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~~Waller Wynne, Jr.~~

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics

ANALYSIS OF THE OPERATION OF THE WAGE CEILING IN THE
ASPARAGUS INDUSTRY, SACRAMENTO-SAN JOAQUIN DELTA, 1943

This study was made at the request of the California State Wage Board, which assumed responsibility for administering the first ceiling order on agricultural wage rates in April 1943. This order covered rates for cutting, sledding, and packing cannery asparagus. The State Wage Board has subsequently administered wage ceiling orders for harvesting operations in raisin grapes, cannery tomatoes, and cotton. Surveys are also being made of the operation of those ceiling orders.

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By William H. Metzler, Social Science Analyst

SUMMARY OF FINDINGS

Need for Wage Regulation

When laborers began leaving California farms for defense industries and for the armed forces one of the groups hardest hit was the asparagus growers in the Sacramento-San Joaquin Delta. Over a period of years they had virtually yielded a monopoly on asparagus cutting to the Filipinos and when large number of these workers were attracted elsewhere no ready substitute for them was available. Growers, becoming panicky, began bidding up the wages in an effort to hire the workers who remained. In 1943, prices for early market asparagus, running as high as \$18 to \$21 a crate, resulted in wage levels so high that growers felt that they would find it unprofitable to harvest their late-season cannery asparagus at the expected cannery price of 7 to 8 cents a pound.

Functioning of the Ceiling

Ceiling rates for cutting, racking, washing, and boxing cannery asparagus were established by the Food Production Administration as of April 12, 1943. These were lower than rates paid earlier in the season but were a good deal higher than many growers wished to pay.

The ceiling was an entirely new device in the farm-labor field and both growers and workers were unfamiliar with their rights and duties in connection with it. The workers suspected that it was a device by the growers to cut their wages and many refused to work unless they were paid more than the ceiling rates. Some growers gave in to such requests and in effect pirated crews from their neighbors who were standing by the ceiling order. After the State Wage Board

indicated that it intended to enforce the ceiling both growers and workers fell in line and there was little trouble for the rest of the season.

Accomplishments of the ceiling were as follows:

- (1) Reduction of wage rates to levels that permitted many more growers to harvest their crops.
- (2) Gradual elimination of labor pirating by growers and bidding up of wages by workers.
- (3) Greater utilization of the limited available labor force.
- (4) Reduction of the growing disunity and dissension among growers which has been having a detrimental effect on the asparagus industry.
- (5) Development of a practical set of precedents for use in establishing wage ceilings in other industries.

Shortcomings in relation to the ceiling may be listed as:

- (1) Lack of quick and effective enforcement machinery in case growers really started widespread violation.
- (2) Lack of an educational build-up to prepare growers and workers for a ceiling order.
- (3) Lateness of the ceiling. Wages had moved upward before the ceiling rates were established and it was difficult to lower them. Furthermore, the ceiling order impaired rights on private wage contracts which had been entered into before the order was issued.
- (4) Lack of familiarity with all the processes in the industry resulted in failure to set a rate for one essential operation and brought on new work stoppages when the ceiling rate was finally announced.
- (5) There was more publicity of violations of the ceiling than of its effective operation.

A high degree of success of this device in the asparagus industry does not mean that a comparable result could be obtained in all other agricultural industries. Asparagus growers are a highly compact group easily reached by enforcement and other authorities. The industry is small and the operations are fairly well standardized.

On the other hand, the asparagus industry has some marked disadvantages so far as application of a ceiling law is concerned: diverse nationality among the operators, a virtual labor monopoly by Filipino workers and contractors,

and such complicated practices of hiring and payment that it is extremely difficult to learn just what is going on. Many farm industries in the State are less complicated and should be more amenable to ceiling regulation.

INTRODUCTION

Wage ceilings for cutting, washing, hand-racking, and boxing asparagus in the delta area of California were issued by the Food Production Administration on April 12, 1943. This was the first order of the kind that had ever been issued in regard to agricultural wages and there was considerable speculation as to what the effect might be. The usual task of governmental agencies had been to set minimum rather than maximum wage levels, but the Emergency Price Control Act, of October 2, 1942, established authority in the Director of Economic Stabilization to prevent rises in farm-wage levels. This authority was delegated to the U. S. Department of Agriculture and was now being exercised for the first time.

Wages and other costs in the asparagus industry had risen so high as to make it impossible for some growers to harvest their crop with any profit. These wages were also out of line with those in other agricultural occupations and produced an upward spiraling effect on farm wages in the area. High asparagus wages were largely due to these factors: (1) The scarcity of labor for carrying on asparagus operations, (2) high prices for asparagus, (3) the necessity of cutting asparagus each day over a 3-month period, and (4) the fact that both growers and laborers were inclined to bid up wage levels.

Success of the ceiling has been sufficiently great that growers of other crops are clamoring for restrictions of the same type. The establishment and administration of such wage scales, however, involve several problems that are not readily apparent to the casual observer.

ORGANIZATION OF FINDINGS

A presentation of findings as to the operation of the asparagus wage ceiling involves the following factors. These appear as subtopics throughout the report:

(1) Factors giving rise to the request for regulation:

Reduction in working force;

Critical nature of labor needs in the industry;

Trend toward labor pirating;

The crew system;

Filipino labor and unionization;

Diversity and disunity among asparagus operators;

Contest over basis of payment;

High wages in market asparagus;

Failure of attempts to reduce wages when the work shifted from market to cannery asparagus.

(2) Operation of the ceiling order:

Announcement of the ceiling;

Adjustments for special cases;

Methods of evasion;

Problems of enforcement;

Opinions of the growers and other people in touch with the situation.

(3) Problems related to the asparagus labor situation and the wage ceiling:

Relationship of the ceiling wage to other wages and costs;

Timing of the ceiling;

Effect on existing contracts;

Probable effects of the ceiling on the industry.

(4) Relationship of Mexican importation to the asparagus labor problem.

WHY WAS REGULATION REQUESTED?

Reduction in Working Force

The asparagus area is located within 70 miles of the large shipbuilding and other war plants in the San Francisco Bay region, while dozens of smaller war industries are located within 20 miles of it (table 1). Farm workers were attracted to these industries both by high wage levels and by a desire to assist in the war effort.

As early as November 1941 farmers in California were alarmed by the dwindling supply of Filipino workers. At that time Alex Johnson, of the California Farm Bureau Federation, made a request that the U. S. Navy refrain from employing Filipino agricultural workers and that it release those who were needed for farm work. 1/ In 1942 not enough regular workers were left in the delta to harvest all the crops. Reports of the U. S. Employment Service for June 1, 1942, indicated a shortage of 3,600 farm workers in San Joaquin County. Asparagus growers were short 350 workers at that time and competition for cutters became one of the major problems of the industry. Early season offers to cutters of \$1.10 a hundred pounds brought no response. Some wage agreements were signed at \$1.35, but by the end of the season the growers were paying \$1.75 for cutting white asparagus and \$2.25 for green. Some cutters and contractors made it their business to go around bidding up the wages rather than to spend their time cutting asparagus. But bidding up of wages was quite as frequently started by growers who offered workers more than they were getting on their present jobs. Some growers tried to use Mexicans, Negroes, whites, "winos," or "anyone who could climb on a truck," but still lost several hundred thousand boxes of asparagus, according to the estimates of the Canners' League. 2/

1/ Composite Brief Summarizing all Briefs, Statements, and Discussions Offered before the California Agricultural Priority Clinic. San Francisco, Nov. 3, 1941.

2/ Special bulletin of Canners' League of California, Nov. 24, 1942.

Table 1.- Asparagus acreages, 1937-42, Sacramento-San Joaquin Delta Counties, other counties in California, and all producing States ^{1/}

States and counties	1937	1938	1939	1940	1941	1942
	Acres	Acres	Acres	Acres	Acres	Acres
California:						
San Joaquin County	15,970	21,930	25,960	31,470	31,030	33,950
Sacramento County	17,450	15,630	16,550	13,750	12,810	11,780
Yolo County	10,620	11,260	11,840	13,220	12,570	10,970
Solano County	11,520	11,160	10,170	8,110	6,320	4,680
Contra Costa County	5,470	5,570	7,100	8,050	7,040	7,030
Sutter County	990	990	60	60	90	80
Sacramento-San Joaquin Delta	62,020	66,540	71,680	74,660	69,860	68,490
Los Angeles County	1,350	1,450	1,600	1,750	1,800	1,520
Kern County	40	40	---	---	380	950
Fresno County	850	900	820	480	640	640
Tulare County	400	480	610	680	730	630
Imperial County	1,900	1,450	1,140	1,000	800	400
Madera County	---	---	---	300	300	400
San Diego County	300	250	320	300	250	340
Orange County	200	200	300	300	300	300
Merced County	---	---	---	50	70	70
San Luis Obispo County	---	---	40	20	80	60
Riverside County	50	50	50	50	50	50
San Bernardino County	50	50	50	50	50	50
Santa Barbara County	---	---	40	40	80	50
Stanislaus County	100	100	100	100	100	---
California, State total	67,260	71,510	76,750	79,780	75,490	73,950
New Jersey	11,000	12,100	14,000	15,000	15,500	19,800
South Carolina	8,800	8,000	8,200	8,300	8,300	8,000
Washington	3,600	4,200	6,200	7,000	8,000	8,500
Illinois	3,600	3,600	3,800	4,400	4,700	8,000
Pennsylvania	2,680	2,800	2,900	3,200	3,200	2,400
Maryland	2,400	2,500	2,500	2,500	2,500	2,300
Michigan	2,000	2,100	2,200	2,750	3,000	3,900
Massachusetts	1,950	1,900	2,000	1,950	1,900	1,800
Georgia	2,700	2,100	1,900	1,800	1,700	1,500
Delaware	1,200	1,300	1,300	1,300	1,350	1,500
Oregon	950	1,000	1,050	1,100	1,100	800
Iowa	300	240	250	520	530	530
Arizona	---	---	---	260	240	180
U.S. total outside Calif.	41,180	41,840	46,300	50,080	52,020	59,210
U.S. total	108,440	113,350	123,050	129,860	127,510	133,160

^{1/} Data on acreages in California counties from California Cooperative Crop Reporting Service, Vegetable Crops in California, April 1943. Data on acreages by States from Agricultural Statistics, U. S. D. A., 1939-1942.

During the summer of 1942 several thousand Filipino workers made their usual trip to Alaska to work in the fish canneries. Many did not return but remained there to work on defense and war installations. Furthermore, a large number of the white and Mexican migratory workers who harvest the Valley crops each year failed to return.

The farm labor situation grew tighter during the winter of 1943 and growers began sending in requests for Mexican Nationals to assist with their crops. As importation of Mexicans was proceeding very slowly, asparagus growers were afraid they might lose their crop.

Critical Nature of Labor Needs

The asparagus industry is rather unique in several ways. First in the list come its labor demands. An asparagus bed must be cut over with regularity, depending on the growth of the spears. Earlier in the season when the weather is cool the spears grow more slowly and the cutter works only 3 or 4 days a week. As the weather grows warm he must work every day irrespective of Sundays, holidays, rain, or blowing dust. If a single day of cutting is missed the asparagus becomes too fibrous to be sold, and the bed must be disked over to break down the old spears so new ones will form. The harvest usually begins in the latter part of February and runs till the end of June. During this time the operator is almost directly at the mercy of his labor force. Work stoppages or other delays are costly to him and have become more so since laborers cannot be replaced easily.

Trends towards Labor Pirating

Practically all hiring of workers in the asparagus industry is done through labor contractors. A labor contractor has ordinarily assembled a supply of from 10 to 300 workers who will work under him on jobs for which he can obtain contracts. To hold his workers a contractor must furnish them employment at the

best wage levels. Workers, however, make a practice of coming into town when the day's work is over and saying: "I get paid so much a box (usually a higher price) and I cut so many boxes today." Less fortunate cutters are immediately jealous and use pressure on their contractor to obtain a raise in rate of pay. To meet such pressure and hold his workers on the job, the grower in previous years has held back 50 percent of the cutter's wages until the end of the season. 3/ Furthermore, the contractor was paid a bonus of from \$1 to \$2 an acre if he completed the season. These methods have been reasonably effective in the past in preventing the workers from deserting a grower in the middle of the harvest.

But during the last 2 years the grower has lost his assurance that his labor force will stay on the job. In 1942, very few written contracts were signed that called for a holdback to the end of the season, and there were still fewer in 1943. Instead, the work was done on the basis of oral agreements which varied widely from one grower to another. Some growers were forced to pay in full at the end of each 2 weeks, which is the customary pay period. Others had to pay in full at the end of the green market season which left them without a hold on their crews to continue cutting asparagus for the cannery.

This situation would not have been bad if there had been a normal supply of workers, but labor scarcity led to labor pirating and the responsible grower no longer had adequate protection against operators who tried to bid away his workers. He also had less protection against workers and contractors who might

3/ Although "holdback" contracts are illegal in California the urgent need of asparagus growers for a continuous labor force has been recognized by State enforcement officials and they have allowed the 50-percent-holdback practice to continue in this industry.

attempt to bid up wages in various ways. 4/

The Crew System

It has been the practice among Oriental workers in the delta to operate in crews, the supervision and business relationships of which are handled by a labor contractor or one of his associates. This custom works especially well in cutting and packing asparagus. A grower will ask a contractor for a crew large enough to both cut and pack his asparagus or to perform one of the 2 operations if he conducts the 2 processes separately. The contractor assigns his workers to cutting, sledding, packing, and cooking so that all processes will be coordinated.

In field operations the lead man in the cutting crew starts to work a few minutes earlier than his associates. When he has cut a handful of asparagus he places it on the row next to his. The cutter on that row moves it on to the next together with what he has cut from his own row. Cutters on the succeeding rows do the same until all the asparagus is moved over to the sled row, which is ordinarily the seventh. It is impossible, therefore, to tell just how much asparagus each man cuts. The sled men then haul the asparagus to the packing shed where the packing crew place it in racks, cut it to the desired length and pack it in crates or boxes. Every 2 weeks the farm operator totals the number of pounds of asparagus that has been cut and pays the contractor or crew boss 50

4/ There is considerable controversy as to whether growers or workers are more responsible for bidding up wage rates. It is common procedure for contractors and workers to put pressure on growers to get them to raise their original offer, e. g., "Your offer of \$3 is much too low. Jim Brown has a heavier yield of asparagus than this and he is paying \$3.50. In fact, most of the growers have started paying \$3.50 this week. We should have at least \$3.75 for this job". In such a case the workers may or may not know what Jim Brown and other growers are paying, but the leverage often works if the grower is worried about his labor supply. On the other hand, a grower who is short of workers is apt to take the initiative and inquire of a contractor or worker, "You say you are getting \$3.50 over on the Jim Smith place. Come along out with me and look over a real bed of asparagus paying you \$3.75." In such a situation a business-minded contractor will try to pressure the rate up to \$4. In a tight labor situation price spiraling comes from pressure from both sides.

percent of the amount due. The contractor makes deductions to cover the cost of groceries and other necessary camp expenses. The balance is divided equally, or in previously agreed proportions, between the cutters, the sled men, the shed workers, and the cook.

The system is a great convenience to the grower in that he has only to deal with one man. It is also a convenience to workers who may be unfamiliar with California practices, particularly those who suffer from a language handicap. It gives to a worker many of the advantages of collective bargaining. If one worker is mistreated, feels disgruntled, or has some grievance the entire crew will quit. An individual worker can't be fired. The crew will go with him. A request for a wage increase is not on an individual basis but is for the entire working force.

Filipino Labor and Unionization

To cut spears of asparagus from 4 to 9 inches under the surface of the ground without injuring the asparagus crowns or cutting other spears that are forming requires a high degree of manual dexterity. It also is hard, backbreaking work and the ordinary farm worker is glad to avoid it. Consequently the work had usually been performed by foreign labor. The Chinese were hired for this task when the industry was first developed; the Japanese took over the work shortly after 1900; and the Filipinos took it over when they started coming to California in 1923. Since then, the Filipinos have made a collective attempt to drive out of the industry the few Japanese, Portuguese, Hindoos, and Mexicans who still worked in it. But the development of Filipino dominance among asparagus cutters has not been entirely a matter of pressure. These workers have developed such a high degree of proficiency in cutting asparagus that the average grower is unwilling to consider other laborers for the work.

Before 1939 the Filipinos were very docile workers, but in that year the Filipino Agricultural Labor Association began to have sufficient strength to become a factor in the wage situation. On April 17, 1939, it called practically all the

6,000 asparagus cutters in the delta out on strike against a proposed cut in wages. 5/ In 1941, it promoted another successful strike in the southwestern part of San Joaquin County. 6/ Much of its effort, however, was devoted to gaining a closed shop in the asparagus industry. Growers were asked to agree to choose both their contractors and workers from the Filipino Agricultural Laborers Association check list. 7/ The Filipino Agricultural Laborers Association disintegrated in 1941 after the death of its leader, Francisco Verona, but both the labor contractors and their workers had already learned the methods of collective bargaining. As the labor situation became tight they could act concertedly and obtain substantial wage concessions.

Diversity and Disunity among Asparagus Operators

The La Follette Committee counted only 284 asparagus operators in 1937 and 338 in 1939, but these operators are so many different types as to make concerted action difficult. 8/ By nationality, the largest numerical group are Italian, but there are also Portuguese, Jewish, Anglo-American, Hindu, Armenian, and others. A small amount of the asparagus was grown by Japanese before their evacuation from California and their holdings were taken over by diverse nationality groups. 9/ Some growers are individual owner-operators but most of them are share-tenants. They may operate half-a-dozen farms under different landlords, and one landlord may

5/ Filipino Agricultural Laborers Association Yearbook, 1940.

6/ Philippine Journal, April 5, 1941.

7/ Philippine Journal, January 4 and April 5, 1940.

8/ Volume 62 of Hearings before Committee on Violations of Free Speech and Rights of Labor.

9/ Estimates made by Carl Schiller, Crop Reporting Service, and P. A. Minges, Agricultural Extension Service, appearing in The Japanese in California Agriculture, by Lloyd H. Fisher and Ralph L. Nielson, were that 25 percent of the asparagus acreage was operated by Japanese. Asparagus Association officials state, however, that the Japanese operated only 2,572 acres in 1941, or $3\frac{1}{2}$ percent of the total.

have a dozen different tenants. An individual may be a tenant-operator on one tract and a landlord on another. Some operating units, including both owned and leased beds, may run up to 2,000 or 3,000 acres. On the other hand, there are numerous 30- and 40-acre beds which are only part of an enterprise that is devoted more largely to the growing of sugar beets, grain, vegetables, or other products. Among the operators are several large corporations, who have other types of enterprises elsewhere, several canneries interested in other crops as well as asparagus, several estates, and other impersonal types of enterprise. Ownership and management patterns are so diverse, in short, that it is extremely difficult for the growers to operate as a unit in connection with laborers or any other problems. Some are willing to get ahead at their neighbor's expense and easily resort to labor pirating and similar practices.

The California Asparagus Growers' Association has made considerable headway toward united action in meeting problems of the industry. It assisted materially in building up marketing controls which saved growers from the ruinous prices that threatened them in the 1930's. In spite of these achievements many asparagus growers still do not belong to the Association and prefer to handle their operations without any restriction. The organization made its first attempt to assist growers to meet their labor problems in 1942 and has been instrumental this year both in obtaining wage ceilings and a supply of Mexican workers. In doing so it has probably strengthened both the Association and the industry as a whole.

Contest over Basis of Payment

The traditional method of payment for cutting asparagus has been by the hundred pounds of Grade 1 asparagus accepted by the cannery. This meant that the cutter was not paid for cutting asparagus which was discarded as culls. Asparagus so discarded usually averages 10 percent of the whole for white grass and 15 percent for green, but on some beds it might run as low as 3 percent for white or as

much as 40 percent for the green. Usual types of spears that were classed as culls were: Those with broken or flowered tips, those that were crooked or misshapen, doubles, those that were discolored or damaged, and excessive quantities of asparagus stalks which were approximately half white and half green.

Cutters have felt that the cutting of cull grass involved as much effort as the cutting of No. 1 cannery grass and have agitated for years for payment on the basis of all asparagus placed in the boxes that go to the cannery. They believe, too, that they have often been cheated on the weight basis. They claim that some growers have systematically changed the weights shown on the tags, to the cutters' disadvantage. If the workers were paid by the cannery box they would then have a direct check on the situation. From the grower's viewpoint, if he pays by the box, he is afraid that the boxes will not be tightly filled, that stalks 15 and 18 in. will be thrown in to fill the boxes up quickly and that many types of dried, twisted and other asparagus commonly discarded in the field would find a way into the box.

During the 1942 season the workers had finally succeeded in getting all but a few of the growers to make payment on the box basis. They announced the same policy for the 1943 season and maintained they would not even consider a contract on a cannery-weight basis.

Table 2.- Average price per 30-pound crate received by growers for market asparagus: United States, 1937-43 ^{1/}

Month	Year						
	1943	1942	1941	1940	1939	1938	1937
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Feb.	7.20	6.00	3.60	3.60	4.00	5.00	10.35
Mar.	4.80	3.20	1.90	2.25	2.60	2.70	3.15
Apr.	2.50	1.75	1.60	1.30	1.10	1.20	1.65
May	2.70	1.95	1.50	1.35	1.55	1.50	1.80
June	^{2/} 2.40	1.85	1.30	1.45	1.25	1.30	1.50

^{1/} Data from Agricultural Prices, March, April, May, June 1943. Bureau of Agricultural Economics.

^{2/} Data for first half of month only.

High Wages in Market Asparagus

The delta grower makes his highest profits from his early market asparagus. It is shipped to eastern markets and sold in competition with asparagus from South Carolina and Georgia. The early market season lasts for him until asparagus production starts in New Jersey, Illinois, Michigan, Massachusetts, and other areas closer to the eastern marketing centers. High transportation costs then force him to dispose of the rest of his product to the local canneries. This change occurs during the first part of April. The market-asparagus prices have ordinarily diminished during this period from early highs of 35 to 40 cents a pound to 8 and 10 cents. On the other hand, prices paid by the canneries have generally been around 4 cents a pound. Cannery prices rose to 5 cents in 1941 and to 5.5 in 1942 (tables 1 and 3).

The 1943 asparagus season promised to be especially profitable to the growers; early crates sold for as high as \$18 to \$21 on the New York market and the average price received by growers in February was \$7.20 for a 33-pound crate. March prices continued high, almost \$2 a crate above the average for previous years (table 2). The favorable prospect was soon beclouded by the wage demands of the cutters who had begun cutting asparagus this season with no contracts and with no request for a specific wage. They waited for a wage "to be established." After they discovered that the prices for asparagus were high, they asked \$1.05 a crate for cutting and 35 cents for packing. This was almost double the 55 cents for cutting and the 18 cents for packing which they had been paid the previous year. The growers paid these wages under protest and stated that a reduction would be necessary for the canning season when prices of asparagus would be much lower.

Cutters were able to make big wages at the early 1943 rates and growers made a point to broadcast the exceptionally high earnings made by their workers. One grower reported that his crew of 8 workers made \$54 apiece on April 8. Another

that his crew of 7 workers had made \$52 each on April 13 and \$53.50 on April 14. There were numerous other reports of earnings in the \$30 and \$40 range but the average earning of cutters and packers during market season was in the neighborhood of \$18 to \$20 a day.

Attempts to Reduce Wages for Cannery Asparagus

Attempts by the growers to get the cutters "to listen to reason" and cut cannery asparagus for \$1.50 to \$2 a hundred pounds were futile. The supply of workers was so low that they knew they would get just about the wages they asked. On March 3 the County War Board attempted to intervene. It recommended that the following rates be adopted:

Green market asparagus cut to 9 inches, \$2.10 cwt.

No. 1 white cannery asparagus cut to 7 inches, \$2.10 cwt.

No. 1 green cannery asparagus cut to 7 inches, \$2.35 cwt.

The Filipino cutters were already getting more than these rates and were displeased by the growers' attempt to fortify their position through the backing of a public agency.

The Stockton Chamber of Commerce was the next agency to become involved. Its officials sent a letter to J. M. Elizalde, the Philippine Resident Commissioner in Washington, accusing the Filipinos of subversive designs and asking for his assistance in getting a fair wage established. A committee composed of 5 growers and 5 Filipino leaders on the Pacific Coast issued the following recommendations:

Market grass, prime beds:

\$.90 - \$1.00 for 33# crate cutting and sledding

.30 - .35 " " " packing, loose pack

Cannery white No. 1, prime beds:

\$ 2.25 per 100# cutting end sledding, or

.90 per 40# " " "

.35 per 100# rack, wash, and box, or

.14 per 40# lug rack, wash, and box

Cannery green No. 1, prime beds:

\$3.00 per 100# cutting and sledding or

.95 per 32# lug cutting and sledding

.50 per 100# hand rack and box

.16 per 32# lug hand rack and box

The Filipino workers and contractors declared, however, that they had no part in selecting the Filipinos on the committee and so would not consider themselves bound by the committee's recommendation. They were already getting more than the recommended rates and "wouldn't be sold down the river by some of their countrymen who didn't know anything about asparagus."

But the cause of the cutters was slowly being weakened. First, a newspaper and radio campaign in regard to the extremely high earnings of the cutters had begun to swing public opinion strongly against them. In the second place, Mexican importees began to arrive to help take up the slack in the labor force. And third, the local War Board, Asparagus Association, and Chamber of Commerce began appealing for more drastic action by Federal authorities. The California U.S.D.A. Wage Board had already entered the asparagus situation by holding hearings in Stockton in which they determined prevailing farm wage rates. This determination was to be used in connection with the Mexican importation program. Based upon information obtained by the Wage Board the Secretary set these wage levels at 75 cents an hour after a 10-day learning period at 60 cents an hour, or considerably less than the wages demanded by the Filipinos.

The final move for regulation of wage rates was made by Gordon Lyons, Secretary of the California Asparagus Growers' Association, who presented their situation before Food Production Administration officials in Washington. As a result, the Secretary's office asked the California State Wage Board to investigate wage rates in the asparagus industry and recommend ceiling rates. This Board had been organized only to ascertain prevailing wages for imported workers

but now had the added responsibility of recommending maximum wages in the asparagus industry.

Opening of the Canning Season

In the meantime all preliminary decisions were made for the opening of the asparagus canning season of 1943. On March 15, members of the Asparagus Advisory Board, acting under the authority of the State Director of Agriculture, modified the State marketing order for canning asparagus so as to permit the canning of a small quantity of asparagus which had formerly been thrown out as culls. On April 8, the State U.S.D.A. War Board announced prices for 1943 cannery asparagus as 7 cents a pound for No. 1 white, 8 cents for No. 1, $4\frac{1}{2}$ -inch green, and $7\frac{1}{2}$ cents for No. 1, $3\frac{1}{2}$ -inch green. These prices were $1\frac{1}{2}$ cents a pound higher than they had been the year before.

Growers and cutters began negotiating for contracts for cutting cannery asparagus. By April 13 a few written contracts had been signed and a good many more oral agreements had been arrived at. They usually called for from \$1.10 to \$1.25 a cannery lug of green or white asparagus.

HOW THE CEILING FUNCTIONED

Announcement of the Ceiling

On the afternoon of Tuesday, April 13, the Stockton Record carried an article stating that ceiling rates for cutting cannery asparagus had been announced by the State Wage Board. They were:

- \$2.75 per cwt. No. 1 cannery white, cut and sled
- .40 per cwt. No. 1 cannery white, washing, racking, boxing
- 3.25 per cwt. No. 1 cannery green, cut and sled
- .55 per cwt. No. 1 cannery green, racking and boxing

These rates were for prime beds, defined as those between 5 and 10 years old.

The rate for nonprime beds could be 50 cents a hundred pounds higher than the base rate.

Negotiations for contracts came to a standstill until the growers could learn the import of the ceiling order. Most of the cutters stayed at their work but many would only cut market asparagus even though the normal time had come for changing to cannery grass. Growers who made a decidedly aggressive stand for the ceiling rates lost their crews.

By the end of the week the Asparagus Association had prepared a large placard to be posted in each packing shed. This carried the official announcement of the ceiling order. Some growers recommended that these notices should be taken around by a squad of soldiers in a jeep and tacked by them in each packing shed and bunk house, "Just to let the workers know there is a war on and that the ceiling is a war measure." This dramatic procedure was not followed but the placards were soon in evidence in many of the packing sheds.

Real difficulties began after April 21 when officials of the State Wage Board explained the ceiling to a meeting of the growers in the afternoon and to a group of the labor contractors in the evening. They plainly indicated that the ceiling was to be enforced and that penalties for violations would be exacted from both growers and workers. 10/ One critic said: "And the growers went right out of the meeting and began exchanging ideas on the sidewalk as to how they could chisel on the rates." In general, however, the growers were rather friendly toward such a ceiling and raised no objection to it even when urged to express any criticisms they might have. The labor contractors on the other hand were afraid they might not be able to hold their workers at the rates that had been established.

These announcements were followed by a week of argument, work stoppages, and general confusion. Canneries indicated that their receipts of asparagus

10/ Stockton Record, April 22, 1943.

were less than half of what they had been at that time in previous years. 11/ At the end of the week it was estimated that 1,000 workers were idle in their camps while many more had left the asparagus industry to go into other lines of work. 12/ As this flare-up was subsiding a supplementary announcement was made by the War Food Administration stating that the ceiling rates for machine washing would be 30 cents for No. 1 white asparagus and 40 cents for No. 1 green. Since this meant a reduction from the rate being paid for this operation shed workers rebelled at these rates, quit work, and new opposition began to the ceiling orders.

The workers were badly disappointed for their wages had averaged about \$20 a day during the early part of the season and they would now have to take approximately half of that amount. They had anticipated that they would be able to drive their own bargains and that they would work on the much desired box basis rather than by the quantity of No. 1 cannery weight.

Growers tried various methods of holding them. Some called on local constables or deputy sheriffs to come out to their ranches and tell the workers that they could either stay on their jobs or get ready to go to the Army. A good many called on members of the County War Board staff to come out and explain to the workers that the ceiling was a Government order and not another attempt by the growers to set their own scale of wages; many disputes were cleared up in these ways, but in other cases the workers left the ranch to work for other asparagus growers or in some other industry.

Making Adjustments for Special Cases

According to provisions of the ceiling announcement, growers who wished to pay rates above those specifically provided for in the ceiling order should make

11/ Stockton Record, April 22, 1943.

12/ Stockton Record, April 26, 27, 28, 1943.

a proper request to the County War Board. The County Board could make its recommendation for action and send the request on to the State Wage Board. 13/ The announcement also called for a local committee of growers, workers, and others to pass on the productivity of the beds and make their recommendations to the State Board.

The first requests for adjustments were heard by the San Joaquin County War Board. The first request was for a 10-cent increase in rate because the asparagus in question was considerably smaller in diameter than the average for the industry; the grower had commonly had to pay above the average rate to have it cut. Members of the Board agreed to recommend this increase and the recommendation was approved in turn by the State Wage Board. Workers for this grower were not satisfied with the 10-cent increase, however, and left when the Board refused to grant a 21-cent increase. A request for a 50-cent increase in rate was likewise approved for a grower whose bed, although of prime age, had a production less than the 3,500 pounds considered as a minimum for prime beds by local growers. Another grower was placing his asparagus in boxes in the field and having it washed and trimmed at the cannery. The local Board felt unable to decide how much the cutters should have for boxing the asparagus and passed the question on to the State Wage Board.

These requests give an idea as to the kind of adjustments sought by the growers. They were fair and reasonable for the most part, and were very carefully considered by the local authorities. After the first meeting the members of the County War Board thought they had too little technical knowledge of the asparagus industry to be able to pass on all applications; they selected an Asparagus Adjustment Committee to handle these questions. This Committee was composed of the A.A.A. secretary as chairman, one official of the Asparagus Association, one cannery field man, four growers (one an ex-cannery field man), and

three workers. All were experts in the industry. 14/ Usually only one worker member was present but he was so ill at east that he took little active part in the proceedings.

The Adjustment Committee met 4 times and heard less than a dozen requests for adjustment although there may have been other instances which would have justified an adjusted rate on the basis of poor yields, bad field conditions, or other causes. In some of the latter situations growers may have made private adjustments with their cutters, possibly on the basis that their neighbor with the same type of conditions had obtained an adjusted rate. Two adverse criticisms were heard in regard to the operations of the Adjustment Committee: (1) It was "falling over backwards" to enforce the ceiling and not lenient enough with the growers and it was afraid it might be swamped with requests; (2) one Filipino contractor complained that the committee appeared to be only for growers and that he had not been permitted to bring his case before it.

Relationship of Ceiling Wage to Other Wages and Costs

If ceiling wages were to function smoothly, it was necessary that they should (1) be in line with other wage levels in the area, (2) bear a fair relation to costs and selling prices in the industry, (3) not be too far out of line with the high wages that had been paid in the industry earlier in the season, (4) take into consideration such factors as demand for and supply of workers capable of performing the job, and (5) bear a close relationship to the actual amount of time and effort required to perform the specific operation involved.

The asparagus wage ceiling rates seemed to fit into existing wage and price patterns very well. A few growers thought the ceiling wages were too high but

14/ Decisions of the Adjustment Committee were greatly facilitated, due to the fact that both the cannery and the Association representatives on the committee had made annual field surveys of all asparagus beds and could refer immediately to their books which indicated age of the bed, past yields, and probable yield in 1943.

recognized that if they had been any lower many workers might have left the asparagus industry to work in the shipyards, the Alaska canneries, or elsewhere. The ceiling rates were from 10 to 20 percent lower than the workers had anticipated but probably not more than 10 to 15 percent of them quit to engage in some other occupation. ^{15/} The workers who remained on the job generally became reconciled to the ceiling rates and regarded them as "fair." Some growers marveled that a group of "swivel-chair" officials could have established such an accurate set of rates. One rate was overlooked in the original order, however--the rate for machine washing. Some trouble was occasioned by this oversight for it was necessary to tell workers in sheds doing machine washing that their pay would be 30 instead of 40 cents a hundred pounds.

Labor costs for cutting and packing at Government ceiling rates were comparatively higher than those for previous years. For example, cost of cutting white asparagus at ceiling rates was 30.9 percent of the selling price as compared with an average of 25.0 percent during the 5 previous years. As compared with the previous year the increase in cost of cutting was 83 percent while the increase in the price of asparagus was only 27 percent. The figures are as follows:

Table 3.- California No. 1 white asparagus: Rates for cutting as compared with prices received by growers

Year	: Rate for cutting #1 white asparagus Dol. per cwt.	: Price to growers of #1 white asparagus Dol. per cwt.	: Percentage cutting cost is of selling price Percent	: Percentage increase over previous year Wage	Price
1943	2.75	7.00	30.9	83	27
1942	1.50	5.53	27.3	36	10
1941	1.10	5.00	22.0	0	22
1940	1.10	4.06	24.4	22	20
1939	.90	3.37	26.5	12	7
1938	.80	3.16	25.0	--	--

^{15/} Estimates as to the number of workers who quit ran all the way from 0 to 65 percent, but the less biased interviewers gave figures in the range of from 10 to 15 percent. The workers realized that some reduction of wages would be necessary at the beginning of the cannery season but wished to hold this reduction to a minimum.

Such high wage levels were an especial burden to the growers who operated on a share basis. The common rental paid to a landlord was from 25 to 27 $\frac{1}{2}$ percent of gross receipts per year provided the tenant set out the bed and cared for it the 4 years necessary to bring it into full production. A tenant who took over a bed after it came into full production customarily paid his landlord 40 percent for the crop. This worked out especially badly for the operator who cuts green cannery asparagus on a nonprime bed.

Table 4. - California: Wage rates, prices, and yields of asparagus, 1925-43 ^{1/}

Year	White asparagus			Green asparagus		
	Rate per cwt. for cutting	Rate per cwt. for hand washing	Price per cwt. to grower	Rate per cwt. for cutting	Price per cwt. to grower	Yield per acre
	Dol.	Dol.	Dol.	Dol.	Dol.	Tons
1925	.90	.16	3.60	---	---	1.46
1926	.90	.16	3.80	---	---	1.37
1927	.90	.16	3.60	---	---	1.21
1928	.90	.16	4.00	---	---	1.41
1929	.90	.16	4.00	---	---	1.57
1930	.70	.12	4.00	---	---	1.59
1931	.70	.12	3.80	---	---	1.17
1932	.60	.12	2.60	.75	2.40	1.10
1933	.60	.12	2.40	.75	2.10	1.11
1934	.70	.13	3.20	.85	3.50	1.18
1935	.75	.14	3.60	.90	4.30	1.17
1936	.80	.14	3.80	.95	4.50	1.40
1937	.80	.15	4.20	1.00	5.40	1.17
1938	.80	.15	3.20	1.00	4.20	.94
1939	.90	.15	3.40	1.10	4.30	.95
1940	1.00	.17	4.10	1.15	5.30	1.10
1941	1.00	.20	5.00	1.20	6.10	.96
1942	1.50	.30	5.50	2.00	6.50	.96
1943	2.75	.40	7.00	3.25	8.00	---

^{1/} Data on wage rates from 1925 to 1929 obtained from Facts about Filipino Immigration into California. State Department of Industrial Relations, Special Bulletin No. 3, 1930. Data on wage rates since 1929 supplied by three leading asparagus growers and estimates supplied by others. Figures are for prime beds. Data on yield per acre from Bureau of Agricultural Economics, U. S. Department of Agriculture.

Table 5.- Costs, receipts, and net returns per acre on owner-operated beds of white asparagus at various yields per acre, harvest wage rates calculated at Government ceiling rates: California, 1943 ^{1/}

Item	Nonprime beds				Prime beds ^{2/}			
	1,500 lb. cannery	1,900 lb. cannery	2,700 lb. cannery	3,500 lb. cannery	500 lb. market	600 lb. market	800 lb. market	1,000 lb. market
Costs	Dol.							
Cultural labor	27.60	27.60	27.60	27.60				
Tractor use								
Water								
Crates								
Depreciation								
Interest								
General expense								
County taxes								
Harvest labor--market asparagus	7.11	8.14	9.68	11.77				
Harvest labor--cannery asparagus	3.72	3.72	3.72	3.72				
Hauling labor--market asparagus	26.60	30.80	43.40	65.80				
Hauling labor--cannery asparagus	1.60	2.00	2.40	2.80				
Truck use --market asparagus	3.60	4.00	4.40	4.80				
Truck use --cannery asparagus	2.00	2.50	3.00	3.50				
Total costs	4.50	5.00	6.00	6.00				
Total costs, excluding cultural and-hauling labor	181.39	203.17	235.36	279.40				
Receipts								
Cannery asparagus	148.59	170.37	202.56	246.60				
Market asparagus	105.00	133.00	189.00	245.00				
Total receipts	54.00	64.80	86.40	108.00				
Net returns to operator	159.00	197.80	275.40	353.00				
Who performs own cultural & hauling labor	10.41	27.43	72.84	106.40				
Who hires all labor done	-22.39	-5.37	40.04	73.60				

^{1/} Computed from preliminary materials being prepared by the University of California staff and from data obtained from asparagus growers.

^{2/} Yields of 2,000-2,500 pounds are common on asparagus beds under 4 and over 10 years old. A yield of 3,500 pounds is about average for a prime bed and 4,500 pounds is quite heavy.

^{3/} Field labor at 75 cents and tractor labor at 80 cents. ^{4/} Harvest labor on nonprime beds at \$3.75 cwt.

Table 5a.- Costs, receipts, and net returns per acre on tenant-operated beds of white asparagus at various yields per acre and at various rental rates, harvest wage rates calculated at Government ceiling rates, California, 1943.

Item	Nonprime beds		Prime beds ^{1/}	
	1,400 lb.	1,800 lb.	2,500 lb.	3,000 lb.
	cannery	cannery	cannery	cannery
	600 lb.	700 lb.	1,000 lb.	1,500 lb.
	market	market	market	market
	Dol.	Dol.	Dol.	Dol.
Total costs excluding cultural: and hauling labor ^{2/}				
At 25 percent rent share	158.17	189.65	241.24	304.68
At 27.5 percent rent share	162.64	194.59	248.03	313.51
At 40 percent rent share	^{3/} XXX	^{3/} XXX	282.55	357.63
Total receipts ^{4/}	159.00	197.80	275.40	353.00
Net returns to tenant operator:				
At 25 percent rent share	.83	8.15	34.16	48.32
At 27.5 percent rent share	-3.14	3.21	27.37	39.49
At 40 percent rent share	^{3/} XXX	^{3/} XXX	- 7.15	- 4.63

^{1/} Yields of 2,000-2,500 pounds are common on asparagus beds under 4 and over 10 years old. A yield of 3,500 pounds is about average for a prime bed and 4,500 pounds is quite heavy.

^{2/} From table 5, less interest, depreciation, and taxes; cultural and hauling labor assumed to be performed by the operator.

^{3/} Rent share of 40 percent not common on nonprime beds.

^{4/} From table 5.

Cost studies on asparagus production in California are still in preliminary stage. L. W. Fluharty and Arthur Shultis, farm-management specialists of the University of California College of Agriculture Extension Division, together with G. C. Hanna, Associate Horticulturalist on the Experiment Station staff, have developed a tentative set of cost figures, however, which can be used as a basis for comparing average returns to various types of asparagus growers. ^{16/}

^{16/} Shultis, MacGillivray, Hanna, et.al., Labor Required in the Production and Packing of California Truck Crops, Univ. of California, College of Agriculture. March 16, 1943.

According to these data (table 5) owner-operators of nonprime beds who paid ceiling wages would obtain small to moderate returns per acre for their own labor, but would seldom show a profit or return for their capital and management. Owner-operators of prime beds would realize substantial profits and high labor income per acre. Tenant-operators paying the common rental share of 25-27.5 percent of gross receipts (and hiring all harvest labor) would obtain moderate to high returns per acre for their own labor and management only on the higher producing acreages. Tenants who hired their cultural as well as harvest labor could make modest returns only on the highest producing acreages. Very few tenants who had to pay a rental of 40 percent of gross receipts would be able to cover their production expenses in 1943. Landlords sometimes found their tenants unwilling to proceed with the harvest and had to promise them a higher proportion of the total returns in order to get them to continue. The net effect of high wage and rental rates in 1943, therefore, was that poorer acreages were not harvested. According to estimates of persons experienced in asparagus production, even though the acreage unharvested ran as high as 25 to 30 percent, the actual amount of asparagus left in the field, however, was only 10 to 15 percent. 16a/

16a/ California Packing Company estimated the production of asparagus acreages in California in 1942 to be as follows:

<u>Yield per acre</u>	<u>Acres</u>	<u>Boxes</u>	<u>Percent of acreage</u>	<u>Percent of production</u>
50 boxes and over	45,956	3,334,390	64	79
40-49 boxes, beds under 4 yrs. old	1,628	67,390	2	2
Under 40 boxes, beds 2-3 yrs. old	7,018	193,215	10	4
40-49 boxes, beds over 4 yrs. old	3,167	129,395	5	3
Under 40 boxes, beds over 4 yrs. old	6,557	160,060	9	4
Flooded	4,371	207,320	6	5
Southern district	2,782	148,400	4	3
Total	71,479	4,240,170	100	100

Even though all the marginal acreages were unharvested, the reduction in production would only be 21 percent.

High rental rates more than high wages made the division of returns among the landlords, the tenant-operators, and the harvest laborers quite inequitable. Comparative returns to these groups at the prevailing wage and rental rates are indicated in table 6.

Most existing rental contracts call for a fixed percentage of the gross returns from the crop and were made when asparagus was selling at around 4 cents a pound. When asparagus went up to 8 cents the landlord's return was doubled though his contribution remained approximately the same. Meanwhile the increases in cultural and labor costs were borne completely by the tenant.

Table 6.- Comparison, at ceiling wage rates, of returns per acre of asparagus to harvest laborer, to tenant-operator for his labor and management, and to landlord for rent: California, 1943 ^{1/}

Group	Returns on bed yielding			
	2,000 lbs.	2,500 lbs.	3,500 lbs.	4,500 lbs.
	Dol.	Dol.	Dol.	Dol.
<u>At 25 percent rental</u>				
Harvest-laborer	79.10	97.30	124.65	163.30
Landlord	39.94	49.38	68.94	90.69
Tenant-operator	.83	8.15	34.16	48.32
<u>At 27.5 percent rental</u>				
Harvest-laborer	79.10	97.30	124.65	163.30
Landlord	43.93	54.32	75.83	99.76
Tenant-operator	- 3.14	3.21	27.37	39.49
<u>At 40 percent rental</u>				
Harvest-laborer	79.10	97.30	124.65	163.30
Landlord	63.90	79.00	110.30	145.10
Tenant-operator	<u>2/</u> XXX	<u>2/</u> XXX	- 7.15	- 4.63

^{1/} Data from table 5a. Assumes that tenant performs cultural and hauling labor and hires all harvest labor.

^{2/} Rent share of 40 percent not common on nonprime beds.

According to the University of California data the operator's labor per acre of asparagus yielding 2,000 pounds is 42 hours while that of the harvest

Table 7.- Seasonal agricultural labor demands occurring during the asparagus season in San Joaquin County, 1943 1/

Week ending	Asparagus			Grapes			Prunes			Peas			Total working	
	Working	Surplus or shortage	Wage	Working	Wage	Working	Wage	Working	Wage	Working	Wage	Working		Wage
Feb. 23	500	1,500	(\$.60-.75 per hour)	1,800	(\$.60-.75 per hour)	500	(\$.60-.75 per hour)							2,800
Mar. 2	2,275	500	" "	1,800	" "	500	" "							4,575
Mar. 9	2,275	500	" "	1,800	" "	500	" "							4,575
Mar. 16	2,525	250	" "											2,525
Mar. 23	2,800	500						Spinach						2,800
Mar. 30	2,800	1,700				500	(\$.15 per 33-pound hamper)			200				3,500
Apr. 6	3,725	1,375				1,300	(hamper)			1,000				6,025
Apr. 13	4,025	1,000		100	(\$.60-.75 per hour)					2,600				6,725
Apr. 20	4,425	1,000		200	" "					2,650				7,275
Apr. 27	4,425	1,000		1,000	" "			Cherries		2,650				8,075
May 4	4,425	1,000		1,000	" "					1,500				7,125
May 11	4,425	1,000		1,000	" "	200	(\$.75-1.00 per 14-16 qt. bucket)							6,425
May 15	4,425	1,000		1,000	" "	1,500	" "							6,525
May 22	4,425	1,000		1,000	" "	1,500	" "							7,825
May 29	4,425	1,000		1,000	" "	1,500	" "							7,825
June 5	4,425	1,000		1,000	" "	1,200	" "			900				7,525
June 12	4,425	0		1,000	" "			Grain						6,425
June 19	4,000	0		1,000	" "	250	(\$.60-.75 per hour)			900				6,150

1/ Data from U. S. Employment Service Agricultural Labor Reports, 1943.

laborer is 51 hours. Since most of the operator's labor had already been expended in cultural operations he might decide that he could recoup part of his expenses by harvesting his crop as harvesting costs, together with the rent, would be less than his total receipts. It is not surprising, therefore, that quite a number of tenant-operators said that another year would find them in the shipyards.

Ceiling rates had to be in line with wage levels being paid in other types of agricultural and nonagricultural work in the area. The asparagus harvest started during the slack season so far as farming activities were concerned and when financial opportunities in farm work were relatively low (table 7). Wages for pruning and other general farm work average from 65 to 70 cents an hour. The pea harvest started by April 1, however, and employed 2,600 workers who made from \$10 to \$12 a day. Tomato planting started the same month and required an unusually large number of workers this year, so payment for this type of work rose to 90 and 95 cents an hour. In May, cherry pickers were able to earn \$1 an hour but the season lasted only 4 weeks. Filipinos had not usually done these kinds of work and were not attracted to them this year when they could make so much more in asparagus. A number of shipyards, war plants, and similar industries in Stockton were paying \$1 an hour and higher for unskilled and semiskilled workers.

Methods of Evasion

The fact that a ceiling wage had been established did not relieve growers of the fear that they might not be able to get workers to harvest their crop. Bidding for cutters had been an open practice before the ceiling and now threatened to become an underground activity. Growers indicated that they were losing their crews to other operators who were paying \$1.10, \$1.15, \$1.20, or \$1.25 a box rather than the base wage of \$2.75 and \$3.25 a hundred pounds cannery weight. Growers who were paying these high box rates indicated that

they had an understanding with their workers that enough pounds of No. 1 asparagus would be placed in each box to make the price come out at the ceiling rate. Differences in payment per box varying with weight but all being at ceiling rates are as follows:

	<u>White</u>	<u>Green</u>
Usual weight per cannery lug	40 lbs.	30 lbs.
Ceiling price per pound	2 3/4 cents	3 1/4 cents
Ceiling price per box.	\$1.10	\$.97 1/2
But if box contains	42 lbs.	32 lbs.
then the grower can pay	\$1.15 1/2	\$1.04
Or if it contains	44 lbs.	34 lbs.
he can pay	\$1.21	\$1.10 1/2
If it contains	46 lbs.	36 lbs.
he can pay	\$1.26 1/2	\$1.17
If it contains	48 lbs.	38 lbs.
he can pay	\$1.32	\$1.23 1/2

The explanation made by growers who were paying by the box looks plausible except for the fact that it is very difficult to get above 42 pounds of No. 1 white or 32 pounds of No. 1 green asparagus in the ordinary cannery box. The growers, therefore, would have to cut the actual payment per box back to the ceiling rate. Contractors and cutters said they were filling the boxes just as full as possible in order to obtain the price agreed on and still be within the ceiling.

Whether all the growers cut their payments back to the ceiling rate could not be ascertained. Even if they did so they could still pay a "bonus" on the side that would compensate for the reduction. Some of the growers had reputations of being rather shrewd in their dealings but they had a genuine respect for what the Federal Government might do to them and were anxious to avoid trouble. Violations were probably much less common than was suspected.

In spite of the suspicion that was raised as to what other growers were doing, labor pirating and bidding up of wages virtually ceased. In several instances members of Filipino crews who thought they could do better elsewhere

found that they really had no place to go. Hence they stayed on even after they had struck and given notice that they were going to quit. Such instances constitute substantial evidence that violations of the ceiling were not so flagrant as some people intimated.

One large concern in the county paid its cutters a flat rate of \$1 an hour. Its working force included a large number of Mexican Nationals and other inexperienced workers. Growers were indignant over what seemed to them an evasion of the ceiling order and said the organization must have been paying at least 4 cents a pound to get its asparagus cut.

An extenuating circumstance in this case was that this organization had a contract before the establishment of the ceiling of \$1.20 per box for cutting white cannery asparagus and \$1.10 for green. Boxes of white asparagus were to weigh a minimum of 40 pounds and of green a minimum of 32 pounds. Contract rates were, therefore, \$3 a hundredweight for the white and \$3.44 for the green asparagus, both above the ceiling rate when figured on a minimum weight basis. However, no grower complained that his workers had left him to work at the \$1 an hour rate.

Several other types of petty attempts to evade the ceiling rates were observed. The cook for a crew ordinarily obtains his compensation by taking his proportion of the total amount earned by the crew. One grower was paying the cook a separate wage of \$7 a day which meant that the 14 cutters were able to divide all their earnings among themselves, an increase in this case of approximately 7 percent in wages. At one packing shed the workers refused to have anything to do with removal of nails from the box lids saying that the ceiling rates were only for "machine washing, racking, and boxing." The grower had to hire a separate man for this task although it had traditionally been considered as a regular part of the washing, racking, and boxing job. Since the seventh man in the crew now drew separate wages the other six were now able to divide

all the earnings for washing and boxing between themselves. This meant an increase of more than 15 percent in their pay.

Some growers did not carry on their operations according to the common pattern; for example, some hauled their asparagus directly to the cannery in sleds with no washing, racking, or boxing; others boxed it in the field and had it washed at the cannery. There was considerable comment to the effect that such growers probably paid their workers for services which they really did not perform. When several such growers were interviewed they indicated that their procedure reduced their own worries over labor, but that they then had to pay the cannery for performing the task there. The cannery charge was usually one-half the regular ceiling rate since it could perform the work with little extra labor or equipment. Some of the cannery workers had approached them in an effort to obtain full pay, but the growers said they were only paying for services actually received. These growers had even more labor trouble than the others so did not appear to be flagrant violators.

The cutting of green market asparagus instead of cannery asparagus should not be termed an evasion. It was a method demanded by workers, however, to obtain higher earnings than could be made in cutting for the cannery. On some farms they refused to cut any type of asparagus except for the market; for instance, if culls in the form of bent spears were 35 to 40 percent of the whole, the worker felt that he was not getting paid for the work he had done. In most cases, however, the reason was that the cutters could make from one-fourth to one-third more by cutting market asparagus. The rate for cutting for the market was from \$1 to \$1.05 for cutting a 32-pound crate and 35 to 37½ cents for packing it. Market asparagus is cut to 9- instead of 7-inch length and weighs 34 percent more than an equal number of stalks of cannery grass.

Problems of Enforcement

Growers criticized the ceiling method, because it provided no direct means

of holding the worker on the job. On the other hand, they flatly objected to any order that would freeze a worker on a job at which he didn't wish to stay. But pressure to keep workers on the job was obtained through a deferment system used by the Selective Service. Workers who wanted deferment had to have their application signed by a farm operator. Growers who wanted their workers deferred sent the proper application to the County War Board, which sent the request on to the Selective Service Board. When a worker quit, the grower sent a notice to the War Board that this man was no longer employed in agriculture and was therefore subject to reclassification as IA. This kind of pressure was supplemented by that of the Filipino labor contractors and association leaders. They were anxious not to lose the members of their groups, or they might have to drop back to the status of laborers themselves.

Many of the Filipinos were beyond the draft age and others were already in 4F. All but a few were inclined to resent the kind of pressure used and usually said that it made a Filipino stubborn and uncooperative rather than being of any real service. The growers were divided in their opinion as to whether this kind of pressure was effective. Some thought it was not the best method of trying to control the Filipinos and they did not turn in the names of those who left their employ. Others thought that more pressure was necessary and that military officials should be sent among the workers occasionally to make them show their draft-registration cards and to check on whether they were doing a full day's work on the farm.

The wage stabilization order provided for a fine on all violators, whether operators or workers, of up to \$1,000 or an imprisonment of not to exceed 1 year, or both the fine and imprisonment. "In addition, growers who pay more than the ceiling rates may not claim any portion of the harvest pay roll during the period as permissible deductions in calculating 1943 income taxes." 17/

Growers professed not to be worried about the fine-and-imprisonment provisions but were concerned about the provision prohibiting the deduction of any wage payments in their income-tax returns in case of any violation of the ceiling order. Some growers claimed this to be inequitable because it applied to them but not to the workers. To the extent that there was a heavier pressure on growers for compliance, it may have been an influential factor in obtaining adherence to the wage ceiling under situations where growers were more responsible than workers for bidding up wage rates.

At the outset growers were rather skeptical in regard to the possibilities of enforcing the ceiling but they picked up confidence as the season progressed. This growth of confidence was largely due to the fact that the State Wage Board indicated that it intended to enforce the measure. An investigator was assigned to look into cases of alleged violations, and, when the evidence warranted it, a warning letter was issued by the State Wage Board. The alleged violator was asked to present evidence as to what he was actually paying. As this procedure was effective, the last 6 weeks of the season were very quiet. Some asparagus was not being cut, but the grower did not try to induce other growers' workers to come and cut it for him. A few growers attributed this reduction of pirating to other causes; one, that the ceiling was so high that a grower could not afford to pay above it, and second, that it was the force of public opinion that made the ceiling effective. There may be merit in these points of view but it should be pointed out, in answer to the first, that some growers who had prime asparagus could obviously have afforded to pay more than the ceiling rate, yet they refrained from doing so. Public opinion had always been against labor pirating, yet the man who expounded such views most vigorously might have his foreman in town at that very time rounding up a crew of his neighbors' workers. The same one-sided viewpoint was found in relation to the ceiling--a ceiling is very necessary to hold irresponsible growers in line, but what I do is not so

bad, because I have to save my crop--was the tenor of not infrequent comment. When self-forgiveness became futile, because of actual fear of the law, the ceiling became a success.

OPINIONS OF GROWERS AND OTHERS IN TOUCH WITH THE SITUATION

The usual grower opinion in regard to the ceiling was approximately as follows: "I don't know how we could have got along without it. The workers had us over a barrel. They were telling us what we could cut and what we couldn't, and what we'd have to pay for it. They were spending more time bidding up wage rates than they were in cutting asparagus. A whole lot of asparagus wouldn't have been cut if the workers had been allowed to continue boosting the wages. The share-renters would have been put out of production first, and a good many of the owners would have followed."

For every 5 or 6 opinions of this kind there was one about as follows:

"We'd have been better off without the ceiling. We were just making our contracts for the canning season when the ceiling came along and upset everything. The workers quit and let the asparagus grow up in the fields. We couldn't even get anybody to disk it down. The Filipinos wouldn't even talk about cutting and probably a third quit for good. When we did get a crew they acted mean, filled the boxes full of culls, and a person couldn't go near them to tell them any better. They'd just laugh at you."

During the first several weeks after the ceiling was established it was usual for the growers to say: "There's still a lot of chiseling going on. Several growers are causing me a lot of trouble by offering \$1.10 and \$1.20 a box. They need to make an example of some of those fellows and it will stop."

Later in the season the more usual comment was: "We've stopped them from running around. They're in there cutting asparagus instead of running to town to hunt up better wage offers."

The grower who had received a warning letter from the State Wage Board was

usually on the defensive: "I don't know who reported me because I'm for the ceiling just as much as anybody else. I'm paying \$1.20 but they've got to have 44 pounds in the box or I won't pay it. I keep telling them that the boxes are only running 42 pounds and that they've got to pack them tighter."

Attitudes of the workers reflected a contrasting viewpoint. According to the contractors: "The workers feel very badly about the ceiling. They have felt that it is just another attempt by the growers to beat down the wages. Now they know it is a Government ceiling they want to obey it, but how can they when the growers won't cooperate? The growers come around offering rates above the ceiling. It has always been that way; the growers have bid up the wage rates and then blamed it on the workers."

The workers themselves were usually in a critical frame of mind. "This is poor grass and we can't make very much. He should irrigated." or "This grass is 40 percent culls and we won't get paid for our work. He should sell it on the green market." "We have been willing to cooperate but the grower has handled the situation without tact." Workers on most farms had been antagonized by arbitrary treatment, but most of those on these farms who were interviewed were depressed and disappointed rather than resentful. Early in the season greatest skepticism in regard to the success of the ceiling came from members of the County War Board and its Asparagus Adjustment Committee. Their version of their problems ran like this: "We had to put down one flare-up when the ceiling was announced and another when they changed the rates on machine washing. Some situations are easy to handle: just indicate that it is a Government ceiling, part of the war effort, and illegal to pay more, and the workers will get right back on the job. In other places the workers will just look at you and laugh."

Enforcement of the ceiling against the growers was quite as perplexing. "How can we tell who is violating the ceiling if we don't have the right to

inspect their books? The movement of workers from place to place has practically stopped but there still are ugly rumors about pirating and we don't have any way to find out."

Later in the season these people were more optimistic. Work stoppages had ceased and the asparagus was coming in to the canneries at about the usual rate. "This has been a most unpleasant year in the asparagus industry, but it looks as though our experiment has been a success. If we only get started early enough next year the flare-ups can be prevented and the whole situation will run smoothly."

SPECIAL PROBLEMS ASSOCIATED WITH THE ASPARAGUS WAGE CEILING

Besides the problems already indicated (height of the ceiling rates, basis of payment, and means of enforcement) several others are of critical importance. Two of these are related to the lateness of the ceiling and the other is concerned with the effect of the ceiling on the future of the industry.

Timing of the Ceiling

The ceiling order was announced just as the market-asparagus season was closing and the canning season was opening. Some contracts and oral agreements for the cutting of cannery asparagus had already been made, but most growers and contractors were still haggling over terms. The first criticism of growers, officials, and observers was that the ceiling order came too late. Wage levels had gone so high during the market season that it was very difficult to bring them down again. The concensus was that the ceiling should have been set in February before asparagus cutting began and that the rate should have been uniform for both market and cannery asparagus. The idea that the price for early season asparagus should have been regulated in the same way did not meet with the same acceptance. Early asparagus simply

sold for a premium and that was a most important advantage that California asparagus had over the eastern product.

If there had been ceilings both on the price of the early market asparagus and on the wage for cutting, and if they had borne an equitable relationship to each other, it seems probable that much friction and wasted effort would have been avoided.

Officials of the Asparagus Association are already working on plans for 1944 which aim to provide for a system of equitable ceilings that can be placed in effect at the beginning of the season and that will be fair both to the growers and the workers.

Relation of Ceiling to Existing Contracts

Another problem that arose, because of the lateness of the ceiling, was in regard to its effect on existing wage agreements which were generally at rates somewhat above the legal maximum. Early statements in regard to existing agreements were confusing to the grower. The news article in the Stockton Record announcing the ceiling stated, "Contracts now in effect will be honored, but all labor contracts signed in the future must comply with the ceiling." 18/ The Ceiling order itself was somewhat vague on the point: "Section 1102.2. That the wages of the asparagus workers in the counties mentioned in Section I hereof are not substandard and that no increases in the wages paid to such asparagus workers in the counties stated shall be made above the rates set forth below without the approval of the Administrator of Food Production and Distribution under the procedure provided for herein."

But at the bottom of the placards posted in the packing sheds later in the week was this statement: "This order applies to all piece work wages paid to asparagus laborers on or after April 12, 1943. Wages paid after April 12, 1943, under contracts previously signed must be within the above maximum rates." There

18/ Stockton Record, April 13, 1943.

was nothing to indicate whether this pronouncement had come from the Food Production Administration, the State Wage Board, or the Asparagus Association. Actually it was placed there at the suggestion of State enforcement officials who felt that all wages would have to be covered by the program.

Growers and public officials argued as to whether existing contracts could be nullified by any administrative agency. Enforcement authorities found that a critical issue was involved. If existing contracts were honored, unscrupulous growers and contractors could form contracts above the ceiling rates, claim that their agreement was already in existence before the ceiling was established, and avoid regulation entirely.

In most cases growers and workers agreed to nullify such contracts and the issue was not brought to a court decision. In cases in which the workers lost money through nullification of their contracts, there is still a possibility that they may take their case to the courts and sue for damages against the agency responsible for their financial loss.

Probable Effects of Ceiling on the Industry

The economic position of the asparagus industry in California is not highly secure. It is threatened by uncontrolled acreages at home and by increased competition from producing areas in New Jersey, Illinois, Washington, and other States. Competition in early market asparagus with South Carolina, Georgia, and lately Arizona, is not so keen as in green canning asparagus. In 1930, 357,809 cases of asparagus were canned outside California; by 1942 the number was 1,656,784 cases. In the meantime the California pack had dropped from 2,663,191 to 2,258,046 cases (table 8).

On the other hand, asparagus plantings in California have been so heavy that artificial marketing restrictions have been necessary in order to hold asparagus prices to profitable levels. The heavy cycle of plantings started in 1935 and probably ended in 1942. An annual plow-up of from 9,000 to 10,000

Table 8.- California and other States: Comparison of acreage of market asparagus and pack of canned asparagus, 1926-42 ^{1/}

Year	Acreage of market asparagus				Canned asparagus pack		
	Early states		Late States	Percent- age Cal- ifornia is of total	Cali- fornia	Other States	Percent- age Calif. is of total pack
	Calif- ornia	So. Carolina and Georgia					
1926	9,980	9,680	18,870	25.9	2,236	37	98.4
1927	10,080	10,300	21,120	24.3	2,190	26	98.8
1928	18,610	12,200	23,180	34.5	2,338	40	98.4
1929	13,270	11,800	23,790	27.2	2,693	53	98.1
1930	17,220	12,550	24,710	31.6	2,663	100	96.4
1931	26,270	13,000	24,970	40.9	1,747	142	92.5
1932	38,400	13,850	26,000	49.1	1,313	20	98.5
1933	27,760	13,400	26,150	41.2	2,134	184	92.1
1934	30,870	13,100	26,600	43.7	1,915	235	89.1
1935	22,170	12,600	26,740	36.0	2,238	281	88.8
1936	25,080	12,600	27,360	38.6	2,350	441	84.2
1937	23,610	11,500	27,700	37.6	2,073	631	76.7
1938	24,000	10,700	31,740	36.1	1,796	607	74.8
1939	26,630	10,340	36,000	36.5	1,849	671	73.4
1940	30,800	10,360	39,720	38.1	2,182	927	70.2
1941	35,940	10,240	41,780	40.9	1,578	1,449	52.1
1942	25,490	9,680	49,530	30.1	2,258	1,656	57.7

^{1/} Data prior to 1935 from Cox, W. F. and Jackson, W. L., Asparagus, U. S. Bureau of Agricultural Economics and California Department of Agriculture. Data since 1935 from U. S. Bureau of Agricultural Economics, The Asparagus Deal, 1942.

acres of old and marginal asparagus beds will be necessary if the producing area is to be kept down to fit the demand. A total of 11,606 acres was plowed up in 1942 and it is anticipated that a similar acreage will be so disposed of this year (table 9).

Extensive planting of asparagus is also leading to the exhaustion of the best asparagus lands. Land that has once been planted to asparagus cannot again be profitably replanted to this crop and less productive land has to be brought into use. Figures from the Bureau of Agricultural Economics indicate that the

Table 9.- Changes in acreage, production, and use of California asparagus, 1929-42 ^{1/}

Year	:			: Production converted to 43-lb. boxes			
	: Planted	: Plowed	: Bearing	: Cannery	: Market	: Frozen	: Unhar-
	: Acres	: Acres	: Acres	: 1,000	: 1,000	: 1,000	: vested
1929	: 5,877	: 1,754	: 51,600	: 2,994	: 550	: ---	: ---
1930	: 9,488	: 1,722	: 53,200	: 2,980	: 756	: ---	: ---
1931	: 9,248	: 2,491	: 58,460	: 2,300	: 946	: ---	: 655
1932	: 2,019	: 3,835	: 65,420	: 1,813	: 1,389	: ---	: 702
1933	: 2,603	: 5,794	: 70,930	: 2,925	: 907	: ---	: 283
1934	: 3,603	: 5,327	: 66,920	: 2,647	: 551	: ---	: 987
1935	: 8,028	: 6,753	: 64,337	: 3,007	: 672	: ---	: 300
1936	: 10,947	: 7,199	: 61,257	: 2,867	: 605	: ---	: ---
1937	: 14,471	: 6,508	: 62,015	: 2,776	: 854	: ---	: 309
1938	: 9,711	: 9,523	: 68,065	: 2,565	: 781	: 83	: 300
1939	: 5,113	: 5,224	: 73,252	: 2,510	: 788	: 100	: 760
1940	: 5,820	: 8,747	: 76,253	: 2,928	: 781	: 35	: 125
1941	: 7,443	: 5,312	: 72,076	: 2,163	: 661	: 30	: 942
1942	: 7,492	: 11,606	: 71,268	: 2,857	: 796	: 45	: 551

^{1/} Data from Cannery League of California, Special Bul., Nov. 24, 1942.

yield per acre in California was almost 2 tons in 1918 and had dropped to approximately 1 ton by 1940 (table 4). This difference is partially due to higher grading standards but still indicates a very substantial reduction in yield. The best asparagus lands in the State are slowly being used up and poorer acreages are coming into production. Some land has been replanted to asparagus but such acreages produce only 60 percent as heavy a crop as the first planting. New Jersey and Washington now produce 145 crates of asparagus to the acre as compared with 90 in California.

Costs of labor and transportation also reduce the competitive ability of the California asparagus industry. Growers in California are competing directly with those in New Jersey, Illinois, and Washington. According to figures, of the Bureau of Agricultural Economics, the cost per hundred pounds for cutting green asparagus was 2.9 cents in New Jersey and 2.5 cents in Washington. ^{19/}

Efficiency of the California worker is high but needs to be increased if his wage levels are to remain high. The transportation cost to the New York market amounts to approximately \$1.84 per hundred pounds compared with \$1 from South Carolina and a negligible amount from New Jersey. 20/

It seems, therefore, that all measures directed toward more efficient methods of production and distribution in the asparagus industry in California and in the country at large are desirable. Measures are needed in California that will reduce both costs and selling prices in order that California growers can maintain their competitive position. Artificial price maintenance policies fostered by these growers in the past have given rise both to increased wage demands and to heavier competition from other areas. An approach to problems of the industry on a national basis would tend to reduce destructive competition, solve the problem of overexpansion, and promote a wider use of its products.

Measures of an industry-wide nature might include some form of regulation of plantings which would provide some assurance that the most productive land is not exhausted too rapidly. Reducing costs is another measure, but this should emphasize streamlining of operations rather than adoption of pinch-penny methods. Present methods of harvesting were developed when workers were plentiful and cheap; a re-examination might easily disclose shortcuts that would save labor. Hauling the sleds of asparagus direct to the cannery, for example, both reduces the labor requirements and eliminates agitation over payment by the box. Rental contracts for asparagus lands need revision so they will not be a handicap to the industry. Measures that promote any industry-wide viewpoint rather than leaving the grower to be wrapped up in his individual problems are a decided advantage.

20/ Carcross, J. W. and Waller, A. J., Economic Situation Facing New Jersey Vegetable Growers. New Jersey Agr. Expt. Sta. Bull. 660.

THE MEXICAN NATIONAL IN THE ASPARAGUS INDUSTRY

Many growers say: "The only way to really stabilize wages is to bring in enough workers so that the growers won't bid for them." The growers looked forward to the coming of the Mexicans as a means of balancing supply and demand for asparagus workers. On the other hand, they were individually hesitant about putting in an order for the importees. They were of the opinion that a Mexican was usually slower than a Filipino, that he would require a good deal of training and supervision, and that he would not work smoothly in a crew as the Filipino did. Approximately 950 Mexican Nationals had helped in sugar beets and tomatoes in the county the previous year and in the opinion of growers many of these had scarcely been able to stand the hard work.

Nevertheless, asparagus growers asked for 930 Mexican Nationals to carry on at least a part of their cutting operations. At the time the asparagus season opened, however, a breakdown in the importation machinery had occurred and no Mexican Nationals arrived for 6 weeks. This was a real hardship to the growers who had depended on hiring them. On April 5, 130 Mexican Nationals arrived at Stockton and 3 days later 750 more came. Three hundred of these were sent to asparagus growers; a number went to growers who either had bad relationships with the Filipinos or had marginal beds which the Filipinos were reluctant to cut.

Operators who used Mexican Nationals supplied incomplete records of their activities. Typical earnings of a crew paid on an hourly basis are found in table 10.

Growers who sent in records for workers employed on an hourly basis gave no account of the number of pounds of asparagus cut by them. Only a few of the Mexicans were shifted to a piece-rate basis and many of these did not stay on piece rates for more than a few weeks. A sufficient number of piece-rate records are available, however, to give an idea of the speed of the Mexican asparagus cutters.

Table 10.- Typical earnings of Mexican crew, paid on hourly basis, 1943

Week ending	: Number in crew	: Days worked	: Hours worked	: Rate per hr.	: Gross earning per worker	: 10 per cent to Mexico	: Charge for board	: Net payment to worker
	: No.	: Days	: Hours	: Dol.	: Dol.	: Dol.	: Dol.	: Dol.
Apr. 9	: 15	: 4	: 34	: .60	: 20.40	: 2.04	: 6.00	: 12.36
Apr. 16	: 14	: 5	: 42	: .60	: 25.20	: 2.52	: 9.00	: 13.68
Apr. 23	: 14	: 7	: 66	: <u>2/.75</u>	: 48.30	: 4.83	: 10.50	: 32.97
Apr. 30	: 14	: 6	: 55	: .75	: 41.25	: 4.13	: 10.50	: 26.62
May 8	: 14	: 7	: 67	: .75	: 50.25	: 5.03	: 10.50	: 34.72
May 14	: 13	: 7	: 63	: .75	: 54.00	: 5.40	: 10.50	: 38.10
May 21	: 15	: 7	: 75	: .75	: 56.25	: 5.63	: 10.50	: 40.12
May 28	: 15	: 7	: 79	: .75	: 59.25	: 5.93	: 10.50	: 42.82
June 4	: 13	: 7	: 72	: .75	: 54.00	: 5.40	: 10.50	: 38.10

1/ Ten percent of the total wage payment is sent direct to banks in Mexico to be kept for the worker until his return.

2/ One day at 60 cents an hour.

The average rate of cutting by the Mexican workers was 24.3 pounds per hour; the best crew averaged 36.1 pounds and the poorest 16.9 pounds (table 11). But it should be remembered that the Mexican crews with low production were usually working on marginal beds; growers estimate the speed of a Filipino cutter to be from 50 to 55 pounds an hour on an average prime bed.

Day-by-day figures on piece-work output by the Mexicans suggest that their production usually decreases (table 11). This points to several problems in regard to the use of these workers: (1) They do not work well in crews. Some are much faster than others and under the crew system their work tends to fall to the speed of the slowest. (2) They prefer to work on an hourly basis; they can then establish a steady pace and are not bothered by speed-up methods. (3) The lack of adequate supervision, which is a more fundamental problem. Speed in cutting asparagus depends on such factors as knowing how to make the proper stroke to cut the spear cleanly with one motion and how to decide quickly which spear should be cut, which should be thrown away, etc. The job of

Table 11.- Earnings of Mexican Nationals cutting asparagus at piece rates, San Joaquin County, 1943 ^{1/}

Crew	: Num-ber : in : crew :	: Days ex-perience : before : going on : piece rate :	: Days : on : piece : rate :	: Aver-age : hours : per : day :	: Average : pounds cut :		: Average : earnings :		: Range of : earnings :		: Pounds cut : per hour :	
					: Per : day :	: Per : hour :	: Per : day :	: Per : hour :	: High :	: Low :	: First : 3 days :	: Last : 3 days :
	<u>No.</u>	<u>Days</u>	<u>Days</u>	<u>Hours</u>	<u>Lbs.</u>	<u>Lbs.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Lbs.</u>	<u>Lbs.</u>
A	12	18	<u>3/28</u>	7.5	164.5	21.9	6.25	.833	1.27	.36	22.0	22.2
B	19	26	<u>3/18</u>	8.4	235.3	28.0	8.00	.953	1.33	.75	34.2	26.3
C	20	21	<u>3/17</u>	9.1	174.0	19.2	6.61	.732	1.01	.34	23.9	13.5
D	20	7	<u>4/40</u>	8.0	165.0	20.6	5.51	.688	.69	.20	25.1	19.9
E	20	21	<u>4/17</u>	7.7	130.0	16.9	4.87	.633	1.11	.25	23.9	11.9
F	7	14	<u>5/12</u>	8.5	184.3	21.7	7.30	.823	1.14	.61	21.7	19.9
G	10	14	<u>5/ 8</u>	10.1	365.2	36.1	10.24	1.010	1.47	.64	41.4	34.4
H	10	14	<u>5/ 5</u>	10.3	306.0	29.7	8.43	.818	1.07	.56	30.9	31.8
Av.	<u>6/</u> ---	---	---	8.7	215.5	24.3	7.15	.81	---	---	27.9	22.5

1/ Includes all crews that had been on piece rates before June 1, 1943.

2/ Rate per hour on lowest and highest day.

3/ These crews were still on piece rates June 1, 1943.

4/ Workers were removed from these growers because they were making too little money.

5/ Crews returned to hourly rate of 75 cents an hour at their own request.

6/ Simple averages of hours and earnings.

training the workers is complicated by the fact that the growers must rely on Mexican foremen or interpreters who are usually chosen for their ability to speak English and Spanish rather than for their close knowledge of asparagus work.

Comparative slowness of the Mexicans led to a housing problem for the growers who used them. Those who had just enough facilities for a Filipino crew found they did not have enough room for the number of Mexicans required to do the job. The Farm Security Administration made an inspection to see that housing facilities would not be overcrowded.

The Mexican importees for the most part have been willing, steady, and reliable workers but the percentage who have asked to return to Mexico has been high. Of the 1,842 importees who came into San Joaquin County between April 5 and May 21, 190 had already been started back to Mexico by June 16. Many reasons were given by the workers as to why they had to go home. Sickness of the worker or sickness in his family were among the reasons most frequently given. Farm Security Administration officials noted that apparently the more common real reason was homesickness, or that the worker was just worn out. At home he had interspersed his farm work with a good many days of rest and relaxation. Here, he worked hour after hour and day after day, whether he was tired or not. Farm Security Administration officials were planning to require workers to give 2 weeks notice of intention to quit in the hope that this might check the homeward movement.

Some growers say that the industry is through with the Filipinos as asparagus cutters and that they look forward to Mexican workers to replace them permanently. It would seem from the foregoing data that the Mexicans might not be a ready substitute.

UNITED STATES DEPARTMENT OF AGRICULTURE
California USDA War Board
P. O. Box 247
Berkeley, California
April 24, 1943

War Letter No. 343

LABOR - - - - - No. 53

- Re: I. Wage Stabilization in Asparagus
- II. Procedure for Application for Wage Stabilization for Other Commodities

I. Wage Stabilization in Asparagus

Effective April 8, the Food Production and Distribution Administration issued an order stabilizing wages in the asparagus harvest in the counties of San Joaquin, Sacramento, Yolo, Solano, and Contra Costa. A copy of this order is attached and also a copy of some other provisions of the law under which the order was authorized.

This order is of general interest because it is the first order issued setting official wage ceilings on an agricultural operation. Also, it may concern producers of other crops because the procedures involved will, undoubtedly, apply in a similar manner to wage ceilings for other operations, if and when they are established.

This is an official order issued by the Food Production and Distribution Administration, and it is to be enforced and the penalties invoked. The general penalty that applies to all violators, whether operators or workers, is a fine of up to \$1,000, or an imprisonment of not to exceed one year, or both. In addition, growers who pay more than the ceiling rates, may not claim any portion of the harvest payroll during the period as permissible deductions in calculating 1943 income taxes.

Questions have been raised regarding the procedure to be followed in connection with the operation and enforcement of this order and the following outline has been developed:

1. County War Board offices will provide for giving the necessary service in connection with the operation of this order. At this time it is impossible to estimate the volume of work which will be involved but whatever it is, County War Boards should plan to take care of it. An example of possible service is the sending of a war board member or representative to each camp where harvest operations are stopped because of a dispute regarding ceiling wages. It is believed that in most cases a visit by a War Board official and an explanation of the order will clear up the disputes.
2. The County War Board should urge growers and workers to work together for the enforcement of this order. The enforcement of a law, in the final analysis, depends upon the public opinion of the people concerned and this order is no exception to that general rule. Since this is the

first instance of agricultural wage stabilization, we believe that its successful enforcement justifies extra effort on the part of growers. Additional wage ceilings may depend on the success of this one.

3. Any requests or appeals for individual adjustment of ceilings should be made to the County War Board. Such requests should be reported at once to the State Wage Board and arrangements will be made for hearings and decisions as provided in the order. It is hoped that procedures will be authorized for handling such cases in the counties, but until that happens, all cases must be reported promptly to the State Wage Board. Meanwhile, it is suggested that each County War Board select a committee of growers, workers, and others to pass on productivity of beds either prime or otherwise. Their recommendations will be appreciated by the State Wage Board.
4. In connection with draft deferment of asparagus workers, we have been informed that employers should have a "42A" filed on each worker. Whenever a worker leaves, the employer is obligated to notify the appropriate draft board. Further, if a worker quits because of the refusal of the employer to pay asparagus harvest rates in excess of the ceilings the employer should also notify the County War Board. In that manner the County War Board will have the information needed when the case is referred to it by the draft board. In fact, the War Board will be in a position to initiate action. It would be well to advise employers of the need for following this procedure.
5. A procedure is necessary for the handling of violations and the following is the one to be used:
 - a. Anyone who becomes aware of a violation of this order should notify the County War Board of the county wherein the violation has occurred. If it is impossible to call at the appropriate county office, it will be in order to notify another county office which will, in turn, transmit the information to the right county. In notifying the County War Board of the violation, all the facts known to the person making the report should be given to the County War Board. Also, the person filing the complaint should sign a statement regarding the apparent violation since we do not wish to deal in anonymous rumors. The name of the person reporting will, of course, be kept confidential.
 - b. The County War Board will investigate any reports so made. In making such an investigation some field work will be needed, but no specific instructions will be given. The facts should be ascertained through interviews and other procedures similar to those used in investigating draft deferments, priorities, and machinery cases. The investigation should produce as complete a report as possible.
 - c. The County War Board will, in turn, report to the State Wage Board, (at the address of the California USDA War Board and directed to Dave Davidson as Chairman of the State Wage Board.) In making this report of the case all the detailed information collected in the investigation should be submitted to the State Wage Board. All violations reported to the County War Board should be reported to the State Wage Board whether or not the investigation shows there is an actual violation.

- d. Upon receipt of the reports from the County War Board, the State Wage Board will review the case and if a violation is indicated, even though not completely substantiated, the State Wage Board will send a warning letter to the employer or employee as the case may be. This letter will indicate that an apparent violation has been reported and that the State Wage Board is warning the individual of the seriousness of violations of this order. Further, the letter will state that if a violation is in effect, it should be stopped immediately, and that in any event an answer should be sent without delay to the State Wage Board explaining the situation. The letter will further state that desisting from further violation will not necessarily preclude prosecution, but that it at least will be an evidence of good faith. Also a complete explanation will help to clear up the matter if there has been no violation. As an additional incentive to answering the letter, there will be contained in this warning a further statement to the effect that if no satisfactory answer is received within ten days from the date of the letter, the State Wage Board will turn the case over to the Regional Attorney of the U. S. Department of Agriculture, and will also notify the Bureau of Internal Revenue of the apparent violation of the order.
- e. The case, if turned over to the Regional Attorney of the U. S. Department of Agriculture, will be followed closely and, after an appropriate additional investigation, will be given to the U. S. Attorney for prosecution.

This outline should indicate to everyone that it is the clearcut intention of the Department of Agriculture and the Government as a whole, to see that this order is upheld. Any difficulties that may arise should be referred to the State Wage Board without delay in order that they may be cleared up promptly. It is more important that the order be effective than that punitive prosecutions be carried out.

II. Procedure for Application for Wage Stabilization for Other Commodities

Already inquiries have come to us regarding wage stabilization orders for other crops. As yet none of them has been handled. We do not yet have formal instructions on procedure from the Labor Administrator of the Department of Agriculture in Washington and when a procedure is received, it will, of course, be sent to all County War Boards. Meanwhile, the following suggestions should expedite consideration of valid cases.

Whenever a group of growers feel that wage stabilization is desirable, they should contact the County War Board for instructions on how to proceed. The County War Board should advise them: (1) A substantial, if not a major, part of the growers concerned should agree that stabilization is needed. (2) They should prepare a complete statement of the manner in which the stabilization should be applied. Such things as piece work and hourly work rates, and the various operations involved, should be covered in such a statement. Also, the area to be covered with the order should be stated. The area should be all the territory with uniform conditions. (3) When this agreement and the supporting evidence have been collected, a specific request for an order involving stabilization in that commodity should be submitted to the County War Board for transmission to

the State Wage Board. (4) The County War Board should mail to the State Wage Board this request and the supporting data.

Upon receipt of specific requests for wage stabilization the Wage Board will meet and consider them without delay. Any apparent reluctance to consider cases has simply been due to the fact that no guidance has been given to growers in the presenting of such cases, and also the Wage Board has been anxious to obtain some experience in the operation of this first order before they were flooded with additional orders. It is hoped that the experience gained in the operation of the asparagus order will serve as a guide to the preparing and issuing of orders that will have a real good chance of being effective and helpful in the war effort.

Dave Davidson, Chairman
California USDA War Board

Attachment:

Order Limiting Wages of Asparagus Workers

COPY

Following is the Order Limiting Wages of Asparagus Workers

"TITLE 29 LABOR

Chapter IX -- Agricultural Labor

Part 1102 -- Salaries and Wages in the Production of Asparagus

Workers in Certain California Counties

"Public notice with respect to increases in wages of certain asparagus workers in San Joaquin, Sacramento, Yolo, Solano, and Contra Costa Counties, State of California.

"Pursuant to the authority contained in the Act of October 2, 1942, entitled, 'An Act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes' (Pub. Law 727, 77th Cong.); the directive of the Economic Stabilization Director, approved by the President on October 27, 1942 (7 F.R. 8748), as amended November 30, 1942 (7 F.R. 10024); EXECUTIVE ORDER 9322 of March 26, 1943 (8 F.R. 3807); and EXECUTIVE ORDER 9328 of April 8, 1943 (8 F.R. 4681); and based upon relevant facts submitted to me by the Wage Board for California of the United States Department of Agriculture and by other sources, it is hereby determined that:

"Sec. 1102.1 Persons engaged in the cutting and sledding, hand-racking and washing, and hand-rack washing and boxing of asparagus in San Joaquin, Sacramento, Yolo, Solano, and Contra Costa Counties, State of California, are agricultural workers as defined in Section 4001.1 of miscellaneous amendments of November 30, 1942 (7 F.R. 10024), to the directive of the Economic Stabilization Director approved by the President on October 27, 1942 (7 F.R. 8748), which states: 'The term "agricultural labor" shall mean persons working on farms and engaged in producing agricultural commodities whose salary or wage payments are not in excess of \$2,400 per annum.'

"Sec. 1102.2 That the wages of the asparagus workers in the counties mentioned in Section I hereof are not substandard and that no increases in the wages paid to such asparagus workers in the counties stated shall be made above the rates set forth below without the approval of the Administrator of Food Production and Distribution under the procedure provided for herein.

"MAXIMUM WAGE RATES FOR HARVESTING
ASPARAGUS FOR CANNING AND FREEZING

"(a) For prime beds (not less than 5 and not more than 10 years old).

"(1) Cutting and sledding No. 1 white, \$2.75 per cwt.

"(2) Cutting and sledding No. 1 green, \$3.25 per cwt.

"Both rates for packed out and 7" long.

"(b) For other than prime beds.

"(1) Cutting and sledding white, \$3.25 per cwt. (packed out).

"(2) Cutting and sledding green, \$3.75 per cwt. (packed out).

"If workers are paid on a field box basis for cutting, rates must be equivalent to per-hundred weight rates specified.

"(c) For washing and boxing.

"(1) Hand-rack washing and boxing, white, \$0.40 per cwt.

"(2) Hand-racking and washing, green, \$0.55 per cwt.

"Sec. 1102.3 That any requests for increases in such wages above those stated in Section 2 hereof, and any appeals for relief from hardships resulting from this determination, shall be submitted to the Wage Board for California of the United States Department of Agriculture, 2288 Fulton Street, Berkeley, California, which Board, after hearing conducted pursuant to reasonable notice by such Board shall refer such requests and appeals, with recommendations, to the Administrator of Food Production and Distribution of the Department of Agriculture.

"This notice shall be effective as of the twelfth day of April, 1943.

(Seal)

JESSE W. TAPP,

(F.R. Doc. 43-5781; Filed,
April 13, 1943; 11:58 a.m.)

Acting Administrator of Food
Production and Distribution."

PENALTIES FOR INFRACTIONS

Public Law 729 -- 77th Congress Provides the Following:

Sec. 5. (a) No employer shall pay, and no employee shall receive, wages or salaries in contravention of the regulations promulgated by the President under this Act. The President shall also prescribe the extent to which any wage or salary payment made in contravention of such regulations shall be disregarded by the executive departments and other governmental agencies in determining the costs or expenses of any employer for the purposes of any other law or regulation.

Sec. II. Any individual, corporation, partnership, or association willfully violating any provision of this Act, or of any regulation promulgated thereunder, shall, upon conviction thereof, be subject to a fine of not more than \$1,000, or to imprisonment for not more than one year, or to both such fine and imprisonment.

UNITED STATES DEPARTMENT OF AGRICULTURE
 California USDA War Board
 P. O. Box 247
 Berkeley, California
 May 6, 1943

WL 359
 LBR 55

War Letter No. 359

LABOR - - - - - No. 55

To: County USDA War Boards
 Chairmen and Secretaries of County Farm Labor Committees

Re: Amendments to Asparagus Wage Stabilization Order

- I. Machine Washing Rates
- II. Individual Adjustments
- III. Enforcement

I. Machine Washing Rates

Section 1102.2 (c) has been amended to read as follows:

- (1) Hand washing, racking and boxing, No. 1 white, \$0.40 per cwt.
- (2) Hand racking and washing, No. 1 green, \$0.55 per cwt.
- (3) Machine washing, racking and boxing, No. 1 white, \$0.30 per cwt.
- (4) Machine washing and racking, No. 1 green, \$0.40 per cwt.

The most significant part of this amendment is the addition of rates for machine washing, racking and boxing operations. These new rates reflect the increased output per man where machines are used and are comparable to those for hand washing.

Publicity should be given to this amendment and any growers who are known to operate machine washers should be given the information individually.

These machine washing ceiling rates become effective May 1. For work done prior to May 1 the ceiling rates established for hand washing were the ceiling rates.

II. Individual Adjustments

Section 1102.3 has been amended to read as follows:

"Any appeals for relief from hardships resulting from this determination and any applications for adjustment in such wages shall be filed by the employer with the Wage Board for California of the U.S.D.A., 2288 Fulton Street, Berkeley, which Board, after conducting such investigation as may be required and reviewing such applications or appeals, shall have the authority to make such determinations as are consistent with the interests of this Order. Each such ruling shall be final, subject only to the War Food Administrator's right to review on his own initiative. Any reversal or modification of such ruling by the War Food Administrator shall take effect from the date of its issuance provided, however, that if a ruling denying application for permission to make a wage

increase is overruled, the final ruling by the War Food Administrator shall incorporate the effective date of the adjustment."

This amendment provides for making necessary individual adjustments within the State. However, it should be noted that cases may be appealed to the War Food Administrator.

In making these individual adjustments the following procedure is to be used:

- (1) Growers or workers asking for adjustments (most will be of the type where beds 5 to 10 years old should be classed as other than prime beds) will report to the County War Board. At that time the War Board office should obtain as much information as possible. The attached form should be used and filled out in duplicate.
- (2) The County War Board should provide for a field investigation. This may be done by a War Board member, office assistant, AAA Committeeman, or other person qualified by a knowledge of asparagus. It should include a review of production record of the beds with the canners.
- (3) The County War Board will review the report and make a recommendation to the State Wage Board. If the War Board does not feel qualified to pass on such adjustments the War Board may select a committee to advise them. Growers and others acquainted with asparagus may be used on such a committee.
- (4) The completed forms (both copies) with the War Board recommendations will then be mailed to the State Wage Board.
- (5) The State Wage Board will reply promptly and return one copy for the County War Board files. The applicant should be notified at once.

Please note that the forms require full information, including worksheet number, and a sketch of the farm and the field in question. Also, any pertinent information should be entered in the space for "Findings and Action of County War Board." Note should also be made of the time when the adjusted rate is asked to apply.

III. Enforcement

War Letter No. 343 gave instructions for enforcement. These still apply. Not only should all violations be reported but every effort should be made to get as complete evidence as possible. It is not desired to molest innocent growers or workers but violators should be reported and prosecuted.

Attachment
Calif. WB Form No. 29

Dave Davidson, Chairman
California USDA War Board

Request for Individual Adjustment
Asparagus Wage Stabilization Order

1. Name of appellant _____
Address _____
2. Worksheet, number, and description of farm (attach sketch map) _____

3. Total acreage of asparagus on farm _____
4. Acreage on which adjustment is requested _____
5. Age of asparagus (Break down to tracts if different ages or conditions are involved) _____
6. Designate whether first or second planting _____
7. Production (including fresh market) records for past two seasons -
1941 - White _____ Green _____
1942 - White _____ Green _____
8. Estimated total production (including fresh market) for 1943.
White _____ Green _____
9. Production (including fresh market) records to date for current season
White _____ Green _____
10. Cannery to whom sold - 1941 _____
1942 _____ 1943 _____
11. Wage rates paid in 1942 - Cannery White _____ Cannery Green _____
12. Date when adjusted rate should become effective _____

13. Reasons for adjustment _____

Date

Signature of Appellant

14. Findings and action of County War Board _____

Date

Signature of Chairman or
Member of County War Board

15. Action of State Wage Board _____

Date

Signature of Chairman or
Member of Wage Board