated, Publix is more than willing to pay a penny more per pound or whatever the market price for tomatoes will be in order to provide the goods to our customers. However, we will not pay employees of other companies directly for their labor. That is the responsibility of their employer.

Although the Coalition of Immokalee Workers are not part of our direct workforce, they are our neighbors and citizens of our shared community. Therefore, Publix has always strongly encouraged our suppliers to work closely with their workforce, and their workforces' representatives on issues such as this.

Publix is pleased to see that those we do business with share in our aspiration to provide an enviable workplace for their employees. Publix is dedicated to the dignity, values, and employment security of our employees. The positive resolution of this issue demonstrates that the growers are committed to creating the same kind of workplace for their employees and we celebrate that decision.

Publix is a company founded and committed to our associates and the communities we serve. For more than 80 years, we have supported our local communities, the economy, growers and farmers. We have earned the respect of our peers and have been consistently recognized on various "The Best of" lists

because of our values, mission and successful focus of making Publix the retailer of choice for our customers. We would never knowingly disappoint our customers or communities.