

# Farm Labor Market Conditions, January to October 15, 1941\*

THE 1941 CROP SEASON brought much public concern over actual or impending shortages of farm labor. Because farm workers were attracted to defense industries, there was a prospect that supplies of farm labor might be reduced to the point where crop production would suffer, or where the economic position of farmers would be in jeopardy. With the completion of major harvest activities, however, it became apparent that the farming season had been a successful one. According to the United States Department of Agriculture, there were few substantiated reports of crop loss or curtailment because of difficulties in obtaining farm workers.<sup>1</sup> As of October 15, aggregate crop production was expected to approximate the high record established in 1937. With the exception of cotton, peanuts, and tobacco, the production of major crops was considerably greater in 1941 than in 1940. At the same time, in spite of an increase of about 15 percent over 1940 in production costs (occurring chiefly in expenses for labor, rent, and feed), higher farm prices have resulted in a substantial increase in net returns to farmers. Net income to farm operators in 1941 was expected to be higher than in any year since 1920.

Although essential farm activities were successfully completed, there is evidence that the supply of workers willing to accept farm employment was considerably reduced during 1941. Reports submitted monthly to the Bureau of Employment Security by each of the State employment services from January 1, 1941, to October 15, 1941, reflect some of the outstanding developments which affected the supply of farm labor during the 1941 season.

## *Nature and Extent of Farm-Labor Shortages*

During the winter and early spring months, reports received indicated that considerable difficulties were anticipated in farm-labor recruitment. As the farm season progressed, these problems did not develop to the full extent that had been feared.

\* Prepared in the Reports and Analysis Division, Bureau of Employment Security.

<sup>1</sup> U. S. Department of Agriculture, *The Agricultural Labor Situation*, Aug. 15, 1941; *The Farm Income Situation*, October 1941; *The Midmonth Local Market Price Report*, October 1941; and monthly farm-labor reports.

During the midsummer peak of farm activity, major difficulties in recruiting farm labor on a State-wide scale were reported by less than one-third of the 47 States furnishing information on agricultural labor-market conditions. While most of the remaining States reported some curtailment of farm-labor supplies, the resultant difficulties were temporary or were confined to limited areas. From August 1 to October 15, most of the State employment services reported that supplies of farm labor were generally adequate to meet seasonal requirements, and recruitment problems were encountered less frequently than during the early summer months.

The States most affected by curtailed farm-labor supplies were those in the Eastern Dairy,<sup>2</sup> Middle Eastern,<sup>3</sup> Range,<sup>4</sup> and West Coast<sup>5</sup> areas. In general, the Cotton Belt, the corn-producing States, and most of the Middle Western grain-producing States experienced few difficulties in recruiting farm workers.

The recent decrease in the supply of farm labor is attributable to the defense program, which brought industrial employment opportunities even to the unskilled workers who mainly make up the farm-labor force. Industrial wages, high in relation to those in agriculture, attracted workers to employment in defense activities; better hours and working conditions contributed further to the competitive advantage of industry over agriculture. Reports from the State employment services furnish considerable material showing the movement of workers away from farm employment into industry. Migration from rural to urban areas has been particularly marked in New England and the Northeast, where heavy concentration of defense industries has greatly increased industrial employment. The hiring of agricultural workers on defense construction projects in the South and Southwest frequently created special difficulties for farmers in the

<sup>2</sup> New England, New York, and Pennsylvania.

<sup>3</sup> Delaware, Maryland, New Jersey, North Carolina, Virginia, and West Virginia.

<sup>4</sup> Arizona, Colorado, Montana, Nevada, New Mexico, Texas, Utah, and Wyoming.

<sup>5</sup> California, Idaho, Oregon, and Washington.

vicinity of these projects, although several Southern States noted a surplus of unemployed agricultural workers in areas where construction projects had been completed. Migration of agricultural workers to defense industries located along the West Coast and to construction projects and defense industries throughout the West was held responsible for a decrease in available farm workers west of the Mississippi.

Experienced hired hands doing work involving a certain amount of mechanical skill and training appear to have been more successful in obtaining defense employment than farm workers employed on a more casual or seasonal basis. As the result of such shifts in employment, practically all important dairy-farming States reported marked difficulties in recruiting experienced dairy hands. In most of these areas this shortage had become chronic, notably in the Eastern Dairy area, the Great Lakes Dairy States (Michigan, Minnesota, and Wisconsin) and in the dairy areas of the West Coast.

While the low agricultural wage level was considered by most States as primarily responsible for the general trend of workers away from farm employment, other factors, such as the drafting of young men into military service, local housing shortages, and lack of transportation to the job, have been frequently mentioned as adding to difficulties in recruiting farm labor.

#### *Methods of Dealing With Farm-Labor Shortages*

Farm wage increases during the 1941 season were general throughout the country and furnish corroborative evidence of a tight agricultural labor market. Reports from State employment services give numerous examples of increased wage rates paid by farmers in order to retain or attract labor in the face of competition from industry. In a number of instances, better transportation facilities or money for transportation expenses were also offered. Wage-rate statistics published by the Agricultural Marketing Service of the Department of Agriculture indicate a substantial increase, most of which occurred before July 1, in wages of workers paid on a monthly basis. Wages of these workers also rose slightly from July 1 to October 1, although in previous seasons they have usually remained stationary during this period. Average monthly farm wages for the country as a whole rose approximately 30 percent from October 1, 1940, to October 1, 1941.

Cotton picking is a seasonal activity of major importance in the southern sections of the country, and is one of the few for which full information on piece rates is available. United States Department of Agriculture figures show that "rates paid for picking cotton . . . about November 1 averaged \$1.09 per 100 pounds of seed cotton for the United States. This is a 75 percent advance over the 62 cents paid last year."

The fact that an adequate supply of workers was obtained in most instances is attributable not only to the factors cited but also to many other adjustments. In some States, for example, previously imposed standards for farm workers were relaxed, and farmers employed racial groups against whom they had previously discriminated. Standards for age and experience were also modified, and very old and very young workers and those with little or no experience found jobs. In some areas, however, recruitment difficulties were not sufficient to break down traditional standards and prejudices.

Efforts to tap new sources of labor were greater than in previous years. A number of States reported action taken with the cooperation of Work Projects Administration officials to recruit WPA workers for farm jobs. In some localities WPA projects were shut down during the period of peak farm activity; in others only able-bodied workers considered capable of farm labor were released from WPA rolls. It was the general practice in many States to refuse further WPA employment to able-bodied workers unwilling to accept farm jobs. In several States such measures were apparently necessary because farm wages were lower than prevailing WPA rates.

National Youth Administration and Civilian Conservation Corps workers were temporarily released for farm labor in a number of instances. Recruitment of students for summer employment was successfully carried on in a great many localities. Such recruitment was particularly important throughout all the States in the Eastern Dairy area, where students comprised the bulk of seasonal labor. In several States, school openings were delayed or individual students were temporarily excused from attendance in order to harvest the fall crops. The use of women not ordinarily employed on farms was also a significant factor in meeting demand for farm labor in some States.

While most of the hiring and recruiting of farm labor was carried on in an unorganized manner, efforts of the employment services and other groups to organize and direct the flow of farm labor were more effective than in previous years. The employment services of many States took the initiative in mobilizing workers in the local communities. Newspaper and radio publicity sponsored by the State services was widely used to advertise openings in farm jobs. In several of the Western States the employment services devised methods of directing migrant workers entering the State to points where farm labor was needed. A number of State employment services used clearance procedures to direct workers from areas of lesser to areas of greater demand. These procedures were particularly effective in those areas depending on outside labor supplies to meet a large part of their seasonal requirements. Interstate clearance was extensive in the Pacific Coast area, and in the Southeast. Local clearance activities were important in the Dakotas, Colorado, Nebraska, and Nevada. Workers were also referred from Oklahoma to Arkansas; from Pennsylvania to jobs in New Jersey; from North Carolina to Virginia; and from Illinois and Indiana to Wisconsin.

Farmers' associations and individual farmers in several States imported labor from other areas. Farmers around Rochester and Batavia, New York, working through labor contractors, recruited Negroes from the South as harvest hands. Representatives of Michigan beet-sugar refineries obtained large numbers of beet harvesters in some Southeastern States. Planters in the Mississippi Delta imported cotton pickers from the hill sections of Mississippi and from adjoining States. Representatives of Utah food processors stimulated in-migration of considerable numbers of transients from Colorado and Arizona to assist in the tomato and peach harvests. Private employers in all the West Coast States quite generally recruited workers from other areas.

In many cases, farmers faced with reduction in the usual numbers of farm workers attempted to

cut their need for labor by using existing supplies more intensively. They exchanged labor among themselves or otherwise cooperated in the common use of hired labor to a greater extent than in previous years. Increased employment of farm women in some of the more highly skilled operations reserved in the past for men was noted in a few areas. Farmers themselves worked longer each day to complete the necessary work, while in some localities working hours of hired hands were lengthened. Efforts were made in several States by farmers and by the employment services to reduce waiting time between jobs by engineering a quick referral of workers from one location to another.

Mechanization of farm operations, which helped to reduce labor requirements, was reported by a number of States, although State employment services do not attempt to furnish inclusive information on this subject. Increased use of mechanical tobacco setters was noted in Kentucky, North Carolina, and Virginia. In some of the Southern States, machinery for peanut, rice, and sugar-cane harvesting was installed at an accelerated rate. North Dakota farmers purchased many combines, threshing machines, and binders. Sugar-beet production in Utah and vegetable and cotton harvesting in Texas and Arizona became more highly mechanized. Throughout the Corn Belt the increased use of mechanical corn pickers and tractors substantially reduced the need for farm labor.

While the concern over possible labor shortages characteristic of the spring months was not justified by later developments, there has been a general reduction in the surplus of farm labor which existed in previous years. This reduction was evidenced by an increase in farm wages during the 1941 season and by the steady absorption of rural workers in defense industries. Essential farm operations were completed in many areas only by the use of supplementary labor supplies, by greater than usual recruitment activities, by more efficient utilization of labor, and by greater mechanization of farm operations.