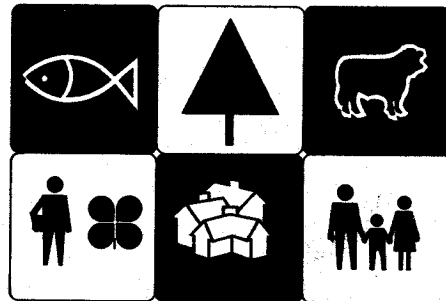


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Farm Labor Employment and Management Considerations: Report on a Survey in Morrow and Gilliam Counties

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REPORT ON A SURVEY IN
MORROW AND GILLIAM COUNTIES

Gene Nelson
Robert Newman
Dennis Fisher

Oregon State University Extension Service
Corvallis, Oregon
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CONTENTS

	<u>Page</u>
INTRODUCTION.	1
Project Objective.	1
Survey Procedure	2
EMPLOYER PROFILES	3
EMPLOYEE PROFILES	8
EMPLOYMENT PRACTICES.	11
Pay and Benefit Packages	12
Amount and Incidence of Benefits Received.	12
Comparison of Employee Perceptions of Benefit Values.	16
Factors Affecting the Monthly Salary	17
Other Employment Conditions.	19
Job Skill Requirements	20
EMPLOYER-EMPLOYEE RELATIONS	21
Communications	21
What Do Workers Want	22
Employee Job Attitudes	24
FARM LABOR MARKET CHARACTERISTICS	25
Employment Patterns.	25
Market Mechanisms.	25
Alternatives Perceived by Employees.	26
Labor Market Performance	27
Perceived Future Demand and Supply	27
SUMMARY OF FINDINGS AND IMPLICATIONS.	28
Pay and Benefits	28
Employment Conditions.	29
Social Considerations.	30
Seasonality.	30
Labor Recruiting	31
APPENDIX.	32

FARM LABOR EMPLOYMENT AND MANAGEMENT CONSIDERATIONS:
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INTRODUCTION

The most recent Census of Agriculture data indicate that in 1969 Oregon farmers paid about \$68 million to hire farm labor. This represents a sizeable production expense. The upward trend in the cost of labor hired per farm increases the importance of labor management for the individual producer. In Morrow and Gilliam Counties the cost of hired labor per employing farm increased from \$3,817 in 1964 to \$4,191 in 1969.

In spite of the importance of this production input, little is known about labor management practices and farm labor market operation. Information is needed concerning pay and benefit packages, employment conditions, and labor supervision. Characteristics of farm workers and the communication channels and mechanisms of the labor market are also unknown.

Information from this study is intended for dissemination to farm employers, employees, policy-makers, and other interested audiences. This should provide a basis for identifying areas for improving employee-employer relations, to their mutual benefit, and for more efficient operation of the farm labor market.

The location of this study is Morrow and Gilliam Counties, located in the mid-Columbia region of Oregon. The predominant crop is dryland winter wheat, produced under summer fallow rotation. Morrow County is presently undergoing a boom in irrigation development, with substantial increases in potato and forage production.

Project Objective

The objective of this project was the study of farm labor employment, to develop descriptive information on employee-employer relations and the farm labor market. The project was authorized and funded by the Oregon State University Extension Service.

Survey Procedure

A survey of a sample of growers and farm workers in the two-county area was conducted to accomplish the above objective. A list of grain growers for potential inclusion in the study was provided by the offices of the Extension agents in the two counties. The sample was chosen randomly, excluding operations which hired no farm labor in 1972.

Constraints on the project limited the sample size to 60 farms, 36 in Morrow County and 24 in Gilliam County. About 15 to 20 percent of all the growers hiring labor in the two counties were represented in the sample. Within each county, 50 percent of the interviews were conducted on farms employing at least one worker for over six months, with the remaining 50 percent on farms that employed workers for less than six months in 1972.

To select the sample, the growers on the list were contacted by telephone in numerically ascending order of randomly-assigned numbers. They were asked two questions. The first question asked if any farm labor, including family members, was hired in 1972. The second question was asked only if an affirmative response was received on the first: Did any employee work over six months in 1972? This procedure was continued until a sample with the appropriate characteristics was selected.

To prevent a concentration of sample growers from a single family with similar labor practices, a maximum of two related growers were included in the survey. On one occasion in Morrow County, and on two occasions in Gilliam County, it was necessary to deviate from the random sampling procedure because it was determined that a grower was related to two growers previously selected.

There was also concern that the sample of farms in each county have a representative geographical distribution. Therefore, the location of each sample farm was plotted on county road maps. Based on this plotting, it appears that the random sampling procedure resulted in a uniform geographic distribution in each county.

Guidelines were used to determine which employees on the sample farms would be interviewed. Those workers currently on the farm who had worked for the grower

in 1972 were interviewed on that same visit, if logistically possible. Workers employed by the grower in 1972, who were not on the payroll at the time of the visit, would be contacted if the person still resided in either Morrow or Gilliam Counties. Current employees who had not worked for the grower in 1972 were not interviewed.

To facilitate the interviews, two questionnaires were developed - one for employers and one for employees. The questionnaires were completed in personal interviews. Some questions were duplicated on the two questionnaires in order to gauge differences in employer and employee perception.

Subjective and open-ended questions were asked relating to growers' experience with farm labor sources, government agencies, and worker preferences, as well as employee perspectives of alternative sources of income, prior working experience, and sources of satisfaction and dissatisfaction with the job in question. Demographic data were obtained on both growers and employees. Finally, employers were asked to describe the legal nature of their farm ownership and the size of their farm business.

Prior to the interviews, the growers received a letter from the Extension Manpower Agent for both counties, explaining the basic procedures and purposes of the survey. This letter emphasized that participation in the survey was voluntary, and that all specific information provided would be held in strict confidentiality.

As a preliminary step in the interviewing process, the two questionnaires were tested in field interviews on four farms in Morrow County in early April. In this pre-test period, four employer and five employee interviews were conducted, and provided the basis for revising and improving the questionnaire. The interviews were completed in April and May of 1973.

EMPLOYER PROFILES

A total of 60 farm employers were interviewed, 36 in Morrow County and 24 in Gilliam County. This section contains a general description of the farms surveyed: gross farm sales, form of organization, type of enterprises, age and education of

employers, total days of labor hired, and number of employees.

Thirty percent of the sample farms had gross sales over \$100,000 in 1972 (Table 1). The distributions of farms, by gross sales, was similar for both counties.

Sixty-four percent of farms in the sample were organized as sole proprietorships (Table 2). More farms with sales in excess of \$100,000 were involved in some type of corporate ownership. These were mostly close-held family corporations.

The average acreage of land operated by the employers in the sample was 6,935 acres. The crop and livestock enterprises reported by the sample farmers are presented in Table 3. Ninety-five percent of the sample farms reported small-grain production as an enterprise, with a median (i.e., mid-value) size of 1,000 harvested acres. Forty-nine percent of the sample farms harvested hay and/or silage, and one farm grew potatoes in 1972.

Seventy-two percent of the sample farms reported beef cows, with a median herd size of 100 beef cows. Three farms had over 350 head. Beef yearlings were raised on 67 percent of the farms. Dairy cows were kept on 18 percent of the sample farms, presumably to provide milk only for the family. Sheep were reported by 18 percent of the interviewees, with a median flock of 52.5 head. Two of the sheep enterprises, however, had over 550 head.

The age and education distributions for the growers in this study are presented (Table 4). Thirty-five percent of the growers were from 45 to 54 years of age. The majority of the growers in the sample had received formal education beyond high school.

The sample farms hired an average of 462 man-days of labor in 1972. This labor was provided by an average of 3.4 employees, with each employee working 137 days. Tables 5 and 6 present the distributions of the total days of labor hired per farm in 1972, by county and by size of farm. There was no significant difference in the average number of days of labor hired per farm between the two counties. However, as would be expected, the larger farms (those with sales of \$100,000 and over)

Table 1. Number of Farms Surveyed in Morrow and Gilliam Counties,
by 1972 Gross Farm Sales

Sales class	Morrow County		Gilliam County		Total sample	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000.....	11	37	8	35	19	36
\$ 50,000 - \$ 99,999.....	10	33	8	35	18	34
100,000 - 199,000.....	6	20	6	26	12	22
200,000 and over.....	3	10	1	4	4	8
No response.....	6	--	1	--	7	--
	36	100	24	100	60	100

Table 2. Form of Business Organization for Sample Farms, by Sales Class

Organization	Sales under \$100,000		Sales \$100,000 and over		Total ^{a/}	
	Number	Percent	Number	Percent	Number	Percent
Sole proprietorship....	27	73	7	47	35	64
Partnership.....	8	22	2	13	11	20
Family corporation.....	1	3	4	27	5	9
Other corporation.....	0	0	0	0	1	2
Combination.....	1	3	2	13	3	5
No response.....	0	--	1	--	5	--
	37	100	16	100	60	100

^{a/} The totals include seven farms for which no 1972 sales data were provided.

Table 3. Number and Average Size Reported for Crop and Livestock Enterprises on Sample Farms

Enterprise	Farms reporting	Median value reported ^{a/}
	(percent)	(acres)
Small grain harvested.....	95	1,000
Hay and silage harvested....	49	120
Potatoes.....	2	320
		(head)
Beef cows.....	72	100
Beef yearlings.....	67	28.5
Dairy cows.....	18	1.5
Sheep (ewes).....	18	52.5

^{a/} For growers reporting that enterprise.

Table 4. Age and Education of Sample Employers

Age	Number	Percent	Education	Number	Percent
(years)			(years)		
25 - 34.....	7	13	0 - 8.....	4	7
35 - 44.....	14	25	9 -12.....	23	40
45 - 54.....	20	35	13-16.....	30	51
55 - 64.....	10	18	16 and over.....	1	2
65 and over.....	5	9	No response.....	2	—
No response.....	4	—		60	100
	60	100			

Table 5. Total Days of Labor Hired on Sample Farms
in 1972, by County

Days	Morrow County		Gilliam County		Total sample	
	Number	Percent	Number	Percent	Number	Percent
1 - 100.....	5	14	1	4	6	10
101 - 300.....	12	33	7	29	19	31
301 - 500.....	10	28	6	25	16	27
501 - 800.....	4	11	3	13	7	12
801 and over.....	<u>5</u>	<u>14</u>	<u>7</u>	<u>29</u>	<u>12</u>	<u>20</u>
	36	100	24	100	60	100

Table 6. Total Days of Labor Hired on Sample Farms
in 1972, by Sales Class

Days	Sales under \$100,000		Sales \$100,000 and over		Total sample ^{a/}	
	Number	Percent	Number	Percent	Number	Percent
1 - 100.....	5	13	1	6	6	11
101 - 300.....	16	43	1	6	19	32
301 - 500.....	11	30	3	19	16	27
501 - 800.....	1	3	4	25	7	9
801 and over.....	<u>4</u>	<u>11</u>	<u>7</u>	<u>44</u>	<u>12</u>	<u>21</u>
	37	100	16	100	60	100

^{a/} The totals include seven farms for which no 1972 sales data were provided.

hired significantly more labor. Farms in the small sales class hired an average of 321 days of labor, while those in the large sales class hired 750.

While there was not a large difference in the days of labor hired between the two counties, Gilliam County did hire a significantly larger number of employees (Table 7). This can be explained by the hiring of fewer year-round and more seasonal farm workers in Gilliam County than Morrow County. The larger farms hired an average of 4.2 employees compared to 2.9 for farms with less than \$100,000 sales (Table 8). The employees on larger farms tended to be employed for more days.

EMPLOYEE PROFILES

Two characteristics of farm employees conditioned labor management practices. The first is whether or not the employee is hired on a seasonal (120 days or less) or year-round (more than 120 days) basis. The second is whether or not the employee is related to the employer (or a member of his immediate family), as opposed to being unrelated. Table 9 reports the cross-classification of the workers employed on the sample farms according to these characteristics.

The relative proportion of seasonal and year-round workers cannot be generalized to the total farm labor force in Morrow and Gilliam Counties because of the sampling procedure followed. The sample was drawn so that employers hiring only seasonal workers would be equally represented with those who had at least one employee on a year-round basis. The 1969 Census of Agriculture indicated that between 70 and 80 percent of the hired farm workers are seasonal.

Age distributions of the employees, according to whether or not they are related to the employer and whether they are hired on a seasonal or permanent basis, are shown in Tables 10 and 11. For the 56 employees interviewed, the results indicate that 61 percent of the related employees were under 25 years of age, compared to 21 percent for unrelated employees (Table 10). Also, the highest percentage of the seasonal employees were under 25 (Table 11).

Table 7. Total Number of Employees on Sample Farm
in 1972, by County

	Morrow County		Gilliam County		Total sample	
	Number	Percent	Number	Percent	Number	Percent
1.....	12	33	1	4	13	22
2.....	9	25	6	25	15	25
3.....	6	16	3	13	9	15
4.....	2	6	5	21	7	11
5.....	2	6	2	8	4	7
6 and over...	5	14	7	29	12	20
	36	100	24	100	60	100

Table 8. Total Number of Employees in Sample Farms
in 1972, by Sales Class

	Sales under \$100,000		Sales \$100,000 and over		Total sample ^{a/}	
	Number	Percent	Number	Percent	Number	Percent
1.....	11	30	1	6	13	22
2.....	10	27	4	24	15	25
3.....	6	16	2	13	9	15
4.....	4	11	2	13	7	11
5.....	1	3	2	13	4	7
6 and over...	5	13	5	31	12	20
	37	100	16	100	60	100

^{a/} The totals include seven farms for which no 1972 sales data were provided.

Table 9. Employees on Sample Farms, by Relationship with Employer, and Seasonal/Year-Round Classification

	Seasonal ^{a/}		Year-round ^{b/}		Total	
	Number	Percent	Number	Percent	Number	Percent
Related to employer.....	11	12	11	12	22	24
Unrelated to employer....	34	37	36	39	70	76
	45	49	47	51	92	100

^{a/} Worked 120 or less days during 1972.

^{b/} Worked more than 120 days during 1972.

Table 10. Distributions of Employee Age by Relationship with Employer

Age (years)	Related		Unrelated		Total	
	Number	Percent	Number	Percent	Number	Percent
Under 25.....	8	61	9	21	17	30
25 - 34.....	3	23	15	35	18	32
35 - 44.....	1	8	7	16	8	14
45 - 54.....	1	8	4	9	5	9
55 - 65.....	0	0	5	12	5	9
65 and over.....	0	0	3	7	3	6
	13	100	43	100	56	100

Table 11. Distributions of Employee Age by Seasonal/Year-Round Classification

Age (years)	Seasonal		Year-round		Total	
	Number	Percent	Number	Percent	Number	Percent
Under 25.....	10	44	7	21	17	30
25 - 34.....	5	22	13	40	28	32
35 - 44.....	3	13	5	15	8	14
45 - 54.....	3	13	2	6	5	9
55 - 64.....	1	4	4	12	5	9
65 and over.....	1	4	2	6	3	6
	23	100	33	100	56	100

The levels of formal education for all types of farm employees were found to be high. More than 21 percent had formal education beyond high school, and 96 percent had at least some high school education. The educational distributions for seasonal versus year-round and related versus unrelated employees were very similar. Twenty-eight percent of the employees interviewed indicated that they had participated in some form of vocational training.

The number of years or seasons that employees have worked for their present employers varied, depending on whether they were seasonal or year-round workers. Only 20 percent of the seasonal laborers had worked for their present employer for more than three seasons. More than three years' tenure was reported by 45 percent of the year-round employees.

Seasonal and year-round employees varied in terms of their farm work experience. While three-fourths of the year-round workers had 9 or more years of experience, about 40 percent of the seasonal workers had this much farm work experience. For all the employees sampled, the most frequently reported type of previous farm work was machinery operation, followed by truck driving, livestock care, and equipment repair.

Three-fourths of the year-round employees interviewed were married; 57 percent of the seasonal employees were married. Twenty-nine percent of the spouses were employed in some capacity, mostly off the farm (91 percent). Monthly income from the spouses' employment ranged from \$301 to \$450, with one earning slightly more. Two-thirds of the married employees had one or more children living with them at home.

Sixty-one percent of the employees interviewed in the two-county area lived on or adjacent to the farm where they were employed. None of the employees had a one-way distance of over 30 miles to work, and only 14 percent had to travel more than 15 miles.

EMPLOYMENT PRACTICES

This section includes a discussion of general employment practices, including wage and non-wage benefits and other employment conditions.

Pay and Benefit Packages

Table 12 presents the average values of the components of the pay packages for the employees of the 60 sample growers. The employee sample is broken down according to whether the worker was or was not related to the employer, and whether the worker was employed on a seasonal or year-round basis. (The workers were classified as seasonal employees if they worked 120 days or less in 1972; year-round workers were those employed over 120 days.)

Because of the large variability found in the sample, the comparison of the four groups in terms of the total value of the pay and benefit packages is not conclusive. The distributions in Table 13 provide some perspective as to the variation and range in the data for total package values. There is a tendency for year-round workers to receive a higher total monthly value than the seasonal workers.

Because of the relatively small number of related workers, the comparison of their benefit packages in Table 12 does not indicate their relative values. There does appear to be an important difference in the form of payment between the related and unrelated employees. While 80 to 90 percent of the total benefit for the unrelated employee is in the form of a cash wage, this amounts to 60 to 65 percent for the related employee. In a few cases, no cash wage was paid to related employees, but compensation was given in the form of living expenses, educational expenses, transportation, or use of farm machinery.

Based on estimates of the hours worked per month, the value of the total benefit package to the employee was calculated on a per-hour basis. Again, substantial variation of the sample does not allow drawing conclusions regarding the relationship between hourly value of benefits received and the worker classification in Table 12.

Amount and Incidence of Benefits Received

Table 14 presents the types of benefits received by the employees. Ninety-four percent of the employees reported receiving a benefit in the form of cash wages. The median (i.e., mid-value) cash wage reported for employees receiving

Table 12. Average Monthly Pay and Benefit Package Components by Relationship with Employer and Seasonal/Year-Round Classification

Monthly benefits ^{a/}	Related		Un-related	
	Seasonal	Year-round	Seasonal	Year-round
Sample size.....	10	10	34	36
Gross cash wage.....	\$312.00	\$382.00	\$494.85	\$491.08
Housing and utilities.....	32.00	65.00	28.38	48.89
Food and meals.....	63.50	31.00	21.15	25.75
Transportation.....	30.00	2.00	2.65	5.83
Insurance.....	0.00	5.00	0.00	.81
Bonus, incentives.....	1.90	12.50	9.24	7.58
Paid vacation.....	6.10	8.70	3.71	10.86
Other benefits.....	37.50	103.90	3.38	9.08
TOTAL PER MONTH ^{b/}	\$483.00	\$610.10	\$563.35	\$599.89
TOTAL PER HOUR.....	\$ 2.07	\$ 2.34	\$ 2.30	\$ 2.49

^{a/} All benefits were converted to monthly basis.

^{b/} Does not include Social Security or Workmen's Compensation payments by employer.

Table 13. Distributions of Monthly Pay and Benefit Package Values
by Seasonal/Year-Round Classification

Monthly values (dollars)	Seasonal		Year-round		Total sample	
	Number	Percent	Number	Percent	Number	Percent
300 - 349.....	4	9	0	0	4	4
350 - 399.....	2	5	1	2	3	3
400 - 449.....	7	16	5	11	12	13
450 - 499.....	4	9	4	9	8	9
500 - 549.....	3	7	6	13	9	10
550 - 599.....	9	20	7	15	16	18
600 - 649.....	8	18	8	17	16	18
650 - 699.....	0	0	6	13	6	7
700 - 749.....	3	7	3	7	6	7
750 - 799.....	2	5	3	7	5	6
800 - 849.....	0	0	1	2	1	1
850 - 899.....	2	5	1	2	3	3
900 and over.....	<u>0</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>1</u>
	44	100	46	100	90	100

Table 14. Percent of Sample Employees Receiving Individual Benefits,
and the Median Monthly Values Reported

Form of benefit	Employees reported receiving (percent)	Median value reported <u>a/</u> (\$/mo.)
Gross cash wage.....	94	470.00
Housing and utilities.....	66	50.00
Food and meals.....	54	50.00
Transportation.....	13	25.00
Insurance.....	3	25.00
Bonus, incentive.....	26	33.00
Paid vacation.....	33	20.50
Other benefits.....	30	25.00

a/ For employees receiving that benefit.

this benefit was \$470 per month. A benefit in the form of housing and utilities was received by 66 percent of the employees. The median value of this benefit, as reported by the employers, was \$50 per month. Food and meals, also valued at \$50 per month, was the third most prevalent benefit - received by 54 percent of the employees. Transportation, with a median value of \$25, was reported for 13 percent of the employees.

Insurance for the employee (excluding Workmen's Compensation Insurance) was reported less frequently. Where it was provided, its median value was \$25 per month. Paid vacations were provided as a benefit to one-third of the employees. The median value of this benefit, figured in terms of the value of the time allowed for vacation, was \$20.50 per month, or about one day off per month. There were a variety of bonus and incentive-type benefits received by 26 percent of the employees. The median value per month was \$33. Benefits in other forms were received by 30 percent of the employees and amounted to a median value of \$25 per month.

Included in the list of bonus, fringe benefit, and incentive plans described by the employers were the following: free gasoline for employee vehicles; cash bonus after harvest or at Christmas; meat, milk, eggs, etc.; use of pasture for employee livestock; machinery available for employee use; extra pay during harvest season; and partnership or profit-sharing plans.

Comparison of Employee Perceptions of Benefit Values

Values reported by the employers were used to calculate the average pay and benefit packages presented in Table 12. Table 15 compares the values placed on two of the components of the benefit package by the employers and employees.

Table 15. Comparison of Employer/Employee Responses Regarding Pay Package Components

Component	Employers reporting higher values a/		Both reporting same value		Employees reporting higher values	
	Number	Percent	Number	Percent	Number	Percent
Housing and utilities..	17	46	8	22	12	32
Food and meals.....	10	37	10	37	7	26

a/ Employers reporting higher values than their employees.

Thirty-seven employers and employees reported benefits in the form of housing and utilities. Forty-six percent of the employers perceived a higher value than did the employees. The responses were the same in 22 percent of the cases, and 32 percent of the employees reported a higher value.

There were 27 comparisons possible regarding the value of food and meals. The responses were almost equally divided between the three situations: employer reporting a higher value; both reporting the same value; and employee reporting a higher value.

A comparison of the average differences between the values reported by the employers and the employees indicates that the employers tended to value housing

and utilities at \$2.57 per month more than did their employees. The difference between the employers and the employees with regards to food and meals was smaller, with the employers placing a \$1.37 per month higher value on this benefit.

Factors Affecting the Monthly Salary

The relationship between the various employer-employee characteristics and the level of the monthly salary, i.e., the total value of wages and benefits, is illustrated in Table 16 (also see Appendix).

More employees with above-average monthly salaries were found to be not related to their employers; 82 percent of the employees with above-average salaries were unrelated to their employers, compared to 73 percent for the below-average group.

Employees with above-average monthly salaries worked longer days and more days per week. Seventy-eight percent of the employees with above-average salaries worked 10 hours or more per day, compared to 59 percent of the employees with below-average salaries. Ninety-eight percent of the above-average group worked at least five and one-half days, compared to 91 percent in the below-average group.

The education of the employee was a significant factor affecting monthly salary. Twenty-five percent of the employees with above-average salary had over 12 years of education, compared to 19 percent in the below-average group.

Larger farms tended to pay higher salaries. Fifty-three percent in the above-average group worked on farms with gross sales of \$100,000 or more in 1972, compared to 22 percent in the below-average group who worked farms in this sales class.

The age of the employer was also found to have a positive effect on monthly salaries. Thirty-one percent of the above-average salaried employees had employers 55 years of age or older. In the group with below-average monthly salaries, this figure was 18 percent.

Table 16. Comparative Analysis of Employer-Employee Characteristics by Above- and Below-Average Monthly Salary (Total Value of Pay and Benefit Package)

Characteristic	Monthly salary	
	Below average	Above average
	----- (percent) -----	
Relationship with employer:		
Related.....	27	18
Unrelated.....	73	82
	<u>100</u>	<u>100</u>
Days worked in 1972:		
1 - 30.....	4	7
31 - 90.....	27	18
91 - 120.....	24	18
121 - 180.....	9	11
181 - 270.....	11	4
271 - 360.....	24	42
	<u>100</u>	<u>100</u>
Hours worked per day:		
7 or less.....	7	0
8.....	23	2
9.....	11	20
10.....	50	58
11 and over.....	9	20
	<u>100</u>	<u>100</u>
Days worked per week:		
5.0 or less.....	9	2
5.5.....	16	20
6.0 and over.....	75	78
	<u>100</u>	<u>100</u>
Education of employee:		
8 or less years.....	7	0
9 - 12.....	74	75
13 - 16.....	15	25
17 and over.....	4	0
	<u>100</u>	<u>100</u>
Gross farm sales in 1972:		
\$ 49,999 or less.....	43	23
\$ 50,000 - \$ 99,999.....	35	23
\$100,000 - \$199,999.....	17	38
\$200,000 and over.....	5	15
	<u>100</u>	<u>100</u>
Age of employer:		
25 - 34 years.....	14	12
35 - 44.....	26	24
45 - 54.....	42	33
55 - 64.....	16	10
65 and over.....	2	21
	<u>100</u>	<u>100</u>

Other Employment Conditions

A monthly pay period was reported by two-thirds of the employers for their year-round employees. One-half of the employers reported paying seasonal workers on a monthly basis. However, over 30 percent reported paying seasonal workers on a "lump sum" or "end-of-job" basis.

The work week for 71 percent of the employees was a six-day week. Another 18 percent worked five and one-half days. Sunday and Saturday afternoon were the typical times that employees were given off.

A typical work day of 10 or 11 hours was reported for 62 percent of the employees. Another 30 percent worked 8 or 9 hours per day. However, 86 percent of the employees reported that the hours worked per day depended upon the season of the year.

A comparison of employer and employee responses regarding days worked per week and hours worked per day was made. This revealed close correspondence regarding days per week; 80 percent were in agreement, 16 percent of the employers reported more days per week than their employees, and 4 percent of the employees reported more days.

The hours-worked-per-day comparison indicated more variability. Forty-seven percent reported the same figure; in 22 percent of the cases the employer reported more hours, and in 17 percent the employee reported more hours.

Overtime pay was practiced on only one of the 60 farms sampled. Slightly over one-half of the employers had a policy of giving employees vacation time off. Also, slightly over half of the growers reported paying wages when employees were unable to work due to illness.

Regularly scheduled pay raises were a policy on 17 percent of the sample farms. While 26 percent of the employees reportedly received some type of bonus or incentive, 68 percent of the employers indicated that they did have some type of bonus or incentive plan available.

Ninety percent of the growers indicated that employees are "usually" or "always" permitted to take time off when they ask to be off. However, about one-third of employees reported that the frequency of this occurrence was less than that reported by the employers.

Job Skill Requirements

Information on job skill requirements was obtained from the growers, and is presented in Table 17 for 45 seasonal employees and 44 year-round employees. The most frequently reported requirement for both seasonal and year-round workers was farm machinery operation. Equipment repair skills were the second most frequently reported for year-round workers, followed by truck driving and livestock-related skills.

Machinery operation was required of three-fourths of the seasonal employees; truck driving was required of half these employees. It appears that the seasonal workers are involved in more general activities for which fewer specific skills are required. Whether this is due to the skills possessed by the employees, or the requirements of the job, cannot be answered. However, 75 percent of the growers interviewed indicated that the workers available lacked needed skills.

Table 17. Specific Skills Required of Employees, by Seasonal/Year-Round Classification

Job skill	Seasonal	Year-round	Total
	(percent)		
Machinery operation.....	76	91	83
Truck driving.....	51	73	62
Livestock.....	44	68	56
Equipment repair.....	31	80	55
Irrigation.....	27	30	28

EMPLOYER-EMPLOYEE RELATIONS

This section deals with communications and employer-employee attitudes.

Communications

Almost all growers (97 percent) reported that they communicated the details of pay and job responsibility to newly-hired workers verbally. Only 3 percent reported that they formalized this communication in writing.

Three-fourths of the growers indicated that they trained workers themselves when specific skills were lacking. Twelve percent had other workers perform this training function, and 9 percent of the growers reported never hiring untrained workers.

A majority (61 percent) of the growers interviewed communicated work plans to their employees daily. With one exception, the remaining growers instructed their workers less frequently.

Forty-five percent of the employers reported that they "usually work with employees all day," while another 42 percent "usually check on employees while jobs are being done." This indicates a rather close level of supervision. Comparison of employee versus employer responses indicates that the supervision is given in a subtle manner. Fifty-five percent of the employees reported a lower level of supervision than indicated by the employers. Five percent of the employees reported a higher level of supervision than did their employers.

When employees were asked whether they were "clearly instructed about the specific work expected to be done," two-thirds responded that this was "always" the case. The remaining one-third of the employees interviewed reported that they were "usually" clearly instructed. Compared to the employee responses, the employers tended to understate the frequency with which clear instructions are given.

Regarding how frequently they were given recognition for "good" work, 9 percent of the employees reported that this was "seldom" the case; another 37 percent

responded "sometimes," and the remaining 54 percent indicated this was "usually" or "always" the case. Over half the growers over-stated the frequency with which recognition is given, compared to their employees.

When employees were asked how often they felt their preferences were considered when their employer assigned jobs, 44 percent felt that this was sometimes the case, 23 percent felt that this was usually the case, and 29 percent felt that their preferences were seldom considered.

What Do Workers Want

Both the employers and their employees were asked to give their opinion as to the relative importance of the following five aspects desired by farm workers: job security, interesting work, good working conditions, employer's personal concern, and wages. The items were ranked in order of importance, assigning number one to the "most important" aspect, through number 5, to the "least important" aspect.

The average rankings of employers and employees for each aspect of employment is reported in Table 18. The aspects with the lower average rankings are the most desired. Collectively, the employers perceived that the preferences of their employees would be highest for wages, with good working conditions second. The employees, however, actually ranked the two aspects in reverse order. The employers and employees were in basic agreement regarding the relative importance of the remaining three items.

In interpreting these results, it should be noted that each item received rankings from one through five. Thus, there was no clear consensus within either the employer or employee groups as to the relative rankings of the five aspects. This is further evidenced by the small differences between the average rankings reported in Table 18.

Comparisons of the rankings given by employers and employees for each employment aspect is also revealing (Table 19). Employers and their employees were in least agreement regarding the relative importance of good working conditions.

Table 18. Average Rankings of Employment Aspects Desired by Farm Workers, According to Employers and Employees

Aspects desired by farm workers	Average ranking by -	
	Employers	Employees
Higher wages.....	2.27	2.50
Good working conditions.....	2.46	2.11
Interesting work.....	3.09	3.32
Job security.....	3.48	3.54
Employer's personal concern.....	3.70	3.54

Table 19. Comparison of Employer-Employee Rankings of Employment Aspects Desired by Farm Workers

Aspects desired by farm workers	Employers reporting higher ranking		Both reporting same ranking		Employees reporting higher ranking	
	Number	Percent	Number	Percent	Number	Percent
Wages.....	23	41	11	20	22	39
Good working conditions.....	17	30	5	9	34	61
Interesting work.....	25	45	9	16	22	39
Job security.....	21	38	18	32	17	30
Employer's personal concern.....	20	36	13	23	23	41

Workers gave this item a higher ranking than their employers, by a ratio of two to one. While there was no specific follow-up on what workers interpreted to be good working conditions, the answers to another question indicated they were dissatisfied with the monotony and loneliness of the job, exposure to the elements, weekend work, long hours, etc.

There was also little agreement regarding the ranking of interesting work, which tended to be ranked higher by the employers than by the employees. Job security indicated a discrepancy, with more employers ranking it higher than their employees.

Employee Job Attitudes

Of the 57 employees interviewed, 95 percent were reasonably well satisfied with their current job. Eighty-two percent felt they had security from immediate lay-off.

Table 20 indicates a higher incidence of employee satisfaction among employees related to their employer, employees who worked year-round, and employees on larger farms. Higher percentages of employees feeling secure from immediate lay-off were also found among related employees, year-round employees, and larger-farm employees.

The employees were asked to describe the most dissatisfying aspect of their jobs. Their responses were categorized as follows: low pay; monotony and loneliness; weekend work; personal relations; long working hours; seasonal work only; weather.

Table 20. Employee Attitudes Regarding Their Present Satisfaction and Security

Characteristic	Reasonably satisfied with current job	Feel secure from immediate lay-off
	(percent)	
Relationship with employer:		
Related.....	100	100
Unrelated.....	93	77
Type of employment:		
Seasonal.....	91	74
Year-round.....	97	88
Gross farm sales in 1972:		
\$99,999 or less.....	90	77
\$100,000 and over.....	100	89

The employees were also asked about the most satisfying aspect of their jobs. Responses included: good employer and team effort; opportunity to learn; good pay; independence; healthy work; summer job; security; specific benefits.

The most satisfying aspect of farm work for 30 percent of the employees was "independence, healthy work." Twenty-four percent indicated "good employer and team effort." The most dissatisfying aspect for 28 percent of employees was low pay, with "monotony and loneliness" being the response of 19 percent of the employees. Nearly half of the employees could cite no dissatisfying aspect of the current farm job. However, the responses to this question may have been biased by the interview format, which was not always conducive to critical appraisal of the employer or the working environment.

FARM LABOR MARKET CHARACTERISTICS

Data collected in the study provide a view of the farm labor market as related to grain farms in Morrow and Gilliam Counties. The discussion includes information on employment patterns and tenure, market mechanisms, employee alternatives, market performance, and perceived supply and demand.

Employment Patterns

Employment on the sample farms varied significantly throughout the year. About one-half as many workers were employed in January as were employed in July (Table 21). January and February are the months of lowest employment, and July and August the months of highest employment.

As one would expect, the monthly employment varied less for year-round workers than for seasonal workers. The percent of seasonal workers employed ranged from 9 in January to 60 in July. For year-round workers the range was from 66 in January to 98 percent in July. The sample employers reported totals of 45 seasonal and 47 year-round workers.

Market Mechanisms

About two-thirds of the employers indicated the best method to obtain reliable employees was through personal referrals. Twelve percent of the employers

Table 21. Percentage of Seasonal, Year-Round, and Total Sample of Farm Employees Working by Month in 1972

Month	Seasonal	Year-round	Total sample
		(percent)	
January.....	9	66	38
February.....	9	77	43
March.....	20	77	49
April.....	20	83	52
May.....	16	85	51
June.....	36	91	64
July.....	60	98	79
August.....	53	96	75
September.....	31	91	62
October.....	29	89	60
November.....	20	87	54
December.....	22	79	51

indicated that their best source of workers was the Oregon Employment Service. Employers also used friends of workers and newspapers advertisements as methods of recruiting workers.

When asked what was their most consistent type of seasonal labor, two-thirds of the growers indicated students. Other growers ranked family members, professionals, and unemployed alcoholics as the best sources.

Alternatives Perceived by Employees

An aspect of the farm labor market which affects hiring and employment practices is the employment alternatives perceived by the farm workers. These alternatives represent the competition that the farm employer must face in recruiting and retaining employees.

The 56 employees interviewed in the survey were asked what job they could expect to find if they had to change jobs. About half of the employees responded that their alternative would be other farm work. There was little difference

between the seasonal and year-round workers in the rate of response. One-fifth of the workers who saw farm work as their alternative indicated the possibility of advancement to farm manager or operator status.

Of the non-farm alternatives mentioned by the sample employees, construction, millwright, and factory work were most frequently mentioned. These responses accounted for another 20 percent of the interviewees. The remaining 30 percent had a variety of responses, including teaching, carpentry, auto mechanic, electrician, truck driving, industrial drawing, retirement, etc.

Labor Market Performance

From the growers' perspective, how well has the farm labor market performed in Gilliam and Morrow Counties? Several sources of information shed some light on this question.

The sample growers were relatively pessimistic about changes in the quality of workers. Only 9 percent of the employers interviewed indicated the quality of new workers had increased since 1970. Over half indicated a decrease.

The growers were also asked about skills lacked by employees. Three of every four farmers interviewed indicated that employees lacked skills. Of the skills lacking, mechanical and preventive maintenance were mentioned most frequently, followed by machinery operation skills.

To learn about problems with employee recruitment, the growers were asked if they had had a job vacant for over three months. About one-fifth of the growers reported one or more three-month job vacancies over the past three years. This could indicate either a lack of job information getting to prospective employees or possibly a shortage of workers at the advertised wage rates.

Perceived Future Demand and Supply

The sample farmers gave their perceptions of future demand and supply situations for farm labor. On the demand side, 59 percent indicated that the future needs for year-round labor would remain the same in 1975, 30 percent that the need

would increase, and 11 percent that demand would decrease. A similar percentage indicated that the need for seasonal labor would remain constant in 1975. However, 20 percent indicated a belief that the need would increase, while 24 percent anticipated a decrease.

The farmers were also asked to assess the supply situation. Two out of 3 growers anticipated a decreasing supply of employees over the next 10-15 years. Based on these demand and supply perceptions, farm employers can expect future difficulty obtaining sufficient labor.

SUMMARY OF FINDINGS AND IMPLICATIONS

To learn more about labor management practices and labor market operation, a survey was conducted in Morrow and Gilliam Counties. A total of 60 growers were interviewed, selected so that half hired at least one worker on a year-round basis during 1972, with the other half hiring only seasonal workers.

The interviews with the 60 growers provided information describing the employment arrangements for 92 employees. Then 57 of these 92 employees were interviewed to obtain their perceptions regarding farm employment.

Pay and Benefits

The employees on the sample farms were given a wage and benefit package with an average value of \$2.35 per hour in 1972. Cash wages accounted for 80 percent of the total pay package, with the remaining 20 percent in the form of housing, food, bonuses, and other benefits. The salary level is an important consideration in farm labor management, although in the workers' ranking of aspects desired, good working conditions received a higher overall ranking than did higher wages (Table 18).

The employee is concerned with receiving a salary comparable to what he could earn in another farm or non-farm job. The survey data indicate that low salaries was the primary source of dissatisfaction for just over one-fourth of the employees interviewed. From the employer's point of view, the wage offered will influence the type of worker that will apply for employment, and his productivity, if hired.

While many of the growers interviewed expressed reservations regarding their ability to compete, salary-wise, with industry and large corporate farms, non-monetary aspects might make up the difference to the employees. The employees did recognize advantages to farm employment, such as healthy working environment, independence of movement, and personal contact with the employer.

There appear to be disadvantages associated with farm employment relating to the formalization of benefits and employment conditions. For example, only one of the 60 sample growers had a policy of pay for overtime work. Ten of the 60 employers had a policy of regularly scheduled pay raises, and slightly over half had a sick leave policy. Slightly over half of the employers had a policy of giving employees vacation time.

Only two of the 60 growers reported formalizing the communication of pay and employment conditions to workers in writing. A written agreement provides a basis for discussing the conditions of employment. It represents a tool to aid communication and, thus, promote better understanding between the employee and the employer. Hopefully, such an agreement would preclude the discrepancies in employer and employee values placed on various non-wage benefits (Table 15).

If the farm laborer under-values the fringe benefits of his job, it could cause a false sense of dissatisfaction. The employer should be sure that his workers understand their benefits by putting a cash value on non-wage items such as housing, food, etc.

A lack of employee loyalty appeared to be a problem in some cases. With the chronic availability of farm jobs, many spoke of leaving earlier farm jobs in order to experiment with employment in industry, with the knowledge that farm employment would always be available upon their return. Built-in pay raises and other management techniques to promote employee loyalty might be used to reduce turnover.

Employment Conditions

Another area where farm employment may not compare favorably with non-farm employment is in terms of the employment conditions. The work week for 71 percent

of the employees was 6 days. Another 18 percent worked five and one-half days. It is significant that one employee in eight cited weekend work as a source of dissatisfaction, suggesting that a five-day work week might be instrumental in improving relations. A typical work day of 10 or 11 hours was reported for 62 percent of the employees, with another 30 percent reporting 8 or 9 hours.

Most of the sample workers were paid on a monthly basis, apparently without a specified number of hours to be worked. Over five out of six of the employees reported that the hours worked depended on the season. An agreement as to the number of hours to be worked regularly, and an overtime pay policy, provides an incentive to the employer to carefully manage his labor force. Also, the employee is aware of what is expected of him.

Growers might also consider standardizing specific job tasks so as to reduce the amount of time currently involved in direct supervision. Also, providing more responsibility and reducing supervision might give employees greater satisfaction which should, in turn, result in a decrease in turnover.

Social Considerations

The dissatisfaction of many of the farm employees appears to relate to social, and not to monetary, considerations. In several instances, employees indicated problems with their families being unable to adjust to the rural life-style without the social amenities available in larger communities. Sixty-one percent of the employees lived on, or adjacent to, the farm. An alternative for consideration is to encourage employees to live in nearby towns or villages which may be more supportive of family life. Several employers in a given area then might cooperate and provide transportation to the job for their employees.

Seasonality

The need for farm labor in this two-county area is critical during the summer months, when most of the crop is harvested (Table 21). Student labor presently does, and could, conceivably, provide more of this labor requirement. However, there does not appear to be a good system of communicating the demand and opportunity to these potential employees.

Other seasonal labor requirements for tillage and seeding cannot be met with student labor. Some growers attempt to maintain the same employees year-round, with several predictable layoffs occurring during December, January, and February. Certain employees welcome these extended vacations, but others with monetary or family responsibilities often seek alternative employment during such periods, from which they may not return to their original employer. A possible alternative employment procedure for consideration would involve two or more employers with labor demands occurring at different times of the year "sharing" the services of one employee. This could potentially reduce periods of employee inactivity and, at the same time, provide a reliable labor source to the employers.

Labor Recruiting

Recruiting labor appears to present problems for many of the sample growers. Most used informal channels such as personal referrals to fill labor needs. The use of newspaper advertisements and employment services has the obvious advantage of recruiting employees from beyond local boundaries. Only one of the growers interviewed used an application form for potential employees. A well-conducted interview, combined with references and background search, would help to assure that the best candidate is being hired for the job.

With the prospects for decreases in the supply of hired farm workers, combined with increased demand per farm, employers will have to be increasingly innovative in their approach to farm labor management.

APPENDIX

Multiple Regression Analysis

The statistical technique of multiple regression analysis was used to determine how various factors affect the monthly salary, i.e., the total value of wages and benefits paid. The regression technique was used to test how changes in one of the employer-employee characteristics (holding others constant) affects the monthly salary. There were 47 observations for which complete information was available. Several characteristics were studied, including employee age, experience, county, job skills required, total days of labor hired on the farm, education of the employer, etc. However, only the following relationships were found to be significant (Table A-1):

1. Employees working more hours per month received a higher monthly salary, but the rate earned per hour was lower.
2. Employees who were related to their employers were paid a lower monthly salary.
3. The more days worked during 1972, the greater was the monthly salary received by the employee. However, the rate of increase was greater for seasonal employees than for year-round workers.
4. Employees with more years of formal education were paid a higher monthly salary.
5. Workers employed on larger farms, i.e., those with higher gross sales in 1972, received a higher monthly salary.
6. Employers who were older in age paid a higher monthly salary to their employees.

Table A-1. Linear Multiple Regression of Total Monthly Pay and Benefit Package Value on Selected Independent Variables

Variable	Coefficient	T ratio
Constant.....	-355.59	-1.89
Hours worked per month.....	+ 1.911	3.74
Relationship with employer ^{a/}	- 75.47	-2.00
Days worked in 1972.....	+ 1.174	1.96
Days worked by year-round workers ^{b/}	- 0.778	-1.69
Education of employee ^{c/}	+ 89.06	2.46
Gross farm sales in 1972 ^{d/}	+ 74.72	2.06
Age of employer ^{e/}	+ 37.06	2.51

N = 47

$R^2 = 0.482$ ^{f/}

^{a/} Variable value is one if related; zero if unrelated.

^{b/} Variable value is days worked in 1972 if employed over 120 days; zero if 120 days or less.

^{c/} Variable value is one if 8 or less years; two if 9-12 years; three if 13-16 years; and four if 17 or more years of education.

^{d/} Variable value is one if sales were \$100,000 or more; zero if less than \$100,000.

^{e/} Variable value is one if 24 or less; two if 25-34; three if 35-44; four if 45-54; five if 55-64; and six if 65 or more.

^{f/} The F value for the equation equals 5.19.