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COSTS AND FACILITIES
PROVIDED PUERTO RICAN
FARM WORKERS IN NEW JERSEY



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Costs and Facilities Provided Puerto Rican Farm Workers in New Jersey^{1/}

The need for large numbers of seasonal farm workers in New Jersey is urgent. In meeting this need, approximately 23,000 seasonal agricultural laborers were working in New Jersey in September 1958. Thirty-eight percent of these workers were Puerto Ricans. During 1957, Puerto Rico had from 21,000 to 26,000 unemployed in their agricultural labor force. It is this pool of surplus agricultural workers in Puerto Rico that New Jersey is presently tapping as its single major source of seasonal agricultural workers. The expected continuing need for large numbers of seasonal workers and the importance of their cost to New Jersey farmers emphasizes the need to consider the total cost of this labor as it affects farm profits.

During the late summer and fall of 1958, a research study of the total cost of Puerto Rican farm workers to New Jersey farmers was carried out by the Department of Agricultural Economics. The facilities provided to Puerto Rican farm workers in addition to their money wages were tabulated. A large field survey was made of a random sample of over 200 farmers who obtain Puerto Rican farm workers from the "Glassboro Service Association, Inc." The Glassboro Association had approximately 1,400 farmer-members in 1957 and 7,500 Puerto Ricans on farms.

The amount of Puerto Rican labor used per farm in 1957, the perquisites furnished, and the total cost of this labor, is summarized in tables I, II, and III. Table I shows that the average farmer employed eight workers on his farm for five months. For this labor he paid \$5,302 in money wages and \$1,134 in perquisites. On an hourly basis money wages were 70 cents per hour, and the cost of perquisites was 18 cents. An additional necessary cost in making an adequate, timely supply of Puerto Rican farm workers available is 4 cents per hour for operating the labor camp. This makes a total cost of 92 cents per hour for Puerto Rican labor on New Jersey farms in 1957.

Table I. Average Annual Amount of Puerto Rican Labor and Cost of Perquisites^{1/}

	191 Farms South Jersey ^{2/}
	Per Farm
Annual P. R. Labor Costs	\$5,302.
Amount of Labor:	
No. Months P. R. Labor Used	5
No. Workers	8
No. Worker Weeks	169
No. Worker Hours	7,533
Cost of All Perquisites:	
Annually	\$1,134.
Per Worker	143.
Per Worker Week	8.
Per Hour:	
Cost of Perquisites	\$.18
Camp Costs	.04
Wages	.70
TOTAL COST OF LABOR	\$.92

^{1/} Perquisites include all items furnished by an employer to an employee in addition to his money wages.

^{2/} Includes Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem Counties. These figures are weighted averages; therefore, one figure cannot be computed from the others.

^{1/} Much of the field work and statistical analysis was done by Samuel Garrison, Graduate Assistant, Department of Agricultural Economics.

As a result of recent negotiations on the 1959 Puerto Rican farm labor contract, it is anticipated that the minimum wage rate in 1959 will be 77 cents per hour. This wage, plus the 22 cent perquisite cost which is computed at 1957 prices, will give the Puerto Rican worker approximately a dollar an hour. As wage rates increase, it becomes economically feasible for farmers to substitute more and more machinery for labor.

The median^{2/} weekly earnings of agricultural workers in Puerto Rico in July 1957 was \$11.30. Based on a forty hour week this would be 28 cents per hour. In the contract under which Puerto Rican farm workers came to New Jersey in 1957, they were guaranteed a minimum of \$28 per week for 13 weeks while they were on a farm, even if conditions were such that they could not work. In most farm situations the worker was provided the opportunity to earn much more than the guaranteed minimum. In addition to his money wage, the worker was furnished housing, transportation to and from the labor camp, the grocery, and doctor, and foul weather clothing and bed linen. He was also protected by workmen's compensation insurance and social security.

The largest single perquisite cost item was housing, as shown in Table II. It accounted for nearly half of the total perquisite cost. The second most important farm perquisite cost item was the laborers' insurances, followed by transportation, clothing, and bed linen.

The total average annual per farm cost of perquisites was \$1,134 for eight workers. These farms averaged to have 105 acres of cropland. Eighty percent of the farms surveyed were vegetable farms. Thirty-one percent of the survey farms had less than fifty acres of cropland, 38 percent had from 50 to 100 acres of cropland, and 25 percent from 100 to 200 acres of cropland. Nearly equal numbers of farms hired Puerto Rican workers for three, four, five, six, seven, or eight months in 1957.

^{2/} Median Weekly Earnings: Means that half of the workers received earnings below the median and half above.

Table II. Average Annual Per Farm Cost of Various Perquisite Items

Perquisites	South Jersey 8 Workers Per Farm	
	Dollars	Percent
I. Housing:		
A. Depreciation	\$140.	
B. Taxes, Ins., Int.	174.	
C. Repairs	133.	
D. Furniture	101.	
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Total Housing	\$548.	48
II. Laborers' Insurances	234.	21
III. Transportation	125.	11
IV. Clothing & Bed Linen	112.	10
V. Utilities	93.	8
VI. Other Items ^{1/}	22.	2
TOTAL ALL PERQUISITES	\$1,134.	

^{1/} Includes toll phone calls, meals, desserts, field refreshments, etc.

Two of the major problems farmers experienced in using Puerto Rican farm workers were: (1) workers leaving when there was still work for them to do on the farm, and (2) the language problem. A third of the farmers surveyed felt that the workers not being able to speak English created a very real problem. Many farmers suggested that they were able to overcome this problem if at least one Puerto Rican in their group spoke some English.

The facilities provided in the housing are given in Table III. Ninety-five percent of the housing had electric lights, and twenty percent heating stoves. Ten percent of the housing was provided with flush toilets and nine percent with television sets. Fifteen percent had electric washers.

The farmers surveyed suggested that on the average they found it necessary to hire and train five workers in order to have three for the season. Training and breaking in the extra workers is a considerable cost. One-third of the farmers surveyed said they used bonus plans to attempt to reduce this problem. Some farmers paid substantial bonuses so had costs above those shown in this study.

Some farmers manage Puerto Rican farm workers with few problems while others have many problems. The farmers averaged to have hired Puerto Rican farm workers for seven years and are familiar with the problems involved.

Some recommendations can be made as a result of the study. Training Puerto Rican farm workers in (1) English, (2) the importance of crop quality, (3) the importance of remaining on a farm until a crop is harvested, and (4) of giving notice before leaving should help everyone in the program greatly. The improvement of facilities on some farms is desirable. More considerate understanding and thoughtfulness if often needed on both the part of the employee and employer. More personal and field performance data are needed about the workers for further analysis of worker quality. Improved worker rating methods are needed to facilitate future selection of good workers and for analysis of traits which affect worker productivity. An employee appraisal form is being developed to meet this need.

Table III. Facilities Provided by Farmers to Seasonal Puerto Rican Workers

Items Provided	South Jersey
	Percent
Electric Lights	95
Mechanical Refrigerator	85
Running Cold Water ^{1/}	78
Showers	50
Bath Tub ^{2/}	29
Hot Water	17
Flush Toilet	10

Radio	48
Television	9
Electric Washer	15
Telephone	1

Heating Stove	20
Cooking: Gas	75
Electric	13
Other	12

^{1/} Does not include hand pumps.

^{2/} Consists primarily of metal tubs.