PROCEEDINGS

of the

WESTERN FARM ECONOMICS ASSOCIATION

Tenth Annual Meeting

June 24, 25, and 26, 1937

UNIVERSITY OF NEVADA

Reno, Nevada

EARNINGS OF FARM LABOR[1/]

Alden E. Orr
Assistant Professor,
Department of Farm Management and Agricultural Economics
State College of Washington

In his paper entitled "Farm Labor," Professor R. L. Adams of the University of California briefly reviewed for us the history of agricultural labor problems of the West as well as presented an array of unsolved situations facing us today. It is to be regretted, especially in the light of recent labor trends, that we do not have sufficient time during these meetings to analyze thoroughly the problems of agricultural labor so that we can understand better their scope, significance, and implications.

The significance of farm wage laborers in the field of agriculture may be partially judged by the following facts. It is estimated that two-thirds of the world's population of 2,013,000,000 persons are engaged in agriculture. The proportions range from 20 to 75 per cent of the population of the several countries. Of those engaged in agriculture, from 10 to 66 per cent are engaged as wage workers. More than 25 per cent of all persons reported in the United States Census of 1930 as gainfully employed in agriculture were classified as wage laborers.

Probably California has more and larger labor problems in agriculture than any other state. The problems are there as a result of previous developments. The major agricultural labor problems are found in regions where the farms are specialized. In those regions it is necessary to have available for short seasons a number of laborers far in excess of the number than can be supported by the local communities during the remainder of the year.

The "Earnings of Farm Labor" is the topic to be discussed in this paper. In the few minutes I have been allotted, I shall attempt to do two things. First, I shall present a brief historical picture of the relationship between farm wages and farm income in the United States, and second, to approach more definitely the problem of earnings by using data from selected areas in the State of Washington.

Farm Wage Rates. The first nation-wide inquiry concerning farm wages in this country was made in 1866 by the Federal government through its corps of crop correspondents. Eighteen other inquiries were made between 1866 and 1909. An annual inquiry into farm wage rates was started in 1909 and continued until 1922. Since 1922 a quarterly

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1/ This is a discussion based on an assigned part of Professor R. L. Adams' paper, "Farm Labor," and was read at the Tenth Annual Meeting of the Western Farm Economics Association, University of Nevada, Reno, Nevada, June 24-26, 1937.

quiry has been made. Inquiries are made now through the crop reporters the crop reporting service of the United States Department of Agri- lture.

During the War farm wage indices, using the 1910-14 base, re- ined below indices of gross and net farm incomes. Wages of farm labor ell much less than did farm incomes after the War but more than wages of dustrial workers. From 1921 to 1932 indices of farm wages remained ove net farm income and from 1930 to 1932 also above gross farm income. nce 1932 they not only have lagged but have fallen below gross and net erm income. The index of farm wages, using the 1910-14 base, was 80 in 933, six points lower than a year earlier, and 107 in 1936, whereas the ndex of gross farm income without benefit payments was 79 in 1932, 91 in 933 and 134 in 1936.

Farm wage and farm income data point to the conclusion that they ave a tendency to move together with wages lagging from one to two years ehind farm income. Just why this relationship is maintained during a ar, depressions, droughts, and periods of plentiful production has often een discussed. Some economists have thought the relationship existed ecause employers tended to share their total income, whatever its size, ith laborers because the laborer is often a member of a neighboring arm family. Such a contention certainly does not fit regions in which arm laborers are of a social or racial class different from that of the mployer. Perhaps there is little reason for supporting such a conten- tion anywhere. Another explanation often cited for this relationship is that employers bid for labor, setting the upper limit of wages at levels early comparable to the farm income of the preceding year, either ecause they have the money or because they anticipate an income similar o that received during the previous season.

The lagging of farm wages behind farm income is worthy of some omment. Wages did not reach their peak during the War but reached it in 1920 when farm income dropped sharply. Again in 1930 both wages and farm ncome declined. With wages declining relatively less than farm income, the result was that they were above farm incomes during 1930, 1931 and 1932. As is to be expected, farm wages did not turn upward in 1933 but did in 1934. Some groups have been much concerned over the failure of wages to increase as rapidly as farm incomes since 1933. It seems rather fundamental that if wages during 1921 to 1929 should remain above net farm income because of industrial wages and the cityward movement of rural folk, then during a period of reverse migration, such as 1930 to 1935, that farm wages should not remain at a premium above farm income, but should fall below net farm income and remain there as long as urban unemployment is at a high level.

Farm wages vary widely throughout the country by regions, states, and communities and they also vary widely during seasons of the year within communities. Possibly variations in farm wages are as large within some states as within the country as a whole. Farm wages per month with board are usually higher in the Pacific Coast and Mountain

States than in any other group of states. The average rate for these regions during the 1925-29 period was $53.10 and $50.50 respectively. These rates compare with $23.80 in the East South Central States and $28.00 in the South Atlantic States. For 1936 the reported wages for these four farm regions were as follows: Pacific Coast, $36.50; Mountain, $29.96; East South Central, $14.09; and South Atlantic, $14.75. Indices of farm wages for the United States for January 1, 1937, were 103 and 112 respectively as compared with 94 and 101 for the corresponding months in 1936. Wages in the Mountain and Pacific Coast States are also proportionately higher than for last year.

Duration of Employment. Professor Adams has pointed out that in California 48,000 agricultural workers are needed during March and 144,700 during September. He also pointed out that actually fewer than 48,000 agricultural workers can be given yearly employment because of the varying nature of work to be done and the widely separated areas offering employment. From his data one can conclude that for more than 50 per cent of the workers needed during September less than seven months per year employment is possible in agriculture.

Thirty-one wheat farmers during 1933, all located in eastern Washington near Pullman, provided yearly employment for six men, ten months employment for a seventh, and nine months for an eighth man. Most of the 31 farmers hired day laborers for short periods during the eight months, March to October inclusive. The peak of labor requirements on these 31 farms came in August, the harvest season, when 51 months of labor were hired of which 44 (26 days per month) consisted of day labor. July required the next largest amount of labor, 33 months being hired.

During 1935, 33 wheat farmers in the same area of Washington employed four men on a yearly basis, Three more laborers had steady work on a farm for nine months, and a fourth for four months. More labor was hired on a monthly basis in 1933 on 31 farms than was hired in 1935 on 33 farms. However, more day labor was hired during 1935. Over 50 per cent of the labor hired on these farms during 1935 was hired during the months of July and August.

The average seasonal wage for laborers on these farms during 1933 and 1935 was $2.90 and $2.56 per day, and $34.10 and $48.25 per month respectively. The relatively more day employment during the high wage-rate season in 1933 than in 1935 is responsible for the higher daily wage during 1933. The total sum of wages paid by the Palouse farmers in 1935 increased 42 per cent over those paid in 1933, whereas during the same years, the average farm income increased less than seven per cent. Seasonal employment throughout the wheat region of Washington is similar to that on the farms near Pullman.

One might conclude from the data pertaining to wheat farms that 40 per cent of the laborers required during the peak season would be employed for a period of six months. If this were true, assuming 1935 wage rates, each employee employed for six months would earn approximately $375 during the season. However, wheat farmers instead of employing a day hand for a month are more likely to employ two men for one-half a month, or more men for fewer days. Data pertaining to selected areas in the wheat region indicate that earnings per employee per season are low. Probably the average cash income does not exceed $75 to $100 per worker. This amount represents the cash income from a single area only and does not take into account possible supplemental income from work in other areas.

Data of all labor except that of the operator on 341 irrigated farms in Yakima County during the period July 28, 1935 to July 25, 1936 indicate the serious position of agricultural labor in the region.[1]

The duration of jobs on the Yakima County farms is most striking. The greatest number of jobs on fruit farms lasted from 3 to 6 days, and on general farms they lasted from 1 to 3 days. More than 70 per cent of the total number of jobs on the farms studied lasted one week or less, and only 1.2 per cent covered a period of 12 or more weeks. The peak in seasonal labor in Yakima County was reached during the second week of September at which time an estimated 33,000 full time workers (60 hours per week) were needed. This peak was 66 times the labor employed during the months of December and January. To meet the labor requirements in Yakima County in addition to the 4,000 to 6,000 resident farm laborers, the following number of transients are needed for the respective periods:

2,000 to 4,000 during June and the first two weeks of July,
25,000 during the first two weeks of September,
10,000 during the third week of September, and
5,000 during the first three weeks of October.

The annual cash income for over 22 per cent of 456 laborers, based on case records obtained by interview, was less than $100, and almost half of them (47 per cent) earned less than $200. Approximately 25 per cent earned more than $400 per year. The highest paid group was that of resident family heads who had a cash income of $460. This figure compares with $163 for the group with the lowest cash income who were transient, single workers.

The employment situation in agriculture directly reflects upon the income of farm laborers and the relief burden. Of the laborers on relief, 89 per cent had an income of less than $400 per year. The average income for relief workers was about $200, whereas non-relief workers had an income of nearly $400. Income of relief households averaged $269, and non-relief households $465 per year. The income of the household is a better index of the economic status of the family than the cash income of the family head alone. Other illustrations of the annual income to labor might be cited, but the results would be no more encouraging.

Apparently one of the most limiting factors affecting the

1/ P. H. Landis and M. S. Brooks, "Farm Labor in the Yakima Valley, Washington," Washington Experiment Station Bulletin No. 343, December, 1936.

annual earnings of the majority of laborers in agriculture is that of duration of employment. Increased duration of employment might be attained by a reorganization of present farming systems to a less exploitative basis. Even with our present systems of farming, the total number of persons needed to meet the seasonal requirements in various regions might be reduced by a knowledge of the seasonal demands for labor in communities, states, and regions. If this knowledge could be applied so as to reduce the laborers' period of unemployment between jobs, it should result in an increased annual income for those employed in agriculture. If agriculture in the future is to be responsible for its laborers, then some adjustments must be made.

Professor Adams in his paper pointed to the central farm labor problem facing the employer today as being that of finding an adequate supply of competent seasonal workers. However, in addition to the employer's problem is another of at least equal importance. It is the problem facing the employee to find sufficient agricultural employment or supplemental non-agricultural employment to provide the necessary earnings by which he can maintain himself and his family. The problem is not only that of supplying the farm operator with seasonal laborers, but also that of supplying the laborer with work of sufficient duration so that he can earn an adequate yearly income.

Can an agriculture dependent to such a degree upon seasonal labor as is commonly found in the West today afford to pay the seasonal worker a wage sufficient to provide him with a reasonable standard of living?