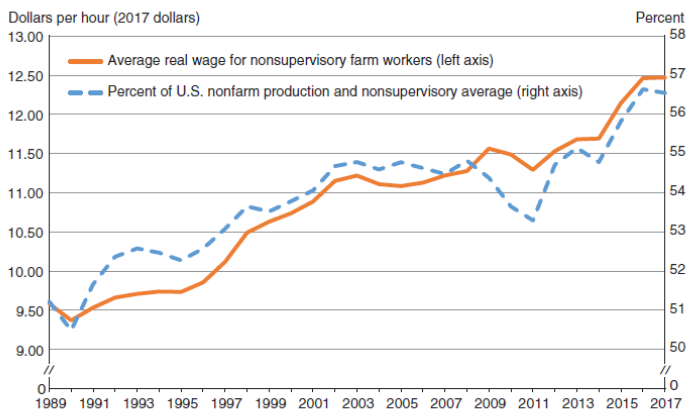


Q: Do you have any research updates on issues related to agricultural labor?

A: There is a relatively new research report that was written by the USDA's Economic Research Service (USDA-ERS)<sup>1</sup> in late 2018 that might provide more information of interest to you. Recall from a previous Ask Laura column that the fresh market vegetable and berry crops that dominate agriculture in this area are labor intensive. And that for decades Mexico has been the primary source for agricultural workers. Recall, too, that for a variety of reasons, including tighter border enforcement and a robust agricultural industry in Mexico, that labor shortages and rising wages are now prevalent in U.S. agriculture. The graph below, which is from the USDA-ERS report, shows the rise in farm wages over time in the U.S.

Farm wages are rising, both in real (inflation-adjusted) terms and in relation to nonfarm wages



Note: Nonfarm wage refers to the average hourly earnings of production and nonsupervisory employees in the private, nonfarm sector.  
Source: USDA, Economic Research Service calculations based on data from U.S. Department of Labor, Bureau of Labor Statistics; and USDA, National Agricultural Statistics Service.

The report anticipates that labor shortages in agriculture will continue to be a long-term challenge, and discusses several reasons why this is the case. Growers of labor-intensive fresh market commodities are responding in one or more ways. Some are increasing use of “agricultural support services employees”, which may include using the federal H-2A foreign guest worker program and/or working with farm labor contractors to bring employees to the farm. Another strategy is to look for possible technological solutions. Thus far most harvest and other labor intensive practices for fresh market commodities have not yet been highly mechanized or automated. But that is changing as more private and public research is undertaken to help find technological solutions to long-term labor challenges. Shifting agricultural production practices to more mechanization or automation is complicated, often taking many years to develop and perfect. Other considerations associated with new technologies include up-front investment costs, as well as the development of new skills for operation and maintenance. There is much more in the report – more than can be summarized here. But I will continue to update you on new research and progress as it becomes available. Please stay tuned!

<sup>1</sup> *Farm Labor Markets in the United States and Mexico Pose Challenges for U.S. Agriculture*, Economic Research Service, USDA, <https://www.ers.usda.gov/publications/pub-details/?pubid=90831>.