

Amazon, Walmart trade barbs on taxes, wages

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Amazon Chief Executive Jeff Bezos traded barbs with Walmart as the companies battle for retail supremacy

The Amazon-Walmart battle for retail supremacy veered into a trashtalk phase on Thursday over worker pay and alleged tax shirking.



Amazon was the provocateur of the latest dustup, which comes as the two companies battle increasingly hard for retail market share.

In his annual shareholder letter, Amazon Chief Executive Jeff Bezos baited his rivals—who were not named—to match a <u>minimum wage</u> hike to \$15 an hour.

"We had always offered competitive wages. But we decided it was time to lead—to offer wages that went beyond competitive," Bezos said.

"Today I challenge our top retail competitors (you know who you are!) to match our <u>employee benefits</u> and our \$15 minimum <u>wage</u>. Do it! Better yet, go to \$16 and throw the gauntlet back at us. It's a kind of competition that will benefit everyone."

Walmart's retort came from Executive Vice President Dan Bartlett, who was somewhat less coy about target of his dig.

Bartlett tweeted a link to a Yahoo Finance article picturing Bezos that cited a report from an NGO that said Amazon paid no taxes on its 2018 profit of \$11.2 billion.

"Hey retail competitors out there (you know who you are) how about paying your taxes?" Bartlett wrote, adding in a separate tweet that most Walmart warehouse associates have made more than \$15 "for a long time."





Walmart has been embroiled in a fight for retail supremacy with Amazon

The tiff highlights how the two companies have taken to picking on each other's weaknesses and conveniently ignoring nuance as they compete for consumers.

Walmart has enacted a number of wage hikes in the last few years, most recently in January 2018 when it boosted its minimum wage for starting US workers to \$11 an hour from \$9 an hour.

Walmart has more than 1.5 million workers in the US compared with just 350,000 at Amazon, so boosting wages would have more of an



impact on the bottom line.

Amazon, for its part, has said it pays all required taxes. The <u>online</u> <u>retailer</u> has also thus far refrained from pointing out copious NGO criticism of Walmart, including for its alleged use of tax havens.

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