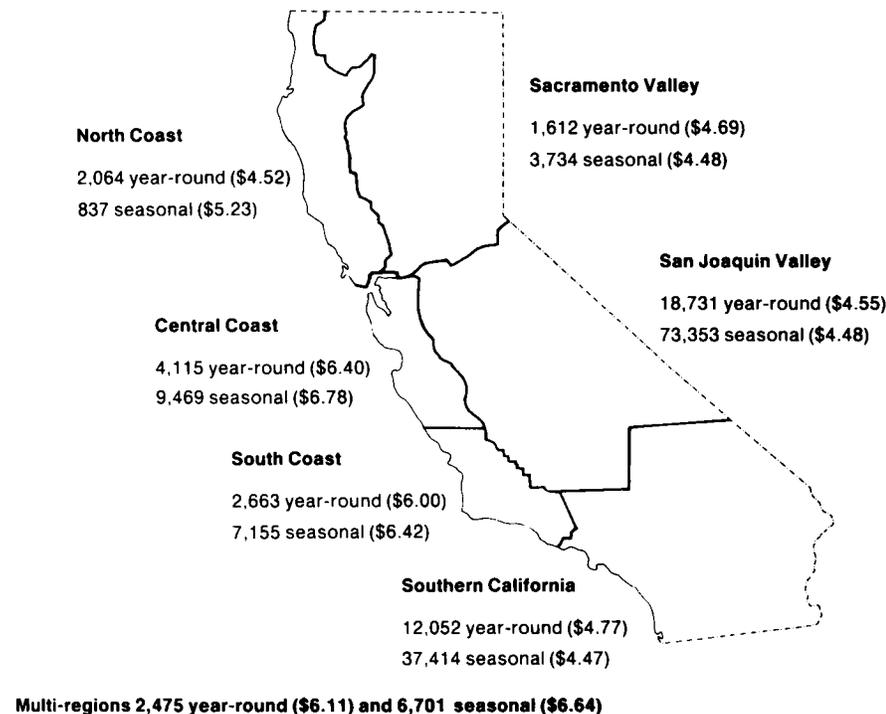


Employment, wages, and benefits on California farms

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Year-round employees averaged \$5.16 per hour

NUMBER of FARM WORKERS and HOURLY WAGES by REGIONS



Farm labor survey

The questionnaire was mailed to over 6,600 members of the five farmers' organizations. Over 800, or 12 percent, responded, representing the spectrum of crops and livestock produced in California. Of responses received, 64 percent came from the San Joaquin Valley, the state's major agricultural area.

California's unemployment insurance system reported that 32,559 agricultural employers hired 531,694 workers during September 1982. Employers were divided into three groups: crop production (57.4 percent), livestock production (14.8 percent), and agricultural services (27.9 percent). Over half of the respondents in our survey were growers, and most of the respondents produced or supplied workers to the fruit and nut industry. The respondents are not a random sample of farm employers, but they seem to represent the spectrum of farm employers in California.

The farmers responding to the survey employed 42,000 year-round workers and 139,000 seasonal workers in 1981. The 619 farms that employed year-round workers averaged 68 such workers per farm, with a range of 1 to 1,820 year-round employees. Most farms employed fewer than 10 year-round workers; 81 percent of the farms had fewer than 50 year-round employees.

A total of 755 farms employed 139,000 seasonal workers sometime in 1981 (seasonal workers are double-counted if they work for two responding employers). Respondents employed an average of 184 seasonal farmworkers, ranging from a low of 2 to a high of 15,000 seasonal workers (one vegetable farm in southern California). Over 41 percent of responding farms reported that they hired between 11 and 50 seasonal workers. Farms in southern California employed the most seasonal workers: 29 vegetable farms averaged 750 seasonal workers each, and 13 fruit and nut

Farmers and farmworker representatives need detailed labor market information to set wages for hiring workers or to use as guidelines for collective bargaining. In addition, government agencies need such data to administer programs that range from Industrial Welfare Commission wage orders to the Agricultural Labor Relations Law. The University of California developed a 13-question survey in cooperation with five farmers' organizations to collect local labor market information. This article reports farmers' responses to questions about year-round and seasonal employment in 1982, wages and fringe benefits offered to workers, and employer satisfaction with the quality and quantity of the farmworkers that they employed.

farms averaged 890 seasonal employees each.

Since seasonal workers are employed only part of the year in agriculture, some of them leave the area or the state after the harvest and then migrate back to California the following season. However, only 39 percent of the seasonal workers migrated to their farm jobs from other areas. The survey showed that 45 percent resided in the area and another 16 percent commuted to their seasonal farm jobs. Generally, livestock and nursery workers resided locally; seasonal field crop workers tended to commute to their jobs; and seasonal workers on field, fruit and nut, and diversified farms were most likely to migrate. Of the average 186 seasonal

workers employed on responding farms, 84 were local residents, 73 were migrants, and 29 commuted.

Hourly wages

Average hourly wages were \$5.16 for year-round workers and \$5.14 for seasonal farmworkers. These average wages, which are higher than California Employment Development Department estimates, are gross wages that reflect cash and piece-rate wages paid to workers. These hourly wages do not include mandatory taxes for Social Security (13.4 percent of base wages), unemployment insurance (4 to 6 percent), and workers compensation insurance (6 to 18 percent), and they exclude the cost of fringe benefits such as health insurance,

vacation, pension contributions, and transportation allowances. Respondents reported one average wage for all their year-round workers and another for seasonal workers, so these sample averages obscure the variation in wages on each farm.

Farmworker wages vary widely across California. Hourly wages for year-round workers ranged from \$3.35 to \$12.80. Year-round vegetable workers in the Central Coast region, which includes the Salinas Valley, averaged \$6.68 hourly, and vegetable wages elsewhere ranged from \$6.77 hourly on multi-region farms (employers with locations in several regions) to \$4.71 on southern California vegetable farms. Year-round livestock and field crop

Fringe benefits offered to seasonal and permanent workers

Type of farm	Farms that cover workers											
	Seasonal						Permanent					
	Number of Farms	Health Ins.	Life Ins.	Paid Vac.	Bonus	Housing	Number of Farms	Health Ins.	Life Ins.	Paid vac.	Bonus	Housing
	%	%	%	%	%	%	%	%	%	%	%	%
Multi-region (Employers with locations in several regions)												
Vegetables	9	88.9	77.8	44.4	22.2	22.2	9	100.0	88.9	88.9	44.4	11.1
Fruits & nuts	6	83.3	33.3	33.3	-	16.7	7	100.0	71.4	100.0	71.4	28.6
Livestock	1	100.0	100.0	100.0	-	-	1	100.0	100.0	100.0	-	-
Diversified	1	-	-	-	100.0	-	3	100.0	66.7	66.7	66.7	100.0
Southern California (Los Angeles, San Bernardino, Orange, Riverside, Imperial counties)												
Field crops	6	33.3	16.7	66.7	66.7	16.7	7	71.4	57.1	100.0	71.4	14.3
Vegetables	18	77.8	22.2	22.1	22.2	11.1	22	81.8	22.7	59.1	50.0	13.6
Fruits & nuts	12	91.7	58.3	25.0	33.3	25.0	14	92.9	71.4	85.7	50.0	42.9
Nurseries	3	33.3	33.3	66.7	66.7	-	7	71.4	71.4	100.0	57.1	-
Livestock	-	-	-	-	-	-	4	50.0	-	100.0	75.0	50.0
Diversified	7	42.9	42.9	14.3	14.3	42.9	18	83.3	50.0	72.2	83.3	66.7
South Coast (Ventura, Santa Barbara, San Luis Obispo counties)												
Field crops	1	100.0	-	100.0	-	100.0	4	75.0	100.0	100.0	25.0	25.0
Vegetables	25	88.0	48.0	76.0	36.0	12.0	38	97.4	55.3	78.9	57.9	31.6
Fruits & nuts	1	100.0	100.0	100.0	-	-	1	100.0	100.0	100.0	-	-
Diversified	1	100.0	-	-	-	-	4	100.0	25.0	100.0	100.0	75.0
Central Coast (Monterey, San Benito, Santa Cruz, Santa Clara, San Mateo, Alameda, Contra Costa counties)												
Field crops	-	-	-	-	-	-	1	-	-	-	100.0	-
Vegetables	40	80.0	37.5	52.5	32.5	22.5	42	95.2	52.4	76.2	69.0	33.3
Fruits & nuts	1	50.0	50.0	25.0	50.0	25.0	4	75.0	50.0	75.0	50.0	25.0
Nurseries	1	100.0	-	-	-	-	3	100.0	33.3	100.0	66.7	-
Livestock	1	-	-	-	-	100.0	1	-	-	100.0	100.0	-
Diversified	1	100.0	-	-	-	-	1	100.0	100.0	100.0	100.0	100.0
San Joaquin Valley (Kern, Inyo, north through San Joaquin, Calaveras, and Alpine counties)												
Field crops	7	14.3	7.7	-	28.6	42.9	16	75.0	56.3	81.3	75.0	68.8
Vegetables	13	53.8	20.7	-	30.8	69.2	25	80.0	36.0	56.0	68.0	36.0
Fruits & nuts	203	53.7	50.0	11.3	30.0	60.6	241	68.0	34.9	59.8	70.5	49.0
Nurseries	2	50.0	33.3	50.0	-	50.0	7	85.7	14.3	57.1	42.9	-
Livestock	30	46.7	-	16.7	26.7	46.7	50	88.0	54.0	90.0	76.0	85.7
Diversified	-	-	-	-	-	-	1	100.0	100.0	100.0	-	64.0
North Coast (Marin, Napa, Sonoma, Lake, Mendocino, Trinity, Humboldt, Del Norte counties)												
Fruits & nuts	7	57.1	57.1	57.1	28.6	57.1	9	66.7	44.4	33.3	55.6	66.7
Livestock	4	25.0	-	-	-	50.0	7	28.6	14.3	42.9	57.1	-
Nurseries	-	-	-	-	-	-	1	100.0	100.0	-	-	71.4
Sacramento Valley (Solano, Sacramento, Yolo, Amador, north through Siskiyou and Modoc counties)												
Field crops	6	33.3	44.4	16.7	66.7	50.0	9	77.8	66.7	77.8	88.9	33.3
Vegetables	2	100.0	33.3	-	50.0	100.0	3	100.0	-	66.7	66.7	33.3
Fruits & nuts	9	11.1	100.0	11.1	55.6	77.8	17	76.5	47.1	58.8	70.6	76.5
Nurseries	1	100.0	-	-	-	100.0	2	100.0	50.0	100.0	100.0	-
Diversified	7	71.4	-	14.3	42.9	42.9	8	100.0	87.5	62.5	75.0	37.5

Source: Field Workweek Survey, 1982.

workers received the lowest wages, usually \$4.25 to \$4.75 hourly. The highest wages were on a Salinas vegetable farm that paid its year-round workers an average hourly rate of \$12.80; the lowest wages were on southern California fruit and vegetable farms that paid their year-round workers \$3.35 hourly.

Seasonal workers averaged \$5.14 hourly, with a range of \$3 to \$20. Seasonal vegetable workers in the Central Coast region averaged \$7.36 hourly, while field workers in the San Joaquin Valley averaged only \$3.77 per hour. The highest wages were paid by a Salinas vegetable farm to its seasonal workers, averaging \$20 hourly; the lowest paid by a North Coast livestock farm, averaged \$3 per hour. Seasonal fruit and vegetable workers, who often do harvest work for piece rates, had the highest average hourly earnings.

Fringe benefits

Most respondents offered their year-round seasonal workers fringe benefits. Health insurance was the most common fringe benefit, offered to 97 percent of all year-round workers and 85 percent of the seasonal workers employed by responding farmers. Over 87 percent of all year-round workers were eligible for paid vacations, but only 27 percent of the seasonal farm work force were eligible. Life insurance was offered to 74 percent of the year-round workers and 41 percent of the seasonal workers. Housing was provided to 26 percent of the seasonal work force and 30 percent of the year-round work force. Generally, seasonal field and livestock workers were least likely to have health insurance (only one-third) but most likely to have housing provided by the employer (two-thirds). Fringe benefits were most common in southern California, the South Coast, and the Central Coast.

Unions represented 6 percent of the farmworkers employed by responding farms. Over 70 percent of the vegetable employers responding to the survey had unionized work forces. Union contracts were most common in southern California, the South Coast, and the Central Coast. Unionized farmworkers were rare in the North Coast and Sacramento Valley.

Recruitment and attitudes

The farm labor market experiences simultaneous labor shortages and surpluses as it matches thousands of seasonal workers with jobs that last from several days to several months. Farmers were asked how they recruited farmworkers and if they were satisfied with

the quantity and the quality of employed farmworkers. About two-thirds of the respondents reported that they recruited workers directly or relied on current employees to recruit additional workers. About one-fourth of the respondents relied on farm labor contractors to supply some or all of their farmworkers. Livestock farms were most likely to recruit workers directly; San Joaquin fruit and nut farmers were most likely to rely on farm labor contractors.

Most employers were satisfied with both quantity and quality of farmworkers. Over 91 percent of seasonal employers were very or moderately successful in obtaining a sufficient quantity of seasonal workers, and 83 percent were satisfied with the quality of seasonal farmworkers recruited. An overwhelming 95 percent of year-round employers felt that they were very or moderately successful in attracting enough year-round workers, and 94 percent were satisfied with the quality of their year-round employees. Fruit and nut employers, especially in the San Joaquin Valley, reported the most difficulty in getting enough seasonal and year-round farmworkers, a difficulty that could be attributed to their heavy reliance on farm labor contractors.

California farmers must pay overtime wages of at least one and one-half times the regular wage after 10 hours of work in any day or 60 hours in any week. Farmers were asked what actions they would take if they were required to pay overtime wages after an eight-hour work day and after an employee had worked 40 hours in a week. Farmers were asked to distinguish between short-run and long-run actions, selecting from a list of responses that included no change in current practices, hiring additional workers, mechanizing, changing crops, sharing labor with other employers, relying on a custom harvester, or quitting farming. The most frequent short-run responses chosen were hiring additional workers (62 percent) mechanizing wherever possible (51 percent), and making no changes in present practices (24 percent). A significant number of employers, 14 to 17 percent, said that they would change production methods, switch to less labor-intensive crops, and/or rely more on farm labor contractors and custom harvesters.

In the long run, over 63 percent of the respondents would mechanize wherever possible, 33 percent would hire additional workers to reduce overtime wage payments, 32 percent would switch to less labor-intensive crops, and 28 percent would change production methods

to use less labor. Field crop and diversified farms were most likely to mechanize immediately, whereas vegetable farms reported that they would mechanize within three to five years if the overtime wage law were changed. Only 17 farms said that a change in the overtime wage law would cause them to quit farming.

Conclusions

The 1982 farm labor survey opens another window on California's farm labor market. Responses from farm employers indicated that the average farm with year-round employees had 68 year-round workers who averaged \$5.16 hourly. Farms with seasonal workers employed an average of 184 workers and paid an average of \$5.14 hourly. Generally, fruit and vegetable workers in the Central Coast, South Coast, and southern California had the highest average hourly earnings, whereas field crop and livestock workers in the North Coast and Central Valley had the lowest hourly earnings. Almost all of the responding farms provided health insurance for their year-round and seasonal workers; many offered paid vacations, bonuses, and other fringe benefits.

Employers appeared to be quite satisfied with both the quantity and quality of farmworkers. If farmers were required to pay overtime wages after eight hours per day or 40 hours per week, most would try to hire additional workers and mechanize in the short-run to reduce overtime wage premiums. In the long-run farmers would mechanize, hire additional workers, and switch to less labor-intensive crops.

The survey results must be interpreted with caution, since they were based on relatively complete responses from only 12 percent of those who were sent the questionnaire. Nevertheless, the information will be useful if future surveys are conducted to chart California's changing farm labor market. Among the questions that need to be clarified in future surveys are those about the average weekly and annual earnings of seasonal and year-round farmworkers, the legal status of alien farmworkers, and employer perceptions of how fines for knowingly hiring illegal alien farmworkers and an amnesty for some current farmworkers would affect their operations.

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