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Labor and wages, Agric

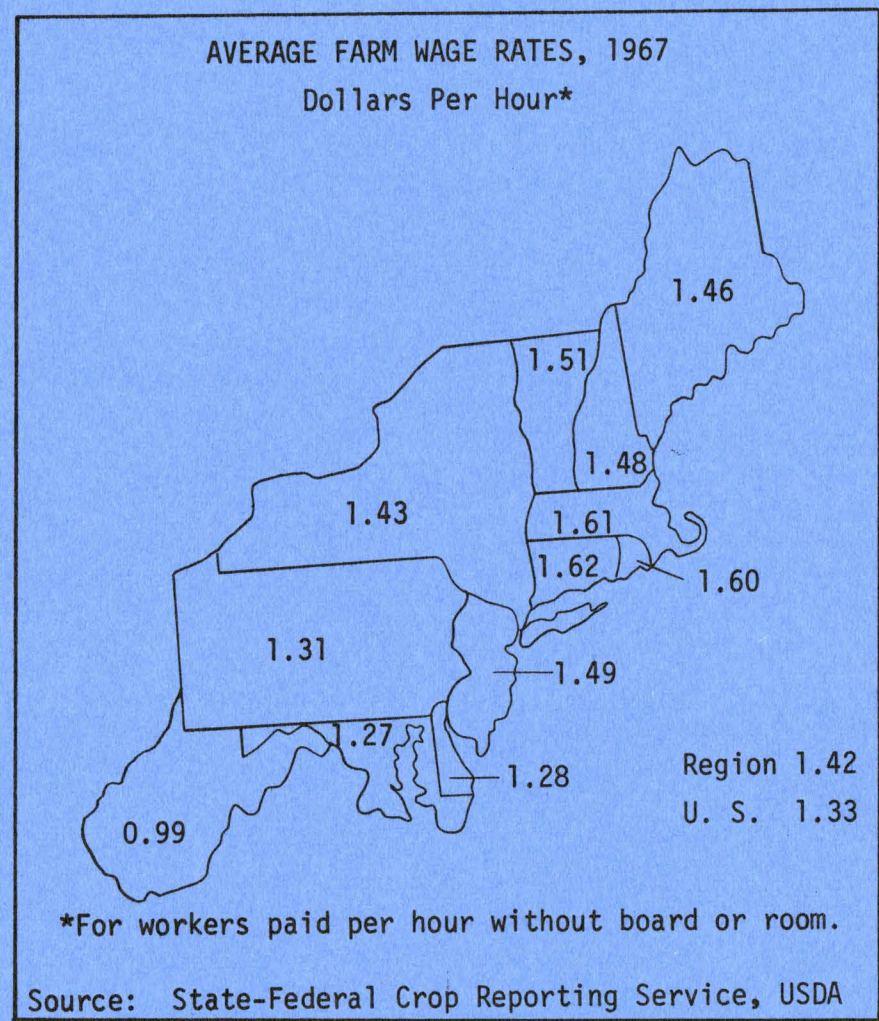
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MINIMUM WAGES IN AGRICULTURE IN THE NORTHEAST STATES



DEPARTMENT OF AGRICULTURAL ECONOMICS
AND RURAL SOCIOLOGY
AGRICULTURAL EXPERIMENT STATION
THE PENNSYLVANIA STATE UNIVERSITY
UNIVERSITY PARK, PENNSYLVANIA

A NORTHEAST REGIONAL RESEARCH PUBLICATION

Technical Committee of Northeast Regional Research Project NE-58
An Economic and Sociological Study of Agricultural
Labor in the Northeast States

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PREFACE

A salient feature of the American labor scene since the 1930's has been the increasing role that society through various levels of government, has played in labor legislation and regulation. Until very recently agricultural labor has been largely bypassed by this trend. Increasingly, however, efforts have been made to eliminate the legislative distinction between farm and nonfarm workers. Most farm workers are now covered by Social Security. Migrant farm workers and their employers are now subject to a myriad of Federal, State and local regulations. The 1966 Amendments to the Fair Labor Standards Act, which extended minimum wage coverage to certain agricultural workers, marked still another step in that direction. This trend toward uniform legislative treatment of all workers is likely to have a significant impact on the farm labor force and farm employers. For this reason the Technical Committee for Regional Research Project NE-58 adopted as one of its major objectives an appraisal of the impact of State and Federal labor policies on the ability of Northeast farmers to successfully compete in the labor market.

Minimum wage coverage, since it had only recently been extended to agriculture, was the first policy to be considered. This publication presents a comprehensive review of the present status of agricultural minimum wage coverage in the Northeast at the Federal and State level together with a preliminary assessment of the impact of this legislation. It brings together information on provisions, coverage and impact previously available only in a number of different publications and documents some of which do not deal specifically with agriculture. It is anticipated that this will be the first of several similar publications reviewing the present status of major laws and regulations affecting farm labor.

While this publication was prepared primarily as a comprehensive source of background information for researchers, farm advisors and farm employers also will find it useful. USERS ARE CAUTIONED, HOWEVER, THAT THE INFORMATION IN IT IS NOT TO BE CONSIDERED IN THE SAME LIGHT AS OFFICIAL STATEMENTS OF POSITION FORMALLY ADOPTED BY THE VARIOUS ADMINISTERING AGENCIES. INFORMATION WAS SUMMARIZED FROM THE PUBLICATIONS LISTED ON PAGE 23 WHICH SHOULD BE CONSULTED FOR OFFICIAL INTERPRETATIONS AND REGULATIONS. COPIES OF THEM MAY BE OBTAINED FROM THE ADMINISTERING AGENCIES LISTED ON PAGE 22.

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MINIMUM WAGES IN AGRICULTURE
IN THE NORTHEAST STATES

by

Reuben W. Hecht

CURRENT STATUS

Federal Minimum Wage

In 1967, farm wage rates for workers paid by the hour without board or room averaged \$1.42 per hour in the Northeast. This constituted an increase of 11 cents or 8.4 per cent over 1966 (table 1). During the two previous years, the increase averaged 6 cents or 4.9 per cent. In five of the twelve Northeast States, the 1967 rise in farm wage rates was more than twice the average increase during 1965 and 1966. Part of these stepped-up increases in 1967 is attributable to the extension of minimum wages to farms. Minimum wage protection for specified workers on certain farms was provided by the 1966 amendments to the Fair Labor Standard Act which became effective February 1, 1967. Previously, agriculture was exempt from coverage.

The Act was originally enacted by the Congress in 1938. It provided a minimum of twenty-five cents per hour for the limited number of workers covered and for step increases to forty cents per hour to be reached in 1945. Since then, the Act has been amended a number of times, most recently in 1966. The amendments gradually increased the minimum wage and brought more businesses and workers under coverage. For nonagricultural workers, the 1966 amendments provide for step increases in the minimum to \$1.60 per hour to be reached in 1968 for the workers previously covered and in 1971 for the newly covered workers. The farm minimum wage and effective dates are as follows:

February 1, 1967	\$1.00 per hour
February 1, 1968	\$1.15 per hour
February 1, 1969	\$1.30 per hour

Agriculture remains exempt from the overtime provisions of the law. For covered nonagricultural businesses, they generally require that workers be paid one and one-half time the regular rate for time worked over forty hours during a work week.

Agriculture

For purposes of the Act, agriculture means farming in all its branches, including the cultivation and tillage of the soil, dairying, the production, cultivation, growing and harvesting of agricultural and horticultural commodities, the raising of livestock,

Table 1. Farm wage rates per hour without board or room, 1964, 1967 and annual changes 1964-67, Northeast.

State	Rate in 1964	Annual increase				Rate in 1967
		1964 to 1966		1966 to 1967		
		Amount	Percentage	Amount	Percentage	
	Dollars	Dollars	Per cent	Dollars	Per cent	Dollars
Maine	1.20	0.05	4.0	0.16	12.3	1.46
New Hampshire	1.26	.04	3.6	.13	9.6	1.48
Vermont	1.25	.06	4.4	.15	11.0	1.51
Massachusetts	1.33	.07	5.2	.14	9.5	1.61
Rhode Island	1.39	.06	4.2	.09	6.0	1.60
Connecticut	1.40	.08	5.6	.06	3.8	1.62
New York	1.23	.04	3.6	.11	8.3	1.43
New Jersey	1.25	.08	6.2	.08	5.7	1.49
Pennsylvania	1.13	.05	4.3	.08	6.5	1.31
Delaware	1.08	.06	5.8	.07	5.8	1.28
Maryland	1.09	.05	4.9	.07	5.8	1.27
West Virginia	.83	.05	6.4	.06	6.4	.99
Northeast	1.19	.06	4.9	.11	8.4	1.42

Source: State-Federal Crop Reporting Service, U.S. Department of Agriculture.

bees, fur-bearing animals, and poultry. Agriculture also includes practices such as forestry or lumbering operations, preparation for market, delivery to storage or market, or to carriers for transportation to market which are performed by a farmer or on a farm incidental to or in conjunction with the farming operations conducted on that farm. For example, workers in an ordinary farm packing shed who pack only the produce grown by their employer are employed in agriculture. If any of the produce packed was not grown by their employer, they are not agricultural workers and are subject to other provisions of the Act. Work done for a farmer on his farm by employees of an independent contractor such as threshing grain, shearing sheep, or dusting crops is agricultural work.

Covered farms and farm workers

Farms covered by the Act are those that used 500 or more man-days of hired labor in any calendar quarter of the preceding calendar year. A day's work consists of one hour or more of labor.

Two groups of workers are neither counted in the 500 man-days nor subject to the minimum wage:

- (1) Members of the farmer's immediate family as parent, spouse or child.
- (2) Hand harvest piece-rate workers who commute daily from their own home and who worked in agriculture less than 13 weeks in the preceding calendar year.

Students, for example, who work on farms at piece rates during less than 13 weeks of their summer vacation and who live at home and commute to the farm are exempt from coverage and from the 500 man-day count under this provision. Each period of seven consecutive days during which an employee worked one hour or more on one or more days is counted as a week for the 13-week test.

Two additional groups of workers are not covered by the minimum wage but are included in the 500 man-day count:

- (1) Migrant minors, 16 years old and under, who are hand harvest piece-rate workers employed on the same farm as their parents and paid the same rate as adult workers.
- (2) Workers principally engaged in the range production of livestock.

Actual numbers of farms and workers covered in four regions were indicated in results of a national survey made in May 1967 - four months after the 1966 amendments became effective.¹ Of the 192,000 farms in the Northeast about 113,000 or almost 60 per cent did not use any hired workers in 1966 (table 2).² Of those that hired labor, 2,600 or 1.4 per cent of all farms used more than 500 man-days in a peak quarter and thus were required to pay their workers \$1.00 or more per hour in 1967. However, they employed 98,000 hired workers or almost 30 per cent of those on all farms. The proportions of farms and workers covered by the minimum wage were higher in the Northeast than in the North Central and Southern States but were lower than in the West. In the entire country, covered farms constituted about 1 per cent of all farms and they employed 21 per cent of all hired workers during the 1966 peak quarter.

It should be noted that the survey data may overstate the number of covered farms because hired workers who were (1) members of the farmer's immediate family or (2) short-time piece-rate commuting workers, were not excluded from the count in determining those using the minimum of 500 man-days for coverage. Likewise, the number of covered employees may be exaggerated because some of the hired workers on covered farms may be members of the four groups exempt from coverage as explained above. However, the data provide a valid approximation of the minimum wage coverage situation.

All hired workers in the Northeast were paid an average \$1.35 per hour during the survey week (table 3). Cash earnings of hired workers on the covered farms at \$1.60 per hour, were a third higher than on those not obligated to pay the minimum. This wide range in rates between covered and noncovered farms lends little credence to the hypothesis that all farmers, small as well as large, would be required to pay about the same rate to obtain workers upon imposition of a legal minimum. Operators of smaller farms apparently do not pay the same rate as their larger neighbors. Similar to the Northeast, hired workers on covered farms in the entire nation earned considerably more than on the smaller farms. However, the spread was less than in the Northeast.

¹Hired Farmworkers, A Study of the Effects of the \$1.00 Minimum Wage Under the Fair Labor Standards Act, U.S. Department of Labor, Wage and Hour and Public Contracts Divisions, January 1968.

²In this survey, the Northeast region consists of 9 states: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, and Pennsylvania.

Table 2. Farms and use of hired labor by minimum wage coverage status, Northeast and United States, May 1967.

Use of hired labor	Farms ¹		Hired Workers ²	
	Number	Percentage of total	Number	Percentage of total
	<u>1,000</u>	<u>Per Cent</u>	<u>1,000</u>	<u>Per Cent</u>
NORTHEAST (9 States)				
All farms	192.4	100.0	338.7	100.0
No hired labor used	113.4	58.9	0	
Hired labor used:				
500 man-days or fewer	76.4	39.7	240.7	71.1
more than 500 man-days	2.6	1.4	98.0	28.9
UNITED STATES (48 States)				
All farms	3,141.3	100.0	6,427.9	100.0
No hired labor used	1,725.4	54.9	0	
Hired labor used:				
500 man-days or fewer	1,386.8	44.2	5,059.1	78.8
more than 500 man-days	29.1	0.9	1,368.8	21.3

¹Classified according to use of workers in the peak quarter of 1966.

²Employment in the peak quarter of 1966.

Source: Hired Farmworkers, A Study of the Effects of the \$1.00 Minimum Wage Under the Fair Labor Standards Act, U.S. Department of Labor, Wage and Hour and Public Contracts Divisions, January 1968. Based on special tabulations of the USDA, SRS, May 1967 Enumerative Survey.

Table 3. Average hourly cash earnings and cumulative percentage of workers earning less than indicated wages per hour, by minimum wage coverage status, Northeast and United States, May 1967.

Average hourly earnings	Farms by use of hired workers ¹					
	All farms		500 man-days or fewer		More than 500 man-days	
	United States	North-east	United States	North-east	United States	North-east
All workers	\$1.28	\$1.35	\$1.18	\$1.21	\$1.42	\$1.60
Percentage of workers earning:						
Under \$0.50	5.1	3.5	6.0	5.0	3.7	0.8
Under 0.75	13.4	8.7	16.7	12.9	7.2	0.8
Under 1.00	22.2	17.1	28.3	24.6	11.0	2.8
Under 1.25	46.3	32.6	53.5	43.8	33.1	11.5
Under 1.50	70.6	58.8	75.3	67.1	62.0	43.1
Under 1.75	85.6	87.2	87.5	90.8	82.1	80.2
Under 2.00	89.5	92.4	90.1	95.0	88.3	87.4

¹Classified according to use of hired workers in the peak quarter of 1966.

Source: Hired Farmworkers, A Study of the Effects of the \$1.00 Minimum Wage Under the Fair Labor Standards Act, U.S. Department of Labor, Wage and Hour and Public Contracts Divisions, January 1968. Based on special tabulations of the USDA, SRS May 1967 Enumerative Survey.

The wide range in farm wage rates exists not only on different sizes of farms as indicated by covered and noncovered farms, but also on farms of more nearly the same size. About 3 per cent of the workers on the covered farms in the Northeast earned less than \$1.00 per hour while 13 per cent earned \$2.00 or more.³ The divergence of hourly earnings was even greater on the noncovered farms; on them, about 30 per cent of the workers earned less than \$1.00 per hour or \$2.00 or more. National data also shows wide ranges in farm wage rates particularly on the noncovered farms. On these farms, almost two-fifths of the workers earned less than \$1.00 per hour or \$2.00 or more.

A myriad of conditions and arrangements influence wage rates paid hired farm workers, thus the establishment of a minimum wage affects various farm workers differently. Whether a worker is hired for a short-time seasonal job or on a regular basis is one such characteristic. Seasonal workers in the Northeast in May 1967 earned about the same amount per hour regardless of the size of farm on which they were employed. They earned \$1.36 per hour on the large farms that are covered by the minimum wage and \$1.40 per hour on the smaller farms (table 4). Regular workers, on the other hand, earned 56 cents or 50 per cent more on the large farms than on the smaller units. In addition to these average cash rates, the percentage distribution of workers among a wide range of rates indicates more uniformity in earnings of seasonal than of regular workers. The percentage of regular hired workers earning less than \$1.00 or \$2.00 or more per hour was about double the comparable percentage for seasonal workers.

There were significant differences in the wage structure of workers paid on a piece-rate basis as compared with those paid time-rates, such as per hour, week, or month. Only about 3 per cent of the workers in the Northeast were paid piece-rates during May 1967 but their hourly earnings varied considerably more than those paid time-rates (table 5). This is shown not only by the average rates paid on the covered and noncovered farms but also by the percentage distribution of workers with various earnings under each pay arrangement. It is worthy to note that almost a fourth of the piece-rate workers earned \$2.00 or more per hour while only 7 per cent of the time-rate workers earned this amount.

Perquisites

In computing minimum wages, the reasonable value of perquisites furnished as determined by the Secretary of Labor, is included as wages.

³The fact that some workers earned less than \$1.00 per hour does not necessarily mean lack of compliance with the law. Cash wages only were reported in the survey which may be below the minimum if value of perquisites make up the difference. In addition, certain workers on covered farms may be exempt as indicated on page 3.

Table 4. Regular and seasonal hired workers: Average hourly cash earnings and cumulative percentage earning less than indicated wages per hour, by minimum wage coverage status, Northeast, May 1967.

Average hourly earnings	Farms by use of hired workers ¹					
	All farms		500 man-days or fewer		More than 500 man-days	
	Regular	Seasonal	Regular	Seasonal	Regular	Seasonal
All workers	\$1.31	\$1.39	\$1.11	\$1.40	\$1.67	\$1.36
	Percentage of workers earning:					
Under \$0.50	4.6	2.1	8.1	1.7	0.6	2.2
Under 0.75	9.9	6.5	16.5	7.5	.7	2.2
Under 1.00	22.2	11.5	35.2	11.9	2.7	6.8
Under 1.25	37.9	26.3	56.4	28.8	9.7	17.0
Under 1.50	61.4	55.6	78.1	53.3	34.6	62.7
Under 1.75	84.4	90.7	90.7	90.9	74.7	90.8
Under 2.00	89.2	96.0	94.5	95.5	82.7	97.0

¹Classified according to use of hired workers in the peak quarter of 1966.

Source: Hired Farmworkers, A Study of the Effects of the \$1.00 Minimum Wage Under the Fair Labor Standards Act, U.S. Department of Labor, Wage and Hour and Public Contracts Divisions, January 1968. Based on special tabulations of the USDA, SRS May 1967 Enumerative Survey.

Table 5. Workers paid time-rate and piece-rates: Average hourly cash earnings and cumulative percentage earning less than indicated wages per hour, by minimum wage coverage status, Northeast, May 1967.

Average hourly earnings	Farms by use of hired workers ¹					
	All farms		500 man-days or fewer		More than 500 man-days	
	Paid time-rate	Paid piece-rate	Paid time-rate	Paid piece-rate	Paid time-rate	Paid piece-rate
All workers	\$1.35	\$1.34	\$1.20	\$1.96	\$1.60	\$1.15
	Percentage of workers earning:					
Under \$0.50	3.5	6.5	5.2	6.9	0.8	8.2
Under 0.75	8.8	6.5	12.7	6.9	.9	8.2
Under 1.00	17.3	11.5	24.8	18.2	2.5	8.9
Under 1.25	33.0	22.9	44.3	18.2	9.9	28.4
Under 1.50	59.0	54.6	67.1	38.7	42.3	59.4
Under 1.75	87.7	64.9	91.2	50.2	80.0	74.5
Under 2.00	92.8	76.3	95.1	68.1	87.6	81.6

¹Classified according to use of hired workers in the peak quarter of 1966.

Source: Hired Farmworkers, A Study of the Effects of the \$1.00 Minimum Wage Under the Fair Labor Standards Act, U.S. Department of Labor, Wage and Hour and Public Contracts Divisions, January, 1968. Based on special tabulations of the USDA, SRS May 1967 Enumerative Survey.

Reasonable value is actual cost to the employer without a profit. The reasonable cost of housing furnished, for example, is the cost of operation and maintenance, depreciation and not more than 5 1/2 per cent interest on the depreciated capital but in no case more than the fair rental of the housing. The same goes for other perquisites. If a farmer furnishes his workers milk or meat he can charge his actual costs as wages unless these costs are higher than the market price of the produce.

A little more than half of the hired workers on all farms received perquisites in addition to cash wages according to the survey made in May 1967 (table 6). A smaller proportion of workers on covered farms (40 per cent) but a larger portion of those on noncovered farms (almost 60 per cent) received some of their pay in the form of perquisites.

Some indication of the value of perquisites can be ascertained by comparing hourly cash earnings of workers receiving and those not receiving perquisites. Such a comparison suggests that the value of meals and housing was about 50 cents per hour of work on both the covered and noncovered farms. As might be expected, the value of meals only was a little less. The comparison also suggests that for some workers, considerations other than inclusion or exclusion of perquisites largely determine hourly earnings. On covered farms, for example, workers receiving perquisites other than meals or housing earned almost 50 cents more per hour than those receiving no perquisites.

Pay periods

The Act takes a single work week as its standard and does not permit averaging of rates or earnings over two or more weeks. For example, a worker who is entitled to \$1.30 an hour minimum wage must receive not less than \$1.30 for every hour worked in each work week. Thus, if such an employee works 60 hours in one week and 30 hours in another, he cannot be paid \$65.00 per week straight salary. In the week in which he worked 60 hours, he must receive at least \$78.00. This is true whether he is paid on a daily, weekly, monthly or other basis. An employee who is paid on a piece work basis must earn or receive at least the minimum wage for each hour worked. If he doesn't earn at least the minimum wage, computed by adding his earnings from piece rates and dividing this by the hours worked in the week, the employer must "make up" the earnings to the statutory minimum.

Independent operator - employee

In most situations, there is little doubt as to who is the employer and who is the employee. Many questions have been raised, however, about share croppers and tenants, and about crew leaders and custom operators. An overall factor is whether the principal is following "the usual path" of an employee or that of an independent operator.

Table 6. Number of workers and average hourly cash earnings by perquisite and minimum wage coverage status, Northeast, May 1967.

Perquisite status	Farms by use of hired workers ¹					
	All farms		500 man-days or fewer		More than 500 man-days	
	No. of workers	Average hourly earnings	No. of workers	Average hourly earnings	No. of workers	Average hourly earnings
	1,000	Dollars	1,000	Dollars	1,000	Dollars
All workers	73.3	1.35	48.0	1.21	25.3	1.60
No perquisites	35.2	1.52	19.9	1.34	15.3	1.67
Meals and/or housing	35.6	1.21	26.3	1.14	9.3	1.38
Meals only	7.1	1.04	7.0	1.02	0.1	1.23
Housing only	19.3	1.39	11.0	1.38	8.3	1.40
Meals and housing	9.2	.95	8.3	.90	.9	1.17
Other than meals or housing	2.5	1.49	1.8	1.19	.7	2.15

¹Classified according to use of hired workers in the peak quarter of 1966.

Source: Hired Farmworkers, A Study of the Effects of the \$1.00 Minimum Wage Under the Fair Labor Standards Act, U.S. Department of Labor, Wage and Hour and Public Contracts Divisions, January, 1968. Based on special tabulations of the USDA, SRS May 1967 Enumerative Survey.

Those individuals called share croppers or tenants whose work is closely directed and who have no actual discretion in the operations are in fact employees by another name. At the other extreme, tenant farmers who actually control their farm operations are not employees.

For crew leaders, one who merely assembles a crew and brings them to the farm to be supervised and paid directly by the farmer, and who does the same work and receives the same pay as the crew members, is an employee of the farmer as are members of his crew. The situation is entirely different, however, in the case of such custom work as crop dusting or grain harvesting and threshing. In these cases, the contractor has a substantial investment in equipment and his business decisions and judgments materially affect his opportunity for profit or loss. He is an independent operator rather than an employee of the farmer.

The U.S. Supreme Court, in 1947, set up a series of characteristics which they believe would help in deciding whether an individual was an employee or an independent operator. At the same time the Court stated that there is no single rule or test for determining whether an individual is an employee or is an independent contractor, but stated that the total situation controls. Among the criteria the Court felt important are: (1) the extent to which the services rendered are an integral part of the principal's business; (2) the permanency of the relationship; (3) the opportunities for profit or loss; (4) the initiative, judgment or foresight exercised by the one who performs the services; (5) the amount of the investments; and (6) the degree of control which the principal has in the situation.

Employment of Children

Children under 16 years of age may not be employed in agriculture during school hours. They may not be employed at any time in an agricultural occupation found hazardous by the Secretary of Labor. These restrictions apply to children hired regardless of whether the farm employer is required to pay the minimum wage.

The following tasks in agriculture are considered to be hazardous:

- (1) Handling or applying anhydrous ammonia, organic arsenic herbicides, organic phosphate pesticides, halogenated hydrocarbon pesticides, or heavy-metal fungicides, including cleaning or decontaminating equipment used in application or mixing of such chemicals.

- (2) Handling or using a blasting agent. For the purpose of this subparagraph, the term "blasting agent" shall include explosives such as, but not limited to, dynamite, black powder, sensitized ammonium nitrate, blasting caps, and primer cord.
- (3) Serving as flagman for aircraft.
- (4) Working as --
 - (i) Driver of a truck or automobile on a public road or highway.
 - (ii) Driver of a bus.
- (5) Operating, driving, or riding on a tractor (track or wheel) over 20 belt horsepower, or attaching or detaching an implement or power-take-off unit to or from such tractor while the motor is running.
- (6) Operating or riding on a self-unloading bunk feeder wagon, a self-unloading bunk feeder trailer, a self-unloading forage box wagon, a self-unloading forage box trailer, a self-unloading auger wagon, or a self-unloading auger trailer.
- (7) Operating or riding on a dump wagon, hoist wagon, fork lift, rotary tiller (except walking type), or power-driven earthmoving equipment or power-driven trenching equipment.
- (8) Operating or unclogging a power-driven combine, field baler, hay conditioner, corn picker, forage harvester or vegetable harvester.
- (9) Operating, feeding, or unclogging any of the following machines when power-driven; stationary baler, thresher, huller, feed grinder, chopper, silo filler, or crop dryer.
- (10) Feeding materials into or unclogging a roughage blower or auger conveyor.
- (11) Operating a power-driven post-hold digger or power-driven driver.
- (12) Operating, adjusting, or cleaning a power-driven saw.

- (13) Felling, bucking, skidding, loading, or unloading timber with a butt diameter of more than 6 inches.
- (14) Working from a ladder or scaffold at a height over 20 feet.
- (15) Working inside a gas-tight type fruit enclosure, gas-tight type grain enclosure or gas-tight type forage enclosure, or inside a silo when a top unloading device is in operating position.
- (16) Working in a yard, pen or stall occupied by a dairy bull, boar, or stud horse.

The restrictions regarding employment of children under 16 years of age in jobs considered to be hazardous do not apply:

- (1) To children employed by their parents or a person standing in place of his parent on a farm owned or operated by such parent or guardian.
- (2) To student-learners enrolled in a bona fide co-operative vocational education training program in agriculture provided such student-learner is employed under a written agreement which provides:
 - (a) that work of the student-learner in hazardous tasks is incidental to his training;
 - (b) that such work is intermittent and for short periods of time, and under the direct and close supervision of a qualified and experienced person;
 - (c) that safety instructions shall be given by the school and correlated by the employer with on-the-job training, and;
 - (d) that a schedule of organized and progressive work processes to be performed on the job shall have been prepared.
- (3) To 4-H members and other youths 14 and 15 years of age who satisfy the following requirements (this exemption is limited to the hazardous tasks listed in (5) to (10) above):
 - (a) For 4-H members, familiarity with the normal working hazards in agriculture and for other youth, completion of a 4-hour orientation on the subject.

- (b) He has completed all units of the first-, second-, third-, and fourth-year manuals of the 4-H tractor program or its equivalent as conducted by the Cooperative Extension Service of a land grant college or university (4-H members are exempt from task (5) upon completion of the first-to-third-year manuals).
- (c) He has passed a written examination on tractor and farm machinery safety and has demonstrated his ability to operate a tractor safely with a two-wheeled trailed implement on one of the 4-H Tractor Operator's Contest Courses or its equivalent and to operate farm machinery safely.
- (d) His employer has on file a true copy of a certificate relating to him, signed by the 4-H or other volunteer leader and a county agricultural agent of the Cooperative Extension Service of a land grant college or university to the effect that all the requirements have been met.

Employment of full-time students

If the Secretary of Labor feels that the employment of students will not reduce employment opportunities for workers, he may issue a certificate allowing a student to work part-time on the farm during the school year in compliance with applicable child labor laws, not to exceed 20 hours a week, or full time during vacations. Time worked by students during any month cannot be higher relative to all workers on the farm than it was during the corresponding month in the year ended February 1, 1967. Work must be paid for at a wage rate not less than 85 per cent of the applicable minimum rate. Applications for such certificates are made at Regional or District Wage and Hour and Public Contracts Divisions offices. Separate application must be made for each farm and the certification will not be issued for longer than a year.

Employment of handicapped workers

Handicapped workers can, by regulation or order of the Secretary of Labor, be employed, including on farms under special certificates at rates which are not less than 50 per cent of the applicable minimum rate and are commensurate with those paid non-handicapped workers in the vicinity for essentially the same type, quality, and quantity of work.

Reports

There are no periodic reports to be made under this Act.

Records to be maintained

Various groups of farm employers must maintain and preserve for at least 3 years different kinds of records depending on the kinds of workers they hire, how many and how long they work. However, the records need not be kept in any particular or set form. For many farmers the required records are about what he already keeps for social security, income tax, or payroll purposes.

- I. A farmer who used fewer than 500 man-days of hired labor including agricultural workers supplied by crew leaders (who are not independent contractors) in every quarter of the preceding year and reasonably expects to continue to do so is not required to keep any records. However, every farmer who employs any minor under 18 years of age, except his own, on days when school is in session or on any day if the minor is employed in a hazardous job shall maintain and preserve records containing the following data on each and every minor so employed:
 1. Name in full. This shall be the same as that used for Social Security purposes.
 2. Place where minor lives while employed. If the minor's permanent address is elsewhere, give both addresses.
 3. Date of birth.
- II. A farmer who reasonably anticipates that he will use 500 or more man-days of hired labor in any quarter of the current year, including workers supplied by crew leaders but excluding the two kinds of workers not counted in the 500 man-day test (see page 3) shall maintain and preserve payroll records containing the following information with respect to each worker:
 1. Name in full. This shall be the same as that used for Social Security purposes.
 2. Home address, including zip code.
 3. Sex and occupation in which employed (sex may be indicated by Mr., Mrs., and Miss).

4. Symbols or other identifications separately designating the four kinds of workers not covered by the minimum wage (see page 3).
5. The number of man-days worked each week or month by each worker, other than the two kinds of workers excluded in the 500 man-day test (see page 3).

III. A farmer who used more than 500 man-days of hired labor in any quarter of the preceding year, excluding the two kinds of workers not counted in the 500 man-day test (see page 3) shall, in addition to the records indicated in II above, maintain and preserve the following records for each worker except the four kinds of workers not covered by the minimum wage (see page 3).

1. Time of day and day of week on which the employee's work week, or the work week for all employees, begins.
2. Basis on which wages are paid (such as "\$1.30 an hour"; "\$15 a day"; "piece work.")
3. Hours worked each workday and total hours worked each work week.
4. Total daily or weekly earnings.
5. Total additions to or deductions from wages paid each pay period.
6. Total wages paid each period.
7. Date of payment and pay period coverage by payment.

IV. A farmer who employs any hand harvest piece-rate workers who are excluded from coverage and from the 500 man-day count (see page 3) shall obtain and preserve a statement from each such employee showing the number of weeks he was employed in agriculture during the preceding year. This shall be in addition to other required records.

V. A farmer who employs any migrant minors who are exempt from minimum wage coverage (see page 3) shall obtain and preserve the minor's date of birth and the name of the minor's parents or person standing in place of his parents. This shall be in addition to the records required under II.

- VI. A farmer who employs any full-time students at special minimum wages under student certificates shall:
1. Obtain and preserve information from the school attended indicating that the employee is a full-time student.
 2. Maintain records of the monthly hours of employment of the full-time students and of all employees to whom the minimum wage provisions of the Act applies.

Enforcement

Any person who willfully violates any of the provisions of the Act shall upon conviction be subject to a fine of not more than \$10,000 or to imprisonment for not more than six months, or both. No person shall be imprisoned under this provision except for an offense committed after the conviction of such person for a similar prior offense.

The law depends chiefly for its enforcement on the knowledge of workers of the existence of the law and of their privilege to protect their own rights. This has avoided the monumental task of preparation and review of regular reports from employers or of attempting to police all of American industry and agriculture.

If workers feel they are not being paid according to the law, they have two courses open to them. They may request an investigation by the Wage and Hour and Public Contracts Divisions of the Department of Labor. If the Administrator finds that a violation has been made, he will normally suggest to the employer that he pays the backpay and thus settle the case. If no settlement is reached by this method, the Administrator may take the case to the Federal District Court. The Court will then rule on the disagreement and may, of course, order the backpay.

The second way a worker can handle his disagreements is to hire an attorney and file civil suit against his employer in a Federal District Court. In this case, if he proves his case to the court, the court may levy double backpay and legal fees against the employer. Whether he wins or loses, the employer pays his own legal fees.

There is a two-year statute of limitations on the recovery of backpay for workers, except for a willfull violation. In this case, action may be commenced within three years of the occurrence of the violation.

State Minimum Wage

All 12 states in the Northeast, along with many others, have minimum wage laws. In most States, including all in the Northeast, the minimum rate is statutory, that is, set in the law itself. In addition, in some States, wage boards may set minimum rates for certain industries, occupations or kinds of workers. In the Northeast States, the basic statutory minimum rate in effect in 1968 varied from \$1.00 per hour in Delaware, Maryland, and West Virginia to \$1.60 per hour in Massachusetts. In the state laws, coverage varies among kinds and sizes of enterprises, among workers depending on such characteristics as age, sex, and experience, and among occupations. Until 1966, agriculture was exempt from coverage in all 12 Northeast states. Since then state coverage has been extended to agriculture in Massachusetts and New Jersey.

New Jersey

During 1966, the New Jersey State Wage and Hour Law was enacted. It provides for minimum wages for all hired farm workers 18 years of age and older as follows:

December 15, 1966	\$1.25 per hour
January 1, 1968	\$1.40 per hour
January 1, 1969	\$1.50 per hour

In addition to these statutory rates, there is provision for the establishment of wage boards who have broad latitude in recommending "minimum fair wage rates." There is no minimum wage for farm employees under 18 years of age as they are not covered by the statutory minimum and a wage order for them has not been issued by a wage board.

Massachusetts

During 1967, the Massachusetts minimum wage law was amended to bring persons employed in agriculture and farming under coverage. The amendments provide for minimum wages for hired farm workers as follows:

November 1, 1967	\$1.20 per hour
February 1, 1968	\$1.35 per hour
February 1, 1969	\$1.50 per hour

Youth under 18 years of age and members of the employer's immediate family as parent, spouse and child are exempt from coverage.

Other provisions of the New Jersey and Massachusetts minimum wage laws are similar to the Federal Fair Labor Standards Act, such as:

1. Farm workers include those employed in growing and harvesting crops, raising livestock and preparing and delivering the products of the employer's farm to market. Workers who do incidental farming operations on a farm are also considered farm workers whether employed by a farmer or by an independent contractor. Farm employment, however, does not include work off the farm performed by employees other than those employed by the farmer.
2. Farm workers are exempt from the overtime provisions.
3. The value of perquisites furnished workers can be included as part of wages.
4. Payroll and other records must be maintained from which hourly earnings including value of non-cash compensation can be computed for each work week.

Minimum Wage Rates for Field Workers
In Sugarbeets and Sugarcane

Background

The Jones-Costigan Act of 1934 first authorized the Secretary of Agriculture to fix minimum wages for fieldworkers under production-adjustment contracts with growers. However, the Sugar Act of 1937, designed to control the domestic supply and price of sugar, included a specific provision that producers as a condition for receiving direct payments under that act must have paid fieldworkers wage rates not less than those determined by the Secretary of Agriculture to be fair and reasonable. This provision has remained unchanged in subsequent Sugar Acts. The legislation further provides that wage determinations shall be issued by the Secretary "after investigation and due notice and opportunity for public hearing." Accordingly, annual hearings have been held in each of the domestic sugar producing areas to obtain evidence on subjects relating to all factors having a bearing on fair and reasonable wage rates.

Factors considered

The following items are important in making the wage determinations:

1. Negotiated wages. Wage rates which are negotiated between qualified producer and worker organizations may be adopted as fair and reasonable wage rates.

2. Cost of living. Fair and reasonable wage rates recognize changes in living costs particularly of food and clothing. These two items represent major living expenditures of fieldworkers.
3. Ability to pay. Analyses are made of the costs and incomes per acre and per ton of sugarbeets and sugarcane, and per hundredweight of raw sugar. These analyses give consideration to changes in yields of sugarbeets or sugarcane, recoveries of sugar, mechanization, changes in production methods and worker efficiency.

Wage rates

Fair and reasonable minimum wage rates for sugarbeets are developed on both an hourly and a piece-work basis. The latter are established for several operations for which workers are frequently paid piece-work rates. For example, the 1967 rate for hoeing sugarbeets (removing weeds and excess beets with a hoe only) was \$13.50 per acre. The minimum hourly rate has risen greatly over the years and was \$1.35 per hour in 1966 and \$1.40 in 1967. Piece-rates also have increased and are set at levels which should return to workers higher hourly earnings than the specified time-rate for the same operation.

The hourly rate may be reduced by not more than one-fourth for workers 14 to 16 years of age. Workers of these ages may not be employed for more than 8 hours per day without a deduction from Sugar Act payments to the producer.

ADMINISTERING AGENCIES

Federal Minimum Wage

Wage and Hour and Public Contracts Divisions, U. S. Department of Labor
Washington, D. C. 20210.

In the Northeast, Regional Offices of the Divisions are located at Boston, Massachusetts; New York, New York; and Chambersburg, Pennsylvania. In addition, one or more field offices are maintained in each State.

State Minimum WageNew Jersey

Wage and Hour Bureau, Department of Labor and Industry, Box V, Trenton
06825.

Massachusetts

Division of Minimum Wage, Department of Labor and Industries, State House,
Boston.

Minimum Wage for Sugar Workers

Agricultural Stabilization and Conservation Service, U. S. Department of
Agriculture, Washington, D. C. 20250.

The Service maintains an office in each state and in most agricultural counties.

PUBLICATIONS

Federal Minimum Wage

Fair Labor Standards Act of 1938, as Amended. U. S. Department of Labor, Wage and Hour and Public Contracts Divisions, WHPC Publication 1167, November 1966. -- Revised text of the Act, showing in bold face type new or amended language provided by the Amendments of 1961, and showing in italics new or amended language provided by the Amendments of 1966, as enacted September 23, 1966.

Handy Reference Guide to the Fair Labor Standards Act. U. S. Department of Labor, Wage and Hour and Public Contracts Divisions, WHPC Publication 1231, April 1968. -- As the name implies, this publication provides general information concerning the application of the entire Act including the nonfarm aspects as well as those pertaining to farms. Lists cities in which the Divisions maintains offices where more information can be obtained.

Hired Farm Workers Under the Fair Labor Standards Act as Amended in 1966. U. S. Department of Labor, Wage and Hour and Public Contracts Divisions, WHPC Publications 1161, October 1966. -- Pocket-sized pamphlet containing only general information on the application of FLSA to farming such as the definition of agriculture and man-day, covered work, who is exempt, etc. It is not to be considered in the same light as official statements of positions formally adopted and published.

Determinations Under and Interpretations of Section 3 (m) of the Fair Labor Standards Act. U. S. Department of Labor, Wage and Hour and Public Contracts Divisions, WHPC Publication 1210 (Regulations, Part 531), September 1967. -- These regulations deal with perquisites and the definition and method of computing such items as "reasonable cost" and "fair value" are explained. Other terms, like "furnished," "customarily, and "other facilities" are discussed. Farming is not treated separately.

Agriculture and the Child Labor Requirements Under the Fair Labor Standards Act as Amended in 1966. U. S. Department of Labor, Wage and Hour and Public Contracts Divisions, WHPC Publication 1229 (Child Labor Bulletin No. 102), January 1968. -- A pocket-sized pamphlet containing questions and answers concerning the child-labor provisions of FLSA as applied to agriculture.

A Guide to Child Labor Provisions of the Fair Labor Standards Act As Amended in 1966. U. S. Department of Labor, Wage and Hour and Public Contracts Divisions, WHPC Publication 1177 (Child Labor Bulletin No. 101), January 1967. -- Agriculture is covered in the publication but most of it is devoted to information regarding child labor in nonfarm industries. It includes a list of nonagricultural occupations considered hazardous for employment of children under 18 years of age.

Occupations in Agriculture Particularly Hazardous for the Employment of Children Below the Age of 16. U. S. Department of Labor, Wage and Hour and Public Contracts Divisions, WHPC Publication 1226, November 1967.

-- Lists agricultural occupations considered to be hazardous for employment of children under 16 and indicates situations under which regulations shall apply.

What Crew Leaders and Contractors of Farm Workers Should Know About Minors Employed in Agriculture Under the Fair Labor Standards Act As Amended in 1966. U. S. Department of Labor, Wage and Hour and Public Contracts Division, WHPC Publication 1170, January 1967. -- The aspects of child labor and school attendance related to recruitment and employer of crews containing children are explained.

Employment of Full-Time Students At Special Minimum Wages. U. S. Department of Labor, Wage and Hour and Public Contracts Divisions, WHPC Publication 1223 (Regulations, Part 519), July 1967. -- Contains an explanation of the circumstances under which full-time students may be employed at special rates.

Records to be Kept by Employers Under the Fair Labor Standards Act of 1938, as Amended. U. S. Department of Labor, Wage and Hour and Public Contracts Divisions, WHPC Publication 1221 and 1222 (Regulations, Part 516) July 1967. -- Lists records to be maintained by various kinds of employers including farm operators.

State Minimum Wage

New Jersey

New Jersey State Wage and Hour Law, Chapter 113 Laws of New Jersey 1966, MW 201. -- This publication consists of a reprint of the entire Act.

Farm Coverage Under the New Jersey Wage and Hour Law and Wage Payment Law. By John M. Hunter, Rutgers University, Cooperative Extension Service, Leaflet 408, December 1966. -- Pocket-sized pamphlet explaining the minimum wage and wage payment laws as they apply to farming.

Massachusetts

An Act Establishing Minimum Wage For Farm Workers and Providing for the Annual Inspection of Farm Labor Camps, The Commonwealth of Massachusetts, Chapter 718 of the Acts of 1967. -- A reprint of the entire Act.

Massachusetts Minimum Wage Law, Farm Minimum Wage Law - Chapter 718 of the Acts of 1967. -- (Summary of the Act prepared by the Agricultural Extension Service, University of Massachusetts).

Minimum Wage for Sugar Workers

Wage Determinations Under the Sugar Act. U. S. Department of Agriculture, Commodity Stabilization Service, Sugar Reports, No. 32. December 1954.

-- The development of "fair and reasonable" wages in the legislation and in administration is traced. Criteria for making the wage determinations are listed and changes over time in the rates and related series are shown.

Wage Rates: Sugarbeets: Effective April 17, 1967, and Continuing in Effect Until Amended, Superseded, or Terminated. U. S. Department of Agriculture, Agricultural Stabilization and Conservation Service, (Reprinted from Federal Register of April 1, 1967). -- Wage rates per hour determined to be fair and reasonable are shown along with rates per acre for the operations often done on a piece rate basis.

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