



► ILO Sectoral Brief

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COVID-19 and food retail

The novel coronavirus disease (COVID-19) crisis is affecting all services sectors owing to drastic falls or spikes in demand. Retail workers are particularly affected: many shops have been closed as a result of pandemic mitigation measures and, as other industries are slowing down, consumption of certain goods has declined. Food retailers and grocery store workers, on the other hand, have seen a surge in demand as people in confinement buy food and other necessities, often stocking for long periods of isolation.

- India's Trade Promotion Council registered an increase in demand in essential goods such as rice, wheat and pulses above 100 per cent and an increase of 15–20 per cent in other food products such as sweets, organic processed food and spices.¹
- Nielsen reported a 212 per cent increase in demand for toilet paper in the United States compared with the same week in 2019.²
- The British Retail Consortium estimated an increase in food in households to a value of £1 billion.³
- The Commonwealth Bank of Australia reported a 50 per cent increase in food demand compared with the same period in 2019.⁴

In the popular press, grocery workers are even being hailed as “supermarket superheroes”⁵ for the long hours they are working, facing the risk of exposure to COVID-19 and responding to panic buying.⁶

Most importantly, the pandemic has introduced a new category of frontline workers. Food retail and grocery store workers, as well as cleaning service workers, have become essential to the economy's survival and to guaranteeing food security and safety for the population. These workers, working in a labour-intensive sector now considered essential, are in many cases low-skilled workers receiving low wages and inadequate social security benefits. Data from the United States Bureau of Labour Statistics dated May 2018, show that cashiers in food and beverage stores earned an average hourly wage of US\$ 11.43,⁷ with stock clerks and order fillers earning on average US\$ 13.41 per hour.⁸

This brief examines the impact of the pandemic on the food retail sector and on working conditions, and considers how countries are responding to the crisis in the sector. It concludes by looking at ILO's tools and responses, including the relevance of international labour standards.

1 The Economic Times: “[Huge demand for food products in global markets due to COVID-19 outbreak, India can tap it: TPCI](#)”, 23 March 2020.

2 ABC News: “[Grocery stores urge calm amid coronavirus crisis: ‘This is a demand issue. Not a supply issue’](#)”, 20 March 2020.

3 BBC News: “[Coronavirus: Shoppers told to buy responsibly](#)” 21 March 2020.

4 Financial Times: “[Grocers launch big hiring sprees as coronavirus spurs demand](#)”, 24 March 2020.

5 France24: “[‘I make my own masks at home’: Cashiers brave the front line in virus-wracked France](#)”, 25 March 2020.

6 Mail Online: “[‘Supermarket superheroes’: Hardworking employees have been hailed as the ‘unsung heroes’ of the coronavirus pandemic - as brave workers are compared to firefighters braving bushfires](#)”, 19 March 2020.

7 United States Bureau of Labour Statistics: “[Occupational Employment and Wages](#)”, 41-2011 Cashiers May 2018.

8 US Bureau of Labour Statistics: “[Occupational Employment and Wages](#)”, 43-5081 Stock Clerks and Order Fillers, May 2018.

► 1. The impact of COVID-19

1.1 Business operations

The COVID-19 pandemic is having a major impact on the global economy. Production is being disrupted as many workers fall ill or are sent home, and the supply chain from transport to logistics is strained.⁹ Consequently, while food retail businesses have been spared forced closure, delivery times for food provisions have been under stress. These issues are associated with a slowdown in transport and supply chains operations.

It is estimated that the hardest hit will be small and medium-sized food retail businesses, which have no alternative mechanisms of delivery and sale, such as e-commerce, unlike large retailers. They may also not have safety nets to support employees who fall ill, or to support changes in operations to secure business continuity. In some provinces in China, while around 90 per cent of large companies are resuming work, the same could only be said for 60 per cent of small and medium-sized enterprises. While many selling vegetables and food products have re-opened, they are struggling to get back in business.¹⁰

1.2 Distribution and logistics

The response to the virus is affecting the logistics and organization of distribution in stores, with reports of stocks running out and panic buying.¹¹ Frontline hygiene and preventive measures have been deployed in some food retail settings, in some cases facilitated by technology: some grocery stores encourage self-checkouts, minimize cash payments, provide protective screens at counters, and stock shelves only before or after opening hours. This requires organizing staff to clean checkout machines and arranging shifts to replenish shelves.

Food deliveries and digital services are also witnessing a surge in sales as consumers opt to stay in to avoid the crowds in food stores.¹²

- China experienced an increase in reliance on food delivery, with a 20 per cent growth in spending on



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A food worker wearing a mask, Italy.

food deliveries in January 2020, as compared to 2019.¹³

- Morrisons in the United Kingdom has added 3,500 delivery jobs to its workforce.¹⁴
- Colombian company Rappi, which operates in nine Latin American countries, has registered a 30 per cent increase in deliveries for products from supermarkets and pharmacies.¹⁵

Price increases by online platforms could, however, result in inequalities in accessing food and other products.

9 D. Bachman: "The economic impact of COVID-19", Deloitte Insights, 3 March 2020.

10 J. Park: "As China recovers from COVID-19, small businesses are struggling to re-open", Marketplace, 23 March 2020.

11 Financial Times: "Shoppers stockpile and order online as coronavirus spreads", 6 March 2020.

12 Ibid.

13 A. Keshner: "If the coronavirus spreads in America, food delivery companies could see a surge in demand — are they ready?", MarketWatch, 2 March 2020.

14 Investors Chronicles: "How coronavirus will impact supermarkets", 19 March 2020.

15 FOOD navigator-latam.com: "Latin America's food industry reacts to COVID-19 Crisis: 'Our federations are indispensable for food security'", 23 March 2020.

1.3 Employment

Food retailers are facing different types of employment-related challenges to other sectors. In food retail, there may well be an increase in the recruitment of workers, both in warehouses to satisfy online deliveries and in food stores to work on checkout counters. This increase in employment will meet both the need to replace workers who fall ill, and to respond to the surge in demand.

Supermarket chains are already facing an increasing demand for workers across their retail stores, to stock shelves, operate cash registers and deliver food and groceries. This is particularly in reaction to restaurant closures and the increased demand for food. In some countries, big food chains and grocery stores are recruiting even more workers to ensure additional “flexible capacity”.¹⁶

- In the United Kingdom, grocery store chains such as Asda, Aldi and Lidl plan to hire more than 12,000 temporary workers and 4,000 permanent workers.¹⁷
- Walmart in the United States is planning to recruit over 150,000 hourly workers for its stores and distribution centres,¹⁸ while the grocery delivery service Instacart is planning to recruit more than 300,000 workers.¹⁹
- In Thailand, the convenience store 7-Eleven is hiring an additional 20,000 workers to specifically satisfy the additional demand for deliveries.²⁰

1.4 Working conditions, wages and benefits

The higher demand for food retail workers has led to more jobs in the sector, and some countries are reporting increases in wages for food workers.²¹ At the same time, the high demand has led to some labour conflicts in the sector, as workers have demanded basic guarantees with respect to occupational safety and health, social protection and working hours.

The demand for food retail workers has further highlighted decent work issues noted in the retail sector, including food retail. In 2018, the ILO already reported high incidences of vulnerable employment in the wholesale and retail trade, with “high levels of fragmentation due to the prevalence of franchised enterprises and the use of outsourcing practices which provide an enabling environment for the existence of vulnerable employment”,²² and a high differential in gross hourly wages between low-skilled and higher-skilled occupations, with a wider gap in medium-sized and larger enterprises.²³

The increase in grocery deliveries and online shopping has required an adjustment in working hours and schedules to satisfy this higher demand, for example ensuring staff is available before and after work to replenish shelves. Reconciling work and care responsibilities of food retail employees is challenging, in the light of the closure of schools and childcare facilities.²⁴

While workers in food stores may be in higher demand, they also need access to adequate benefits to ensure they can take time off if they are unwell, or, if necessary, to care for members of their household.²⁵ A recent survey conducted among workers in retail, groceries, food and hospitality in the United States showed that more than 350,000 grocery store workers did not have access to paid sick leave.²⁶

The higher demand for these workers needs to be weighed against their health, ensuring that they are covered by appropriate contracts providing for health and sick leave benefits. Implementing paid sick leave for affected employees, facilitating access to testing facilities, and applying stay-at-home policies for workers who are unwell, are some of the practices that have been put in place by food retailers. Current legislative efforts under debate in some countries to address gaps in sick leave may still not be sufficient to cover all workers in need²⁷ and, in some countries, may still leave over 80 per cent of essential industry workers, including grocery store workers, without paid sick leave.²⁸

16 Kuijpers et al.: “What food retailers should do during the coronavirus crisis”, McKinsey & Company, March 2020.

17 BBC News: “Supermarkets Tesco, Asda, Aldi and Lidl go on hiring spree”, 21 March 2020.

18 ABC News: “Jobs hiring during coronavirus pandemic include Papa John’s, Amazon, Walmart”, 23 March 2020.

19 Financial Times: “Grocers launch big hiring spree as coronavirus spurs demand”, 24 March 2020.

20 Inside Retail Asia: “7-Eleven Thailand recruits 20,000 delivery staff”, 23 March 2020.

21 For example, in the [Canada and the United States](#).

22 ILO: [World Employment and Social Outlook, 2018 trends](#), Geneva, ILO, 2018, p. 33.

23 ILO: [Global Wage Report 2016 / 17, Wage inequality in the workplace](#), Geneva, ILO, 2016, p. 72.

24 Ibid. 2020.

25 G. Acosta: “[How Coronavirus Is Changing Grocery](#)”, Progressive Grocer, March 2020.

26 New York Times: “[The Companies Putting Profits Ahead of Public Health \(Graph\)](#)”, Opinion, NYT, 14 March 2020.

27 Washington Post: “[The new Sick Leave Law doesn’t help the workers that need it most](#)” 19 March 2020.

28 Ibid.

1.5 Occupational Safety and Health

Workers in grocery stores operate in a particularly difficult working environment, continuously exposed to the virus, often with no choice other than to be working. Food retail businesses will need to consider the direct and indirect impacts on workers' occupational safety and health (OSH). These include not only the risk of infection, but also the psychosocial effects of dealing with customers who might be aggressive if they are panic buying.

Grocery workers often lack the right personal protective equipment (PPE) and other protective measures to reduce the risk of infection.²⁹ Although grocery stores are responsible for disinfecting shelves and products to avoid contagion, these measures are not always taken fully if workers are not properly trained or lack the requisite cleaning products.

Considering the essential nature of work in grocery stores, there should be clear and consistent guidance on, and access to, PPE for all grocery store workers, with clear strategies to ensure compliance. Some governments already provide guidelines on OSH for retail workers, which include PPE provisions.³⁰ The COVID-19 emergency has, however, highlighted the need for more comprehensive measures, including the use of PPE by all grocery workers, the enforcement of strict working hours limits to ensure that stores can be sanitized and restocked, and the provision of paid leave to any employee who is unable to work.³¹

Other protective measures could include installing acrylic panels between cash registers and customers, limiting the number of customers allowed to enter a shop at the same time, and avoiding cash payments, in line with the Occupational Safety and Health Convention, 1981 (No. 155), according to which "employers shall be required to provide, where necessary, adequate protective clothing and protective equipment to prevent, so far as is reasonably practicable, risk of accidents or of adverse effects on health."³²

29 A. Zayas: "[Coronavirus Panic Buying Puts Grocery Workers and Shoppers at Risk of Infection](#)", Propublica, 16 March 2020.

30 Government of Alberta: "[Occupational Safety and Health Guide for retail workers and employers](#)", 2017.

31 A. Koen: "[Grocery union asks Polis for better protections](#)", United Food and Commercial Workers Union, 20 March 2020.

32 Art.16.

► 2. Responses by constituents and partners

Immediate policy responses in many countries have required a comprehensive approach involving not only grocery stores and food retailers but also governments and social partners, to put in place measures to support small food retailers, ensure the health and safety at work of food retail workers, and ensure access to adequate benefits, regardless of the workers' employment status.

2.1 Food retailers and grocery stores

At the enterprise level, food retailers have stepped in with several ad-hoc mitigating measures, such as training workers on virus prevention, providing hand sanitizers and safety equipment to staff, implementing a stay-at-home policy if workers are unwell. Broader policy measures have included supporting company-sponsored employee assistance funds, changing sick-leave policy to encourage workers to stay at home if they feel ill, ensuring that workers are reimbursed for their time off when unwell, and applying short-term disability leave programmes or creating specific COVID-19 emergency leave policies to support employees impacted by the pandemic.³³

In some countries, food retail companies have applied higher wages or bonus systems for hourly workers. In South Africa, for example, the Shoprite group has allocated over US\$ 5.8 million in bonuses for shop floor and distribution centre workers, in recognition of their work during the COVID-19 pandemic.³⁴

To avoid exposure to the virus both for workers and customers, many grocery stores and food retail chains have limited the number of customers allowed to enter stores at any given time and regulated opening hours. This measure has also been guided by government regulations. Furthermore, many online retailers are also sending coronavirus-testing kits and protective equipment to other countries, reaching out to cross-border customers. Grocery stores have also allocated store hours to assist the elderly with their shopping and thereby reduce their risk of infection.³⁵

2.2 Governments

Some governments are stepping up skills development for employees in food retail and grocery stores. In Singapore, the Skills Future Singapore agency is allocating US\$ 32 million, as part of the US\$ 4 billion support package allocated by the Government, for skills upgrade programmes that will benefit 1,000 companies in the food retail sector and 10,000 of their employees.³⁶

In some countries, specific guidance has been issued by health and food authorities to step up occupational safety and health of workers in the food retail sector. In the United States, for example, the Food and Drug Administration has issued specific guidance to ensure preventive controls on food security, which also cover food retail.³⁷ Furthermore, the Occupational Safety and Health Administration of the United States Department of Labor has issued interim guidance to help protect all workers from exposure to, and infection with COVID-19, through a combination of safe work practices and provision and use of PPE to prevent worker exposure.³⁸

In Italy, a joint protocol has been signed between the Government, unions and businesses to protect the health and safety of workers from possible infection with COVID-19 and ensure a healthy work environment. Companies, including those operating in the food retail sector, are responsible for applying the regulations in their workplaces.³⁹

Many governments, with the support of the banking sector, are suspending mortgages and loans to businesses, which may be of particular benefit to small food retailers and grocery stores, to enable them to face the crisis and pay their workers. Governments are also putting fiscal measures in place to relieve companies, including small retailers and grocery stores, of the burden of paying taxes, social security contributions, insurance premiums and possibly wages.⁴⁰

33 G. Acosta: "[How Coronavirus Is Changing Grocery](#)", Progressive Grocer, March 2020.

34 BIZ Community: "[Shoprite Group to pay frontline workers R102m 'appreciation bonus'](#)", 25 March 2020.

35 CD.Kuijpers et al.: "[What food retailers should do during the coronavirus crisis](#)", McKinsey & Company, March 2020.

36 The Straits Times Singapore: "[10,000 food services, retail staff to benefit from training support](#)", 20 March 2020

37 United States Food and Drug Administration: "[Food Safety and the Coronavirus Disease 2019 \(COVID-19\)](#)", 23 March 2020.

38 Occupational Safety and Health Administration: "[COVID-19 – Control and Prevention](#)", March 2020.

39 Ministero della Salute: "[Covid-19 - Sicurezza dei lavoratori](#)", 14 March 2020.

40 Ministero dell'Economia e delle Finanze: "[Coronavirus, le prime misure del Governo per ridurre l'impatto economico](#)", MEF, March 2020.

2.3 Joint actions between trade unions and industry associations

In some countries, unions are stepping up action to obtain better protection for grocery store workers. In the United States, the United Food and Commercial Workers Union, covering 23,000 workers, has requested that grocery store workers be considered as first responders and that additional guarantees be put in place to ensure the safety of the food, workers and the public.⁴¹

Collective bargaining has been a useful tool for promoting the rights of grocery workers and their protection against the virus. In Sweden, the Swedish Trade Union Federation, Svensk Handel, which covers retail sector employees, has worked with employers' organizations to adopt joint guidelines on preventing the spread of COVID-19, ensuring changes in working conditions and securing the involvement of local unions and employees in the application of the guidelines.⁴²

In Italy, a joint call by retail sector unions FILCAMS, FISASCAT and UILTUCS, and the employers' association, FederDistribuzione, has resulted in the provision of PPE for food retail sector and grocery store workers. The joint action has also resulted in reduced shop opening hours to relieve the pressure on supermarket workers.⁴³

In some countries, joint responses have been broadened to cover the whole food supply chain. In Canada, for example, dialogue between the United Food and Commercial Workers Union and big meat producers has resulted in premium pay increases and safety protections for all frontline food and grocery workers. As part of the agreement, the Union's affiliates will receive a wage increase of 2 Canadian dollars per hour worked.⁴⁴

41 A. Koen: "[Grocery union asks Polis for better protections, United Food and Commercial Workers Union](#)", 20 March 2020

42 UNI Global Union, "[Swedish union gains 5,000 new members during COVID-19 crisis](#)", 25 March 2020

43 UNI Global Union: "[COVID19: UNI Commerce unions stand up for workers in time of crisis](#)", 20 March 2020

44 Globe News Whire: "[UFCW members gain wage premiums, more safety protections at Olymel, Cargill, Maple Leaf Foods](#)", 24 March 2020

► 3. ILO tools and responses

The economic and societal response to the COVID-19 pandemic is unprecedented. A health emergency on such a scale calls for a systemic approach that cannot be limited to measures of disease control alone.

The pandemic has magnified gaps in social and economic policies. Its impact on different economic sectors is closely linked to the way countries have shaped, and will shape, their labour and social protection architecture, ensuring that appropriate safety nets are in place for workers and employers to cope not only with this pandemic, but with any emergency that may arise. The response to the virus therefore needs to take account of national efforts to build or redefine the foundations of this architecture, to adequately cover different types of enterprises and workers, regardless of their employment status.

This is particularly the case for the food retail sector, which is a very diverse system, recruiting a wide spectrum of workers and applying a variety of working arrangements, and which has become even more diverse with the rise of the digital economy. Workers, whether under fixed-term or new and emerging forms of employment, may not fully enjoy certain rights at work, access to sick leave, OSH protection, health care or unemployment benefits.

The ILO can play a key role in leveraging a tripartite response, including through collective bargaining, to foster actions to look both at the health and economic dimensions of the pandemic and its impact on workers and employers in the food retail sector.

International labour standards are particularly relevant to the response to the pandemic, in respect of possible policy and legal measures that could be developed at country level.⁴⁵

ILO's fundamental principles and rights at work constitute a particularly pertinent framework for ensuring that food retailers can negotiate decent conditions and treatment for their workers, including during the pandemic. In line with the right to freedom of association and the effective

recognition of the right to collective bargaining,⁴⁶ food chains, grocery stores and relevant trade unions have a key role in setting out, for instance, appropriate measures to ensure food workers' health and well-being during the crisis, secure their access to PPE and paid sick leave, protect their wages in case of illness or absence, and establish compensation funds for all workers impacted by COVID-19, based on national legislation.

Several ILO standards are applicable to workers in the food retail sector, encompassing safety and health, access to social protection and right to sick leave. These standards could be applied during the COVID-19 pandemic to ensure their health and guarantee their working conditions and benefits.⁴⁷

ILO constituents could use this framework and these instruments to develop policies to protect all workers.

A portfolio of policies could be proposed to: extend social protection to all, including workers in the food retail sector; promote and protect employment; ensure respect for labour rights; and promote income support for workers, regardless of their employment status, ensuring the inclusion of certain categories of workers, such as part-time workers and those in the gig and informal economies, many of whom work in food retail. In particular, special efforts could be made to ensure that ad-hoc measures for the provision of paid sick leave are turned from emergency packages into entitlements extended to workers who lack them. This would include extending health, disability and compensation benefits to all workers. Measures could be taken to progressively ensure that all those who so require benefit from basic social security guarantees, comprising access to basic health care, and guaranteed basic income security as established in the Social Protection Floors Recommendation, 2012 (No. 202).

Joint measures being taken by governments, unions and employers to protect workers and employers in food retail from the negative impact of the COVID-19 pandemic show that social dialogue can support immediate relief while also

45 ILO: [ILO Standards and COVID-19 \(coronavirus\)](#), Geneva, ILO, 2020

46 Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98).

47 Some of the international labour standards that could be applied are: on working time: Weekly Rest (Commerce and Offices) Convention, 1957 (No. 106) and Weekly Rest (Commerce and Offices) Recommendation, 1957 (No. 103); Part-Time Work Convention, 1994 (No. 175). These Conventions establish equal treatment and protection for part-time workers vis-à-vis full-time workers, including on occupational safety and health, maternity protection, and other terms and conditions of employment. On occupational safety and health: Occupational Safety and Health Convention, 1981 (No. 155), and its Protocol of 2002; Occupational Health Services Convention, 1985 (No. 161); Hygiene (Commerce and Offices) Convention, 1964 (No. 120), and the Hygiene (Commerce and Offices) Recommendation, 1964 (No. 120). This Convention and recommendation provide a framework of hygiene measures specifically applicable to workers in commerce. On social security: Social Security (Minimum Standards) Convention, 1952 (No. 102) and Social Protection Floors Recommendation, 2012 (No. 202).

promoting decent work in the food retail sector.

Social dialogue in particular can be useful in the context of COVID-19 response policies for the food retail industry to ensure continued operation of food retail enterprises, and to promote workers' access to health benefits, PPE and paid sick leave, while protecting wages and full pay in case of illness or forced suspension of business.

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