



Júlia (not real name), 60, is the mother of four sons who were rescued in conditions similar to slavery on coffee farms. Minas Gerais State, Brazil. © Tatiana Cardeal / Oxfam Brasil

NOT IN THIS TOGETHER

Methodology note

The report *Not In This Together*,¹ highlights new findings on poverty pay, poor working conditions, gender discrimination and rights violations in the global food supply chains of coffee from Brazil, Assam tea from India, basmati rice from Pakistan, wine from South Africa and seafood products from Thailand. The methodology note provides an overview of the case studies; provides a quantitative analysis of the distribution of value of five products over time; analyses supermarkets' financial information; and provides the calculations behind some of the statistics given in the report.

1 INTRODUCTION

In June 2021, Oxfam launched a new report, *Not In This Together*,² as part of its global campaign to end exploitation in supermarket supply chains. The report highlights new findings on poverty pay, poor working conditions, gender discrimination and rights violations in the global food supply chains of coffee from Brazil, Assam tea from India, basmati rice from Pakistan, wine from South Africa and seafood products from Thailand.

The report was based on several research projects conducted or commissioned by Oxfam and its partner organizations. This paper gives an overview of the methodologies behind the research projects that underpin the main report. It is structured as follows:

- Section 1: The methodologies used in a series of case studies in the five study countries.
- Section 2: Quantitative analysis of the distribution of value of five products over time.
- Section 3: An analysis of supermarkets' financial information for financial year (FY) 2020, the year that COVID-19 heavily impacted the global economy.
- Section 4: Statistics highlighted in *Not In This Together* and the calculations behind them.

1. COUNTRY CASE STUDIES

Oxfam and partner organizations conducted research in Brazil, India, Pakistan, South Africa and Thailand between November 2020 and February 2021. New evidence was gathered on the production of coffee in Brazil, basmati rice in Pakistan and wine in South Africa, and earlier research on Assam tea production in India and seafood products in Thailand was updated.

The research aimed to:

- Understand the perspectives and experiences of workers and/or small-scale farmers operating in selected food value chains in these countries, with a particular focus on women and on the impacts of COVID-19.
- Investigate the extent to which wages and incomes earned by workers and small-scale farmers in the studied food value chains are adequate for a decent living.
- Propose recommendations to governments and the private sector to improve the situation for these workers and farmers, especially women.

The country research projects each applied a different research focus and methodology, based on prior experience and engagement by Oxfam and its partner organizations in that specific sector. Methodological choices and research questions were based on a deep understanding of the local context, including that gained by engaging with rights-holders.

Generally, country researchers used a mixed research method based on qualitative interviews with a sample of workers and/or small-scale farmers, coupled with a supplementary literature and/or data review. Information on the individual case studies is detailed in the country-specific sections that follow.

LIVING WAGE CALCULATIONS

A living wage is defined as the wage ‘received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family’.³ What constitutes a living wage differs from one location to another and changes over time due to inflation and other factors. To establish whether workers in a specific sector in a country or region earn a living wage – or, if not, how big the living wage gap is – one needs to compare a living wage benchmark and the actual wages workers earn.

For the countries where a living wage gap was calculated, the following calculation was used to determine this gap:

$$\text{Living wage gap (\%)} = (\text{living wage} - \text{actual wage}) / \text{living wage} \times 100$$

None of the researched sectors and regions had an up-to-date published living wage benchmark that reflected the food inflation rates in 2020, the year COVID-19 was declared a global pandemic. Similarly, it was not always possible to establish the actual level of workers' wages in the sectors researched. Different solutions were chosen to overcome these limitations, all with the intention of providing an indication of how far the wages earned in that sector allow workers and their families to lead a decent life, and to stimulate debate about ways to increase wages.

The purpose of this research was for Oxfam to contribute information (gender-disaggregated as far as possible) about workers' incomes in the year of the pandemic, together with estimates (undertaken with civil society partners) of how far short those incomes are from a decent wage or income. We hope this contributes a valuable perspective to the debate on living wages that is currently gaining traction in the corporate sector. We also hope it helps to make the case for urgent action by supermarkets, their suppliers and local employers, to ensure that women and men alike can escape the cycle of debt, poverty and food insecurity they find themselves trapped in, and make progress towards earning a living wage or income.

The following sections outline, for each country study, the research partners, geographical focus, scope/sample size and methods, and explain how the living wage gap was calculated or a proxy for the living wage was determined.

BRAZIL

In Brazil, two studies were conducted. They build on numerous earlier reports, some dating from before the early 2000s, which criticize working conditions and highlight slavery-like situations in the Brazilian coffee industry.⁴

Research partners

Oxfam Brazil cooperated with the non-governmental organization (NGO) Repórter Brasil and the Brazilian Inter-Union Department of Statistics and Socio-Economic Studies (DIEESE). The first study (1), conducted by Repórter Brasil, is a qualitative report describing the working conditions of coffee workers at farms whose owners are listed on the Brazilian government's 'Dirty List' to combat modern slavery. That study will be published in June 2021.⁵ The second study (2) is a quantitative report calculating living wages for coffee workers, conducted by DIEESE. This was used as input to the main Oxfam report *Not In This Together*, but was not published.⁶

Geographical focus

The studies focused on the coffee sector in the largest coffee-producing state of Brazil, Minas Gerais. The living wage study by DIEESE focused specifically on the municipality of Três Pontas as a proxy for coffee-producing regions in the southern area of Minas Gerais.

Scope/sample size

1. Repórter Brasil and Oxfam interviewed **six coffee workers and one union member**, who all asked to remain anonymous. The six coffee workers interviewed used to work on farms with working conditions equivalent to modern slavery and were rescued from those situations. All interviews were conducted in adherence to COVID-19 safety protocols. Due to the pandemic, Oxfam could not speak to workers at all the farms connected to slave-like labour conditions that were found to have connections with supermarkets addressed in its global supermarkets campaign.
2. Given the good availability of strong statistical data in Brazil, DIEESE's living wage study is largely based on secondary data. Only the value of a basic food package was calculated based on primary data; this was obtained through a **survey on food prices** conducted by DIEESE in Três Pontas between 8 and 11 December 2020.

Methods

1. Repórter Brasil's report is based on in-depth interviews, and relates the working conditions of the coffee workers to supermarket supply chains. Repórter Brasil's own research into the links between coffee producers and supermarkets was complemented by shop visits and trade database research commissioned from Profundo, a non-profit research organization. Companies along the coffee supply chain that are linked to Brazil's Dirty List to combat modern slavery were given the opportunity to comment on the links.
2. The methodologies used to calculate the living wage gap by DIEESE are explained below.
3. To gain a deeper understanding of gendered wage differences in coffee production, DIEESE also analyzed statistics on gender divisions for types of jobs, education levels and salaries. These statistics were obtained from a database from the Ministry of the Economy.⁷

Living wage benchmark approach

The DIEESE background study estimates **actual wages** for coffee farm workers, based on the annual salary database (the Annual Social Information Report, RAIS), which is filled in by employers and compiled by the Ministry of the Economy.⁸ These wages were compared to a newly calculated living wage benchmark that reflects the high inflation rate Brazil experienced during 2020, to determine a current living wage gap.

The calculations by DIEESE of a **living wage benchmark** are based on the Brazilian constitutional concept of the ‘necessary minimum wage’. This prescribes that the minimum wage – the value of which is the same for the whole country – must meet the basic needs of a worker and his or her family. It is based on Executive Order 399, which establishes that the food expenses of an adult worker cannot be less than the cost of the so-called basic food package.⁹ Using this approach based on the Constitution is in line with the concept of a living wage used by labour unions in Brazil to advocate and negotiate for a higher national minimum wage.

The value of a basic food package for a standard family of two adults and two children (hypothetically consuming as much as one adult) in Três Pontas is based on a survey conducted by DIEESE in December 2020. Using statistics from the Consumer Expenditure Survey (POF)¹⁰ conducted by DIEESE in the city of São Paulo (representing the highest value in the country), the share of the household budget spent on food was determined at 35.7%. Based on these numbers, the total living wage (also covering costs such as housing, clothing and transportation) could be extrapolated. To obtain the gross living wage, this number was multiplied by 1.09 to reflect the workers’ mandatory 9% contribution to social security. This led to a gross living wage of \$464 per month.

To compare the living wage estimated by DIEESE to another credible and up-to-date living wage benchmark, this study also updated the living wage calculation for coffee workers in Minas Gerais supported by the Global Living Wage Coalition (GLWC), using inflation rates from the Brazilian Institute of Geography and Statistics (IBGE) INPC-Brazil (the National Consumer Price Index).¹¹ The most recent full living wage calculation for rural coffee workers by the GLWC was determined at 1,629 Brazilian reais (R\$) in July 2015 in Living Wage Report: Rural Brazil – Minas Gerais South/Southwestern Region – Coffee Growing Industry,¹² published in 2016, and based on research and methodology created by Martha and Richard Anker. Both benchmarks clearly show a big gap between actual wages and a wage that could be considered a living wage, as Table 1 shows.

Table 1 Living wage ladder for coffee workers in Minas Gerais, Brazil

	Monthly wage (Brazilian reais)	Monthly wage (US\$)
<i>Official minimum wage in Brazil</i>	R\$1,045	\$187
<i>Average wage for informal coffee workers in Minas Gerais</i>	R\$1,093	\$195
<i>Average wage for formal coffee workers in Minas Gerais</i>	R\$1,560	\$279
<i>Gross Anker methodology living wage (2015, with inflation correction)</i>	R\$2,225	\$397
<i>Gross DIEESE living wage</i>	R\$2,600	\$464

Source: DIEESE 2020, based on RAIS database and GLWC Living Wage Report Minas Gerais 2016, corrected for inflation based on IBGE’s INPC-Brazil.

Based on the figures in Table 1, the living wage gap for coffee workers is derived by comparing the average of the formal workforce to the gross DIIIESE living wage, using the formula noted. This leads to a **living wage gap** of 40% – i.e. current wages are only 60% of the living wage benchmark identified by Oxfam. For informal workers, the gap is much bigger, at 58%, and the nature of their employment means they face even greater problems as social protection costs (health insurance, pensions, etc.) are not covered through contractual arrangements.

INDIA

Oxfam India's new report, *In Defense of Living Wages for Tea Plantation Workers: Evidence from Assam*¹³ is based on research by Oxfam India and partners with Assam tea plantation workers since 2019. It updates and deepens the findings published in Oxfam's 2019 report, *Addressing the Human Cost of Assam Tea*.¹⁴

Research partners

Oxfam India commissioned a living wage study, conducted by an independent researcher who was affiliated to the Tata Institute of Social Sciences (TISS) until May 2021.¹⁵

Geographical focus

The research was conducted in seven tea-producing districts of Assam: Biswanath, Dibrugarh, Golaghat, Lakhimpur, Sivsagar, Sonitpur and Tinsukia.

Scope/sample size

According to the local government, 803 tea estates across 27 districts are registered under the Tea Plantation Act of 1951 in the state of Assam. For this study, 117 tea estates were selected from seven districts of Assam. At these selected estates, primary data was collected from **4,905 sample respondents**. The sample included 3,099 (63%) men and 1,806 (37%) women tea workers. Of the women respondents, 84% were engaged in plucking of tea leaves, as opposed to 32% of the men. Most men work in jobs like sewage repair and piping jobs (30%), pest fumigation (16%), grading (10%) and drying (12%). The living wage was calculated generally for all jobs at the plantation.

Methods

Due to wide variations observed in actual wages reported by workers to the researchers across districts, the living wage gap is not based on these reported wages. Rather, two gaps were calculated. The first is based on a comparison between the **minimum wage of tea workers** – as per government of Assam notification, set at \$2.30 per day (\$59.80 a month)¹⁶ during the research in 2020 – and Oxfam's calculation of a

living wage. The second is a comparison between the **minimum wage for Assam suggested by an expert committee** advising the Indian government at the request of the Ministry of Labour and Employment,¹⁷ and Oxfam's living wage benchmark. This committee, commonly referred to as the Anoop Satpathy Committee after its chairman, calculated the minimum wage to be \$4.70 per day in 2019. Based on an average of 26 working days per month, this amounts to a monthly minimum wage of \$122.20.

The information Oxfam used to calculate the living wage benchmark (see below) was collected by conducting focus group discussions at three levels: (1) workers' groups within the same tea estate; (2) workers' groups across tea estates in the same districts; and (3) workers' groups across tea estates and across districts. The focus groups consisted of eight to nine workers on tea plantations doing the different jobs mentioned earlier. Triangulation of the findings was used to support the accuracy of cost components from local agricultural markets. The study's primary unit of analysis is plantation workers and their family members.

The study also describes the living conditions of tea plantation workers and the specific issues women workers face. These include the gender division of work, most women's lack of access to maternity leave, and the fact that women workers experienced a longer period of unemployment than men due to COVID-19-related lockdown measures.

Living wage benchmark approach

No living wage benchmark for tea workers in Assam has previously been published. Therefore, this study provides **an estimated living wage benchmark** for tea plantation workers, based on rulings in three landmark judgements of the Supreme Court of India.¹⁸ The study explores the current work structure and living conditions of plantation workers – including temporary and permanent workers on tea estates and those working in small tea plantations – to provide a systematic approach for determining a living wage structure while exploring their daily consumption of food and non-food items. To estimate the living wage for tea plantation workers, the study applied a mixed-methods approach, combining quantitative and qualitative methods to document the living costs borne by workers as well as the institutional challenges they face. The latter include the lack of enforcement by the state of the Plantation Labour Act (1951), which lays the primary responsibility of providing social security for all workers with the tea estate management, as well as recent setbacks in getting agreement on raising the minimum wage for tea workers in Assam.¹⁹

The living wage benchmark uses a similar needs-based method to the one developed by Martha and Richard Anker. The benchmark was calculated by adding up the estimated expenses for food and non-food items for a standard family of four, where each family member consumes an equal portion of food and there is one earner in the household. It is very common for Assam tea worker households to have only one earner: this accounts for almost 55% of the households in the sample, of which 37.5% reported a man as the main earner and 17.2% a woman; 10.6% of

households had at least one adolescent as an earner and 34.7% had two adult earners. Food items included rice, wheat, pulses, vegetables, oil, dry spices, milk, fish and meat. Non-food items included electricity, water, rent, telecommunications, petrol, transportation, education, health, medical contingency and entertainment.

The living wage calculations for tea plantation workers in Assam, are purely based on primary responses of the workers. The workers are entitled to several in-kind benefits which form a part of their wage, but there has been significant variation across districts in the responses of workers in relation to these provisions and workers' access to them. Based on this, the assumption underlying the living wage calculations is that the tea company does not cover these expenses and that all costs for essential utilities are borne by workers themselves.

Table 2 Living wage ladder for tea workers in Assam, India

	Monthly wage (Indian rupees)	Monthly wage (US\$)
Official minimum wage tea workers, state of Assam	INR 4.342	\$59,80
Minimum wage tea workers proposed by Anoop Satpathy Committee	INR 8.892	\$122,20
TISS and Oxfam-calculated living wage	INR 22.984	\$315,90

Source: Oxfam India (2021, forthcoming). *In Defense of Living Wages for Tea Plantation Workers: Evidence from Assam*. Estimates based on 26 working days per month.

Based on Oxfam's approach, a **living wage gap** of 81% was established – i.e. current minimum wages for tea workers in Assam are only 19% of the living wage benchmark identified by Oxfam (See table 2).²⁰

The Oxfam India study will be published by end of June 2021.

PAKISTAN

Oxfam Pakistan has been supporting rice-grower organizations for many years through the Gender Transformative and Responsible Agribusiness Investments in South-East Asia (GRAISEA) programme.²¹ The new living wage and income study, conducted from November 2020 to January 2021, builds on this work.

Research partners

Oxfam Pakistan and its partner Association for Gender Awareness and Human Empowerment (AGAHE) conducted research into the working

conditions, including wages and incomes, of smallholder farmers and rice workers in the basmati rice sector.

Geographical focus

The research focused on two rice-producing districts of Punjab province: Sheikhupura and Gujranwala. These districts are also the focus of the GRAISEA programme.

Scope/sample size

Due to COVID-19 and related circumstances, the original research plan could not be implemented in the available timeframe. Therefore a limited number of in-depth interviews were conducted with **eight representatives** of grower organizations (each of around 100 members): four women rice workers and four women small-scale farmers. Due to these limitations, Oxfam judged that the actual wages and incomes calculated were insufficiently representative to be the basis of solid living wage gap calculations. For this reason, we have not presented income data in the main report, *Not In This Together*, while the research paper itself gives only an indication of the living wage gap. However, the findings do provide **anecdotal evidence** of the very low level of wages and incomes in the rice sector in Punjab, which is reflected in *Not In This Together*.

Methods

In-depth interviews were conducted with four women rice workers and four women farmers who own small plots of land; these highlight the main problems they face, including combining their care work responsibilities with arduous work in the fields. The reported implications of COVID-19 include restrictions on travelling to and working together in the fields (leading to less work than in other years), and lack of access to health facilities.

In the study,²² for rice *workers*, respondents provided estimations of the daily wages of men and women. They indicated that the women typically earn between \$0.95 and \$1.27 per day, while the men's daily income is approximately \$2.86 on average. These wages are much lower than the minimum daily wage rate set by the government, at \$4.56 per day. The gross living wage range calculated by WageIndicator.org for 2019 is much higher still, at \$6.25 to \$8.30.²³

Living wage benchmark approach

To gain a general idea of the living wage and income gaps for rice workers and small-scale farmers respectively in Punjab, the anecdotal actual wage and income data obtained from the interviews was compared to the **benchmark for living wages and income from WageIndicator.org**. Here, family and individual living wage standards are published for Pakistan in September 2019. The living wage

calculated by WageIndicator is ‘an approximate income needed to meet a family’s basic needs including food, housing, transport, health, education, tax deductions and other necessities’.²⁴ The living wage benchmark used calculations based on a ‘typical family’ of two adults and 3.5 children. This is an estimate based on specific conditions for Pakistan: a typical family is comprised of two adults and the number of children is based on the country-specific fertility rate. One adult is assumed to work full-time and the working hours of the second adult are approximated based on the national employment rate.²⁵

The Oxfam Pakistan study was published in June 2021 and is available [here](#).

THAILAND

The research conducted in Thailand by Oxfam and partners builds on their joint work as part of the Thai CSO Coalition for Ethical and Sustainable Seafood,²⁶ which aims to improve (migrant) labour conditions in the Thai seafood sector. It also builds on findings in the 2018 joint report, *Supermarket Responsibilities for Supply Chain Workers’ Rights*.²⁷

Research partners

Oxfam Thailand, together with the [Thai CSO Coalition for Ethical and Sustainable Seafood](#) and the [Asian Research Centre for Migration](#) from Chulalongkorn University, conducted new research into the Thai seafood supply chain in November and December 2020.

Scope/sample size

A total of **588 workers** were interviewed (317 male workers and 271 female workers) in eight coastal provinces; respondents were distributed across four tiers of the fishing and seafood supply chains as follows:

1. Fishing on vessels (152 men)
2. Pre-processing (49 men and 103 women)²⁸
3. Seafood processing plants (86 men and 151 women)
4. Shrimp farms: aquaculture (29 men and 18 women)

Additionally, during a COVID-19 outbreak in January 2021, Oxfam and partners conducted in-depth interviews with 21 fishery and seafood workers in Thailand’s largest seafood processing province, Samut Sakhon, to assess the immediate impacts of the pandemic.

Geographical focus

The surveys took place in eight provinces: Pattani, Phang Nga, Ranong, Rayong, Samut Sakhon, Satun, Songkhla and Surat Thani.

Methods

The study²⁹ used sets of **structured interview questionnaires** in Thai, Burmese and Khmer languages to interview migrant workers from Myanmar and Cambodia; the respondents worked at a mix of larger and smaller employers. Interviews gathered information on many aspects of working conditions, such as wages, type of contract, working hours and days, ability to change employer, health and safety, women's rights and the impacts of the COVID-19 pandemic.

Living wage benchmark approach

No new living wage benchmark was calculated in the Thai research. As a first step, Oxfam and partners looked into the issue of minimum wages. By law, workers have to be paid at least the minimum wage. However, this concerns a daily minimum wage, allowing a worker to cover their expenses for that same day. The research shows that seafood workers often do not have permanent contracts or a fixed number of guaranteed working days per month; hence the daily minimum wage often does not ensure a decent living. Oxfam and partners therefore recommended the use of a benchmark for a monthly minimum wage, calculated as the daily minimum wage x 30 days. Workers should be able to achieve this monthly wage while also having entitlement to sufficient rest days to ensure a standard work week under Thai labour law (i.e. there should be a maximum number of working days set per month).

The Oxfam Thailand report was published in June 2021 and is available [here](#).

SOUTH AFRICA

Oxfam South Africa, together with Women on Farms Project, conducted a research project on women farm workers on wine estates in the Northern and Western Cape regions of the country. The study focused on the situation of women farm workers and the need for basic income support.³⁰

Research partners

Oxfam's partner [Women on Farms Project](#) is a Stellenbosch-based NGO working with female farm workers on employment, housing, health and youth issues.

Geographical focus

The research area included wine estates in South Africa's Northern and Western Cape regions.

Scope/sample size

The sample size for the study was **24 women**.

Methods

The study aimed to identify specific social and economic challenges relevant to rural women farm workers, including those that were exacerbated by the COVID-19 pandemic. It was intended as a starting point for debate in South Africa about the need for basic income support as a means to ensure that women farm workers can escape the cycle of debt, poverty and food insecurity they find themselves trapped in.

A sample group of 24 women seasonal farm workers were recruited from the Western Cape (14 participants) and Northern Cape (10 participants) provinces to participate in **focus group discussions** during November 2020. Each focus group lasted approximately three hours; they were conducted in two groups of seven in Western Cape and two groups of five in Northern Cape.

Living wage benchmark approach

No new living wage benchmark was calculated in the South African research.

The report is forthcoming.

LIMITATIONS OF THE COUNTRY STUDIES

Lack of comparability across countries (due to different methodologies)

Based on variations in the existing level of engagement by Oxfam and its partners on the issue of workers' and farmers' wages and incomes, each country research project took a different approach to describing the problems and gaps, made varying assumptions on household size and number of earners, and proposed different ways to address the most pressing issues. While this means there is a limitation in terms of comparability across countries, it holds the important advantage that the studies reflect a deep understanding of the local context, based on the perceptions and inputs of rights-holders as well as the organizations they work closely with.

Lack of robust living wage benchmark calculations

The research did not exclusively rely on primary data but also drew on secondary data (e.g. other NGO studies, government data) to calculate living and actual wage levels where necessary. Oxfam cannot guarantee the accuracy of that data, but clearly indicates the sources of its calculations.

Lack of primary data (small sample size, reliance on secondary data)

COVID-19 led to delays in field and desk research, and limited the number of workers or small-scale farmers that could be included in the surveys. This affected the research in all countries; the impact on sample size was greatest in Pakistan and Brazil (in terms of the number of interviews conducted by Repórter Brasil and Oxfam in Brazil).

2. ANALYSIS OF THE DISTRIBUTION OF VALUE IN KEY SUPPLY CHAINS

Oxfam-commissioned research conducted by [Le Basic](#), the Bureau for the Appraisal of Social Impacts for Citizen Information, explores how value is distributed along the supply chains of arabica coffee from Brazil, basmati rice from Pakistan, shrimp from Thailand, tea from India (Assam) and wine from South Africa. The research was carried out between December 2020 and January 2021 for supply chains related to the following consumer countries: Germany, the Netherlands, the United Kingdom (UK) and the United States of America (US). The products were selected based on Oxfam's existing work supporting agricultural workers and farmers in the countries where these food products are made and the new research reports discussed in section 1.

For each product, value distribution was estimated for (1) each year between 2005 and 2019 (annual estimates); and (2) each month between January 2018 and June 2020 (monthly estimates). The analysis draws on a wide range of sources, including trade databases (UN Comtrade), government statistics (OECD, German Federal Statistical Office (Destatis), UK Office for National Statistics (ONS), Dutch Central Bureau for Statistic (CBS), US Department of Agriculture (USDA), and the World Bank) and secondary literature from government agencies, ministries and universities, to compile standardized data points for prices and costs at each stage in the value chain, including consumer prices, value added tax (VAT), processing costs, tariffs, import and export prices, farm gate prices, workers' wages and the cost of farm inputs. At the time the analysis was done, annual consolidated data (e.g. on consumer prices) for the year 2020 was not yet available. Therefore we conducted a separate analysis to estimate the monthly evolution of the value distribution between January 2018 and June 2020, based on trade databases and consumer price databases.

The raw data is available here:

- [Shrimp \(annual\)](#)
- [Rice \(annual\)](#)
- [Coffee \(annual\)](#)
- [Tea \(annual\)](#)
- [Wine \(annual\)](#)
- [Monthly data for all products \(January 2018 to June 2020\)](#)

Results per product are presented on separate sheets for each of the four consumer countries. The database allows users to look at the data from either a producing country or a consumer country perspective, by choosing the appropriate currency and inflation rate.

It is important to note that while data points were produced for as many costs as possible at each stage of the chain, the value shares are not equal to net profit. This is due to the fact that each actor in the chain will have further costs to be covered from their share, and this exact information is not available. Where value shares have increased over time, therefore, this may reflect increases in such further costs and/or increases in net profits of the respective actor. Importantly, the calculations in this study are intended only to provide quantitative 'orders of magnitude' for the distribution of value among the most common set of actors in each chain. While acknowledging the wide variety of organizational frameworks that can be found in food value chains, which can lead to variations in the results, the estimates calculated in this study nevertheless provide a first comprehensive evaluation and basis for discussion among actors and stakeholders of each value chain analyzed.

3. ANALYSIS OF SUPERMARKETS' FINANCIAL INFORMATION

Oxfam commissioned a non-profit research organization, Profundo, to analyze key financial information for the 16 listed and privately owned supermarkets that are the focus of Oxfam's Behind the Barcodes/Prices campaign across the four consumer countries (Germany, the Netherlands, the UK and the US). The objective was to analyze financial information to answer the following research question:

- How has COVID-19 affected the financial performance and shareholder payouts of global supermarkets?

The analysis was conducted from March 2020 to April 2021, based on publicly available financial information. This information was compared with pre-COVID-19 financial information (from 2015 to 2019). The objective was to review global supermarkets' financial performance and analyze their shareholder payouts during the first and second wave of the pandemic, and to compare this with their financial performance and shareholder payouts before the pandemic.

Oxfam also set out to find evidence on whether and how supermarkets took responsibility for financially supporting their suppliers and (through that channel) the workers and farmers in their food supply chains who are affected by the pandemic. Profundo analyzed retailers' annual and quarterly financial reports, the Refinitiv Eikon database and publicly available information on supermarkets' financial situation: sales trends, shareholder payouts (including dividends paid and share buybacks), development of share prices, and executive remuneration.

The research used the following definitions:

- Turnover growth rate = year-on-year (YoY) organic sales growth in %. YoY per quarter as this allows comparability between sales in the same season, which are related to specific buying behaviours (winter, spring, Easter, etc.).
- Gross margin = gross profit/net sales.
- Operating margin = operating profit/net sales.
- Shareholders' payout ratio = total dividends paid + share buyback/net income.
- Payment discipline to suppliers = trade payables year/net sales.
- Expenses on COVID-19-related personal protective equipment (PPE) etc. = as absolute numbers in tables and as % of net sales and as % of operating profit.
- Chief executive officer (CEO) remuneration versus mean/median = CEO payment plus bonuses/'average' (mean/median/average) salary.

- Extra payments to personnel for harder and/or riskier work in pandemic = absolute number and as % of net sales and operating profit.
- Share price development = market capitalization/share price growth versus market index growth and versus average salary growth.
- Additional revenues earned during the pandemic were calculated as follows:
 - Quarterly revenue growth rate was applied to calculate the estimated revenue amount if it was not for COVID-19. E.g. Q1 2019's growth rate was applied to calculate what the Q1 2020 revenue would have been in a 'normal' year.
 - The difference between the reported Q1 2020 revenues and the calculated amount is referred to as additional/extra revenues gained during the pandemic. We repeated the same calculations for all quarters in our analyses.

LIMITATIONS OF THE RESEARCH

First, non-listed companies are not required by law to disclose financial information. Although we gathered non-listed companies' data as comprehensively as possible, data availability is limited compared with that of listed companies, which are legally required to publish financial information. Second, some data series lack the granularity that would allow the breakdown of supermarkets' different lines of business. For example, in the case of UK supermarkets, we cannot disaggregate the total profits into profits related to food, fuel and other lines of business. To ensure consistency, the analysis primarily relies on net revenues generated from food businesses (excluding fuel), which are available across all supermarkets. Finally, Oxfam acknowledges that supermarket shareholders include ordinary citizens who might benefit from higher supermarket profits. However, share ownership is skewed towards higher-income groups.³¹ For example, in the US, the wealthiest 10% of citizens now own 89% of all stocks, while the bottom 50% do not own even 1% of company equities.³² In the UK, the wealthiest 10% own 46% of all pension wealth, while the poorest 10% own less than 1%.³³

All these figures and calculations for the listed retailers can be found in the accompanying [datafile](#).³⁴

4. HIGHLIGHTED STATISTICS

Highlights / pages where mentioned in 'Not in it together'	Calculations																														
<p>Highlight 1</p> <p>Page 5, 8</p> <p><i>'Between 2019 and 2020, listed supermarkets increased the total dividends distributed to shareholders by 123%, from about \$10bn to \$22.3bn, while almost none has made significant investment to support food workers and farmers in global supply chains.'</i></p>	<p>Highlight 1:</p> <p>Dividends distributed (in US\$ millions)³⁵</p> <table border="1" data-bbox="571 667 1391 1108"> <thead> <tr> <th>Dividends</th> <th>2019</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>Ahold Delhaize</td> <td>928</td> <td>1,096</td> </tr> <tr> <td>Albertsons³⁶</td> <td>0</td> <td>94</td> </tr> <tr> <td>Costco</td> <td>1,038</td> <td>6,189</td> </tr> <tr> <td>Kroger</td> <td>486</td> <td>534</td> </tr> <tr> <td>Walmart</td> <td>6,048</td> <td>6,166</td> </tr> <tr> <td>Morrisons</td> <td>270</td> <td>344</td> </tr> <tr> <td>Sainsbury's</td> <td>93</td> <td>508</td> </tr> <tr> <td>Tesco</td> <td>1,144</td> <td>7,340</td> </tr> <tr> <td>Total</td> <td>10,007</td> <td>22,271</td> </tr> </tbody> </table> <p>Source: Refinitiv Eikon, Company data</p> <p>From the dividends distributed table, the total dividend payouts of eight listed supermarkets increased by approximately \$12.26bn compared to 2019, or by 122.55%. See separate download at the link for this paper for the individual company figures: http://policy-practice.oxfam.org.uk/publications/not-in-this-together-how-supermarkets-became-pandemic-winners-while-women-worked-621194</p> <p>With a few exceptions, Oxfam research has found little or no evidence that supermarkets have provided support to their global food supply chain partners.</p>	Dividends	2019	2020	Ahold Delhaize	928	1,096	Albertsons ³⁶	0	94	Costco	1,038	6,189	Kroger	486	534	Walmart	6,048	6,166	Morrisons	270	344	Sainsbury's	93	508	Tesco	1,144	7,340	Total	10,007	22,271
Dividends	2019	2020																													
Ahold Delhaize	928	1,096																													
Albertsons ³⁶	0	94																													
Costco	1,038	6,189																													
Kroger	486	534																													
Walmart	6,048	6,166																													
Morrisons	270	344																													
Sainsbury's	93	508																													
Tesco	1,144	7,340																													
Total	10,007	22,271																													

Highlight 2

Page 5, 8

'During the pandemic, listed supermarkets distributed 98% of net profits to their shareholders via dividends and share buybacks.'

Highlight 2:

Shareholders payout ratio

Ahold Delhaize	140%
Albertsons	232%
Costco	160%
Kroger	72%
Walmart	65%
Morrisons	279%
Sainsbury's	-141%
Tesco	94%
<i>Weighted average</i>	98%

Source: Data provided by Profundo

The shareholder payout ratio is calculated by dividing the sum of total dividend payments and share buybacks with net income, i.e. shareholder payout ratio = [total dividends + buybacks] / net income, $(\$22.27 + \$7.25) / \$30.20 = 97.75\%$ (98%). See separate download at the link for this paper for the individual company figures: <http://policy-practice.oxfam.org.uk/publications/not-in-this-together-how-supermarkets-became-pandemic-winners-while-women-worked-621194>

Highlight 3

Page 8, 10, 22

'Less than 1% of shareholder payouts in 2020 could close the gap between current wages and a living wage for workers in Brazil's largest coffee-producing state.'

Highlight 3:

Total shareholder payout of \$29.5bn for 2020 derived from the sum of the total dividend payouts of \$22.3bn and total share buybacks of \$7.3bn of listed supermarkets (Ahold Delhaize, Albertsons Companies, Costco, Kroger, Walmart, Morrisons, Sainsbury's and Tesco). See separate download at the link for this paper for the individual company figures: <http://policy-practice.oxfam.org.uk/publications/not-in-this-together-how-supermarkets-became-pandemic-winners-while-women-worked-621194>

The living wage gap for coffee workers is derived by comparing the average current wage of the formal workforce to the gross living wage: $\$464 - \$279 = \$185$ per worker/month, or $\$2,220$ per person/year. If one multiplies by 62,444 (the number of formal coffee farm workers in Minas Gerais as at 31 December 2019), we would have the sum needed to close the gap between current wages and a living wage, which is $\$138,625,680$. The percentage of the shareholder payouts needed to close this gap, was calculated as follows: $(\$138,625,680 / \$29.5bn) \times 100\% = 0.556\%$

For living wage reference, see Chapter 1 above.

The number of formal coffee farm workers in Minas Gerais was based on active employment contracts as of 31 December 2019, Ministry of the

	Economy (Relação Anual de Informações Sociais, RAIS). Calculated by DIEESE on behalf of Oxfam.
<p>Highlight 4</p> <p>Page 6, 8, 10</p> <p><i>'In 2018, it would take a woman processing shrimp at a typical plant in Thailand more than 4,000 years to earn what the chief executive at a top US supermarket earns on average, in a year. It has increased to over 5,700 years in 2020.'</i></p>	<p>Highlight 4:</p> <p>Average CEO pay for Costco, Kroger and Walmart in 2020 was \$17.71m. See separate download at the link for this paper for the individual company figures: http://policy-practice.oxfam.org.uk/publications/not-in-this-together-how-supermarkets-became-pandemic-winners-while-women-worked-621194</p> <p>The average wage in seafood processing for women workers was derived from the monthly minimum wage of 7,989 Thai baht (THB) or \$255.32, surveyed in November and December 2020 and used the average exchange rate for 2020 at \$1:THB 31.29). See J. Stride. (2021). Precarity and the Pandemic: A survey of wage issues and COVID-19 impact amongst migrant seafood workers in Thailand. CSO Coalition for Ethical and Sustainable Seafood. Retrieved from : http://policy-practice.oxfam.org.uk/publications/precarity-and-the-pandemic-a-survey-of-wage-issues-and-covid-19-impacts-amongst-621193</p> <p>The average annual wage of women workers in seafood processing was calculated as \$255.32 x 12 = \$3,063.84 per year. The ratio between CEO pay and women workers' wages was calculated as 17.71m / 3063.84 = 5,780.33 years.</p> <p>For 2018, Oxfam's calculation is based on R. Willoughby and T. Gore. (2018) <i>Ripe for Change</i>, p. 54.</p>
<p>Highlight 5</p> <p>Page 8</p> <p><i>'The 16 leading global supermarkets have not done enough to protect women. Six supermarkets have no policies at all to protect the women who produce our food.'</i></p>	<p>Highlight 5:</p> <p>Source: Behind the Barcodes Supermarket Scorecard 2020 Data. See separate download: https://policy-practice.oxfam.org/resources/behind-the-barcodes-supermarket-scorecard-2020-data-621008/</p>
<p>Highlight 6</p> <p>Page 8, 10, 26</p> <p><i>'Female coffee farmers in Brazil earn 16% less than their male counterparts, while on average being higher educated.'</i></p>	<p>Highlight 6:</p> <p>Based on research conducted by Brazilian Inter-Union Department of Statistics and Socio-Economic Studies (DIEESE) in December 2020, for which the Brazilian Ministry of Labour Annual Report of social data for Minas Gerais 2019 (RAIS database) was consulted. The DIEESE research can be retrieved from Oxfam upon request.</p>

<p>Highlight 7</p> <p>Page 8, 10, 25</p> <p><i>'Female workers earn 28.7% less than their male counterparts in Thai seafood supply chains.'</i></p>	<p>Highlight 7:</p> <p>On average, women workers earn 28.7% less than their male counterparts across different tiers of seafood supply chains in Thailand. See J. Stride. (2021). <i>Precurity and the Pandemic: A survey of wage issues and COVID-19 impact amongst migrant seafood workers in Thailand</i>. CSO Coalition for Ethical and Sustainable Seafood. Available at: http://policy-practice.oxfam.org.uk/publications/precurity-and-the-pandemic-a-survey-of-wage-issues-and-covid-19-impacts-amongst-621193</p>
--	---

NOTES

¹ A. Franck and A. Prapha. (2021). *Not In This Together: How supermarkets became pandemic winners while women workers are losing out*. Oxford: Oxfam International. <http://policy-practice.oxfam.org.uk/publications/not-in-this-together-how-supermarkets-became-pandemic-winners-while-women-worke-621194>

² A. Franck and A. Prapha. (2021). Ibid.

³ Global Living Wage Coalition website
<https://www.globallivingwage.org/about/what-is-a-living-wage/>

⁴ C. Gresser and S. Tickell. (2002). *Mugged: Poverty in your coffee cup*. Oxford: Oxfam International. <https://policy-practice.oxfam.org/resources/mugged-poverty-in-our-coffee-cup-112445/>; Danwatch. (2016). *Bitter Coffee: Slavery-like Working Conditions and Deadly Pesticides on Brazilian Coffee Plantations*. Retrieved from: <https://www.danwatch.dk/wp-content/uploads/2016/03/Danwatch-Bitter-Coffee-MARCH-2016.pdf>; Catholic Relief Services (CRS) and Repórter Brasil. (2016). *Farmworker Protections and Labor Conditions in Brazil's Coffee Sector*. Retrieved from: <https://reporterbrasil.org.br/wp-content/uploads/2017/05/Farmworker-Protections-and-Labor-Conditions-in-Brazil%E2%80%99s-Coffee-Sector.pdf>; F. Teixeira. (2019, December 12). *Picked by Slaves: Coffee Crisis Brews in Brazil*. Retrieved from: <https://www.reuters.com/article/us-brazil-coffee-slavery-idUSKBN1YG13E>

⁴ S. Banerji and R. Willoughby. (2019). *Addressing the Human Cost of Assam Tea*. Oxford: Oxfam International. Retrieved from: <https://oxfamlibrary.openrepository.com/bitstream/handle/10546/620876/bp-human-cost-assam-tea-101019-en.pdf>

⁴ Finnwatch. (2016). *Brewing Up a Sustainable Coffee Supply Chain: The Social Responsibility of Coffee Roasters and Private Label Coffee in Finland*. Retrieved from: http://reporterbrasil.org.br/wp-content/uploads/2016/10/FW_Coffee_report_18102016.pdf

⁵ Repórter Brasil (2021, forthcoming). MONITOR: Escravidão, COVID e banho de veneno.

⁶ The paper can be shared upon request.

⁷ DataViva. <http://legacy.dataviva.info/en/about/data/rais/>

⁸ RAIS, Relação Anual de Informações Sociais. Ministry of Economy. <http://www.rais.gov.br/sitio/index.jsf>

⁹ Câmara dos Deputados Brasil. (1938). Decree law no. 399. Retrieved from: <https://www2.camara.leg.br/legin/fed/declei/1930-1939/decreto-lei-399-30-abril-1938-348733-publicacaooriginal-1-pe.html>

¹⁰ IBGE, Brazilian Institute of Geography and Statistics. Consumer Expenditure Survey – POF 2008–2009. <https://www.ibge.gov.br/en/statistics/social/income-expenditure-and-consumption/17387-pof-2008-2009-en.html?edicao=19559>

¹¹ IBGE, Brazilian Institute of Geography and Statistics. National Consumer Price Index (INPC). <https://www.ibge.gov.br/estatisticas/economicas/precos-e-custos/9258-indice-nacional-de-precos-ao-consumidor.html?=&t=o-que-e>

¹² A. De Freitas Barbosa, M. Barbosa e Silva, J.P. Candia Veiga and M. Alves Zacareli. (2016). *Living Wage Report: Rural Brazil, Minas Gerais South/Southwestern Region Coffee Growing Industry*. Global Living Wage Coalition. Retrieved from: https://www.isealalliance.org/sites/default/files/resource/2017-12/Living_Wage_Benchmark_Report_Brazil.pdf

¹³ Oxfam India. (2021, forthcoming). In Defense of Living Wages for Tea Plantation Workers: Evidence from Assam.

¹⁴ S. Banerji and R. Willoughby. (2019). *Addressing the Human Cost of Assam Tea*.

¹⁵ Oxfam India. (2021, forthcoming). In Defense of Living Wages for Tea Plantation Workers.

¹⁶ This is based on the average of 26 working days per month.

¹⁷ In 2019 the Committee, under the chairmanship of Anoop Satpathy, recommended the minimum wage for Assam to be 342 rupees per day. See: <https://pib.gov.in/PressReleasePage.aspx?PRID=1564590>. This was converted to US\$ using www.oanda.com/currency/converter on 13 March 2021.

¹⁸ K. Singh. (1991). Workmen represented by Secretary VS Management of Reptakos Brett, Supreme Court of India. Retrieved from: <https://indiakanoon.org/doc/10143>

¹⁹ CoffeeTea.ru (2021, March 13). *Assam Tea Garden Workers Will Have To Wait For Minimum Wage Raise*. See: <https://www.coffeetea.ru/en/2021/03/13/12984/>

²⁰ The tea plantation workers are entitled to non-cash benefits which also form a part of their wages. Besides, getting the cash benefits the workers get housing, ration, firewood for cooking, healthcare and education facilities.

²¹ Oxfam in Asia website. *Resilience in the Face of COVID-19: The Collective Action of Rice Farmers in Pakistan*. <https://asia.oxfam.org/latest/stories/resilience-face-covid-19-collective-action-rice-farmers-pakistan>

²² A. Saqlain. (2021). *Living Income Gap in the Rice Value Chain: Stories of Rice Growers and Farm Workers*. Oxfam in Pakistan and AGAHE. Retrieved from: <https://growinpakistan.com/graisea/>

²³ In Pakistani rupees (PKR), these calculations are based on: men's daily income of PKR 450 and women's daily income of between PKR 150 and PKR 200 per day. The minimum daily wage rate set by Pakistan's government is PKR 719 per day. The gross living wage calculated by WageIndicator.org for 2019 for Pakistan is between PKR 25,600 and PKR 34,000, or a daily wage of between PKR 985 and PKR 1,308. All amounts were converted to \$ using www.oanda.com/currency/converter on 9 March 2021.

²⁴ WageIndicator.org (2019). Living Wage Series, Pakistan, September 2019. <https://wageindicator.org/salary/Yesliving-wage/archive-no-index/pakistan-living-wage-series-september-2019/living-wage-series-pakistan-december-2018-in-pakistan-rupee-per-month>

²⁵ WageIndicator.org (2019). Living Wage Series, Pakistan, September 2019.

²⁶ The Thai CSO Coalition for Ethical and Sustainable Seafood is a consortium of 14 frontline and international organizations that work directly with migrant labourers.

²⁷ Oxfam. (2018). *Supermarket Responsibilities for Supply Chain Workers' Rights: Continuing Challenges in Seafood Supply Chains and the Case for Stronger Supermarket Action*. Oxford: Oxfam International and the Sustainable Seafood Alliance Indonesia. Retrieved from: <https://oxfamlibrary.openrepository.com/bitstream/handle/10546/620480/cs-supermarket-responsibilities-workers-rights-seafood-210618-en.pdf?sequence=1>

²⁸ Seafood pre-processing plants include activities on the fishing piers and shrimp markets.

²⁹ Oxfam Thailand. (2021, forthcoming). Retrieved from: <http://policy-practice.oxfam.org.uk/publications/precarity-and-the-pandemic-a-survey-of-wage-issues-and-covid-19-impacts-amongst-621193>

³⁰ T. Jacobs and R. Cornelius. (2021, forthcoming). Dignity for Farmwomen through Addressing the Need for a Basic Income Support: A South African Perspective. Women on Farms Project and Oxfam South Africa.

³¹ U. Gneiting, N. Lusiani and I. Tamir. (2020). *Power, Profits and the Pandemic: From Corporate Extraction for the Few to an Economy that Works for All*. Oxford: Oxfam International. Retrieved from: <https://policy-practice.oxfam.org/resources/power-profits-and-the-pandemic-from-corporate-extraction-for-the-few-to-an-econ-621044/>

³² Federal Reserve Distributional Financial Accounts. Distribution of Household Wealth in the U.S. since 1989. See: <https://www.federalreserve.gov/default.htm>

³³ High Pay Centre. (2019, November 13). *How the Shareholder-First Business Model Contributes to Poverty, Inequality and Climate Change*. Briefing note, High Pay Centre and TUC. Retrieved from: <https://highpaycentre.org/how-the-shareholder-first-business-model-contributes-to-poverty-inequality-and-climate-change>

³⁴ See final datasheet on Oxfam website.

³⁵ Oxfam used the average exchange rate (EUR/GBP to \$) for 2020. GBP/\$ average exchange rate for 2020: <https://www.exchangerates.org.uk/GBP-USD-spot-exchange-rates-history-2020.html> and EUR/\$ average exchange rate for 2020: <https://www.exchangerates.org.uk/EUR-USD-spot-exchange-rates-history-2020.html>

© Oxfam International June 2021.

This paper was written by Anouk Franck and Art Prapha. Oxfam acknowledges the assistance the Bureau for the Appraisal of Social Impacts for Citizen Information (BASIC), Profundo, Jacques-Chai Chomthongdi, Rachel Colbourne, Rukia Cornelius, Lies Craeynest, Ranjana Das, Gustavo Ferroni, Uwe Gneiting, Asim Saqlain, Rapatsa Trirath, Rachel Wilshaw, and the Thai CSO Coalition for Ethical and Sustainable Seafood and Helen Wishart in its production. It is part of a series of papers written to inform public debate on development and humanitarian policy issues.

For further information on the issues raised in this paper please email advocacy@oxfaminternational.org

This publication is copyright but the text may be used free of charge for the purposes of advocacy, campaigning, education, and research, provided that the source is acknowledged in full. The copyright holder requests that all such use be registered with them for impact assessment purposes. For copying in any other circumstances, or for re-use in other publications, or for translation or adaptation, permission must be secured and a fee may be charged. Email policyandpractice@oxfam.org.uk.

The information in this publication is correct at the time of going to press.

Published by Oxfam GB for Oxfam International under ISBN 978-1-78748-764-2 in June 2021.

DOI: 10.21201/2021.7642

Oxfam GB, Oxfam House, John Smith Drive, Cowley, Oxford, OX4 2JY, UK.

OXFAM

Oxfam is an international confederation of 21 organizations networked together in 65 countries, as part of a global movement for change, to build a future free from the injustice of poverty. Please write to any of the agencies for further information, or visit www.oxfam.org

Oxfam America (www.oxfamamerica.org)
Oxfam Aotearoa (www.oxfam.org.nz)
Oxfam Australia (www.oxfam.org.au)
Oxfam-in-Belgium (www.oxfamsol.be)
Oxfam Brasil (www.oxfam.org.br)
Oxfam Canada (www.oxfam.ca)
Oxfam Colombia (lac.oxfam.org/countries/colombia)
Oxfam France (www.oxfamfrance.org)
Oxfam Germany (www.oxfam.de)
Oxfam GB (www.oxfam.org.uk)
Oxfam Hong Kong (www.oxfam.org.hk)

Oxfam IBIS (Denmark) (www.oxfamibis.dk)
Oxfam India (www.oxfamindia.org)
Oxfam Intermón (Spain) (www.oxfamintermon.org)
Oxfam Ireland (www.oxfamireland.org)
Oxfam Italy (www.oxfamitalia.org)
Oxfam Mexico (www.oxfammexico.org)
Oxfam Novib (Netherlands) (www.oxfamnovib.nl)
Oxfam Québec (www.oxfam.qc.ca)
Oxfam South Africa (www.oxfam.org.za)
KEDV (www.kedv.org.tr)