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Workforce Issues and the New York Dairy Industry

Focus Group Report

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Executive Summary

While dairy farmers in New York State are heavily reliant on Hispanic workers to fill increasingly skilled positions on the farm, they are currently facing a myriad of concerns regarding this workforce. This report is a summary of a focus group of 12 employers of Hispanic dairy workers that took place to discuss recruitment, retention and employment of these workers. The participating farms had workforces made up of at least 50% Hispanic employees. The following is a review of the topics discussed.

Recruitment: Eleven out of the twelve participating employers said that while they currently are able to fill most job openings through referrals, they are concerned about finding qualified workers in the future. This is mostly due to competition from other employers and changes occurring through state and federal legislation.

Wages and Benefits: Employers think it is likely that overtime pay will eventually be required in New York State. They feel that they are currently offering competitive wages, but in the future may need to increase pay and offer more vacation time to stay competitive. Housing is a benefit currently offered but one that can be difficult to manage.

Immigration: While relatively few employees have been deported at this point, there is a feeling of fear amongst the Hispanic worker population regarding immigration enforcement. Employers would struggle greatly if they lost their employees through immigration enforcement or mandatory E-verify, and would have to look to other labor pools.

Farm Worker Advocacy: Participating farmers expressed concern regarding farm worker advocacy groups and a desire to see them move towards a more cooperative relationship with farm employers in order to truly help farm workers.

Farm Employment and the Consumer: Farmers already strive to be the best possible employers and do not feel that mandated guidelines for worker treatment will be created and enforced.

Collective Bargaining: These employers expect to see collective bargaining rights for farm workers within the next 10 years.

Robotic Milking: The continued adoption of technology will continue, including robotic milking systems. Due to the large capital investment required, the trend towards increased farm size will continue.

Hispanic Culture: Employers treat their Hispanic employees like all their other employees and make a special effort to understand their background and provide opportunities to enrich their lives while in the US.

Labor Law Compliance: While the Trump administration may make it easier for employers to comply with Federal labor laws, New York State laws continue to be tougher on employers than federal laws.

Additional Thoughts: Employers feel that they cannot advocate for their potentially undocumented workers without compromising their businesses, though they feel that it is extremely important for both their employees and their businesses.

This focus group was held just a few weeks after President Trump signed an Executive Order on immigration, which certainly brought immigration enforcement concerns to the forefront in agricultural communities. Despite this, the 12 farm employers had many other thoughts and concerns to discuss. Overall, the consensus was that there are many changes around the corner; we will eventually have a dairy farm workforce that is more skilled and includes fewer unauthorized immigrant workers.

Introduction

The purpose of the focus group was to allow for an in-depth examination of issues related to the recruitment, retention, and employment of Hispanic dairy workers and dairy employees in general. The focus group approach allows a unique opportunity to better understand the variety of labor issues that impact farm businesses today and are likely to continue into the future. These issues include tight labor supplies, mandatory wage increases, immigration enforcement, immigration reform, pressure from advocacy groups, and pressure from consumers and both state and federal regulations.

Methods

The focus group was a follow up to the 2016 Survey of Hispanic Dairy Workers. Thirty-six owners and managers of New York dairy farms participated in that study and all were invited to participate in the focus group. Twelve of the managers participating in the 2016 survey agreed to participate in the focus group. The focus group was held in the Cornell Cooperative Extension office in Batavia, New York. Participants were offered lunch but no other incentives. This location was chosen purposefully, since it is a known location to these participants and is conveniently located. The focus group guide was designed to explore the workforce challenges facing these managers and to understand how they are preparing to face these challenges, especially during a particularly unsettling time for immigrant workers (Appendix I).

Results

Farm Characteristics

The farms were located in Western and Central New York, and the farm sizes ranged from 500 to 2000 cows. Most were farms with over 1000 cows. These farms employ as few as four people and as many as 45. Hispanic workers constituted at least 50% of the workforce on participating farms.

Worker Availability Today and Beyond

The initial discussion focused on recruiting Hispanic workers. When there is a job opening on the farm, it is very common for current Hispanics to refer family or friends to fill the position.

Accessing refugee populations, such as the Bhutanese through a state extension program, was another source noted that had positive results. The managers also look locally to recruit American workers through local high schools or BOCES programs, but with very little success. American workers often require a lot of social services support, which adds additional time and burden on the employer through additional paperwork requirements imposed by the social services programs, and often resulting in a failed employment scenario. When asked how easy or difficult it was for them the last time they had to fill a non-supervisory position, the majority stated that it was fairly easy. Again, the main reason for their ease of filling positions is the

reliance on their Hispanic employees to refer their friends and family members. Many noted that pay is a driver for easily finding employees, implying their pay rates are competitive enough to attract new, mostly immigrant, employees.

When asked if they were concerned about finding qualified workers, particularly in light of the changes occurring under the Trump administration, eleven out of the twelve said they were concerned or very concerned. The challenge is particularly difficult when trying to hire more skilled workers. Another barrier to finding qualified workers is the negative public perception of how these employers treat their workers, which is exacerbated by the rhetoric coming from worker advocacy groups. Worker advocacy groups target farms they perceive as engaging in unfair labor practices. In general, these groups tend to believe that farms are not a good place for people to work. The public in general does not understand the employers' need for capable workers.

There is a consensus among participants that over time, changes will be imposed upon them through the state legislature that will include increasing the minimum wage (although the minimum wage increase has already been set in place), which will have a significant impact. A hike in the minimum wage usually requires pay increases for most of the workers in the business.

Worker Availability summary:

- Farm employers are successfully hiring the friends and family of their Hispanic workers
- American workers require a lot more time and effort to hire, often without success
- Refugee populations are another source of labor
- Ease of finding employees is mainly pay driven, and through referrals from their current Hispanic workers
- Finding qualified workers is a concern due to advocacy groups fostering negative perceptions of farm work
- Long-term changes in legislation and minimum wage increases will impact the employers' ability to find qualified workers

Wages and Benefits

Participants were given a copy of the Survey of Hispanic Dairy Workers in New York State 2016 report and asked to review the findings summarized on the abstract page. The report shows that the starting hourly pay for milkers is \$9.34 and the highest hourly pay is \$11.05, and the average hourly wage for the highest paid Hispanic employees in any position was \$12.94. The participants were then asked if these wages were sufficient for them to compete for quality workers at this time. They noted that the starting rate was too low, and an hourly rate of on the higher end (\$11.00) would be sufficient. They did note that since this report was issued, the minimum hourly pay rate had increased by \$0.70/hour to \$9.70, and that they have all had to adjust their wages accordingly. Wage rates count when they are recruiting for workers.

When asked what adjustments they feel they might need to make to compete for workers in the future, participants all recognized they need to consider personal time off, pay and housing. They noted that in the past, their Hispanic workers did not ask for time off and now they do.

They realize they need to offer their workers vacation time. For the Hispanic workers though, they want time off to travel back to their home country. Given the distance and expense of such travel, the farm owners recognize they not only must offer vacation time, but this vacation time must be longer in duration (two to three weeks) than what they have had to accommodate in the past. Having some of their workforce out for such a long period of time adds more pressure and stress on supervisors and requires more careful management.

Regarding housing, there is a recognition that housing must be more individualized, rather than group housing. Currently the impression is that the workers either do not understand or do not value the housing they are receiving. As such, the farm owners acknowledge that they must educate their workers so that they better understand the value of the housing benefit. Also, with the pressures imposed upon the employer by increases in the minimum wage, ultimately, they feel they will no longer be able to offer free housing and will have to start charging their workers rent. As financial pressures build on the farms, the result is to push some of the costs down to the employees. This phenomenon is commonly seen in other industry sectors when costs increase for the employer. This presents serious complications, as the Department of Labor has stringent compliance regulations regarding on-site housing for employees. There is a concern that employers may take advantage of their employees when there is a landlord/tenant relationship as part of employment. Focus group participants would prefer not to be in the landlord business. A solution to this would be to subsidize another entity to take over the rental effort, or to pay their employees more and allow them to choose where they would like to live.

Employee housing is a significant and necessary benefit farmers offer their workers in order to attract and retain them. More than 80% of Hispanic dairy workers receive housing as a benefit, according to the 2016 Cornell Survey of Hispanic Dairy Workers. This benefit comes at a price to the farm owners. The housing requires continual maintenance, and there are often problems with infestations as a result of hygiene practices of the employees. The farm owners expressed a genuine concern for the security of their employees. Offering on-site housing makes it easier for Immigration and Customs Enforcement (ICE) to come and take their workers away, as these are easy targets. The regulations around housing that are imposed are burdensome and costly, and employees often do not understand or appreciate the value of the housing offered them. This is exacerbated by advocacy groups highlighting poor housing conditions and blaming the owners, which creates a negative impression to the public. If a law was passed to give legal status to their Hispanic employees, the majority said they would not continue to offer housing, but they realize that many in their local communities do not want to rent to Hispanic farmworkers.

Other issues that are of concern to the employers include their workers driving without a license or insurance and working seven days a week without time off. These are not practices that the employers condone nor promote, but they are held accountable for them by worker advocacy groups. These groups focus on these types of issues to generate an overall negative campaign against farm employers.

When asked about the likelihood that New York State will require farmers to pay their workers time and a half after 40 hours (similar to the law recently passed in California), all acknowledged this was very likely to occur. When asked how paying time and a half after 40 hours of work would affect their business, the overwhelming response was that it would have a huge and

negative impact on both them and their workers. In particular, they noted that they would be forced to cut back hours of their employees, to avoid paying overtime. Their Hispanic workers who ask to work 60-70 hours per week and would seek other employment that would meet their income expectations. Those who do not leave likely will be upset, as their hours and overall pay will be cut drastically. These are the workers who most want to maximize their earnings, but would end up earning less. Employers acknowledge that this move will force them to hire more people to work fewer hours or start to think about switching to robotic milking systems.

Wages & Benefits Summary:

- Hourly wages of at least \$11.00 are needed to compete for quality workers
- Employers recognize the importance of offering competitive wages when recruiting
- Future adjustments to benefits should include time off for longer periods, increased pay, and individualized housing
- Minimum wage increases may result in adjusting the housing benefit – moving from a free benefit to one where the employee pays rent
- Another solution to the housing is to pay the employees more and remove the housing benefit entirely, or to have a third-party take over the landlord responsibilities
- Housing requires maintenance, dealing with infestations and negative public perception
- On-site housing exposes workers to ICE and potential removal from the farms
- Employers feel an obligation to offer housing, as many in the community will not rent to Hispanic farm workers
- Worker advocacy groups distort the facts about farm employment to generate negative public perception of employers
- Employers believe it is very likely that New York State will eventually require time and a half pay for working over 40 hours
- Enforcement of overtime pay will have a large negative impact on the farms and their workers
 - Hispanic workers will seek other employment if their hours are reduced
 - Workers who are in most need of money may end up earning less overall
 - Employers will be forced to hire more people or move to robots

Immigration

a) Immigration Enforcement in New York

Recent Executive Orders have stated that all undocumented workers are a priority for removal from the United States, including those who entered without authorization. Seven of the twelve farms represented in the focus group had at least one Hispanic worker deported; one farm had two workers deported and one farm had three workers deported. The participants do not really know what to expect from the Trump administration, as well as from Congress regarding enforcement. This level of unpredictability is causing a sense of fear and nervousness for farm employers, workers, and the community at large.

Interestingly, it was stated that the workers are not worried about crossing the border, but they are very concerned about being deported from Western New York. The most damaging and immediate impact of the recent Executive Order has been to instill a sense of fear in the

community regarding these employees. Some Hispanic employees have stopped leaving the farm altogether since the order was announced. They will pay others to purchase their groceries for them, as they are afraid to be seen out in public. Farm employers are very concerned about the impact that this type of self-imposed isolation will have on their employees. Worker advocacy groups are not helping the situation, but rather inflaming it by organizing protests. It has taken more than a decade for these employers to integrate the Hispanic workers into their communities to a point where these workers were seen as bringing value, and now that has been reversed. People in their communities now view the workers as criminals again. Given the tripling of the number of border agents, it will be harder for the workers to come to the United States, hence shrinking this source of labor. For those who risk crossing the border, it will inevitably drive up the costs to these workers (they pay thousands of dollars to cross the border already). Ultimately, the farms will be forced to seek workers from immigrant, refugee or other groups.

Asked what they would do if the majority of their Hispanic workers suddenly left their farm, they all responded that they would be forced to work harder, find help from other farms, ask friends, advertise in the local paper, hire from refugee groups, and find ways to reduce their workload. Admittedly, their Hispanic employees are better workers than alternative sources, including hiring Americans.

b) Hispanic Worker Retention

If immigration reform legislation passed that gave legal status to undocumented workers, the employers would do relatively little to ensure that their current Hispanic workers do not leave their farm for another job. One major reason is that employers feel their current benefit structure is fair and generous. They noted that they would ensure that they have competitive benefits, add sick leave, and increase their pay to help workers pay for housing. Beyond this, they stated that they treat their Hispanic workers the same as their American workers.

c) Guestworker Program for Dairy

Focus group participants expressed cautious optimism about the potential value of a guestworker program for dairy workers. The design of the guestworker program is important. It would need to be stable (at least 3-5 years) and allow them to get the same workers back each year. They pointed out that these types of programs tend to burden farm managers by increasing paperwork and adding regulations.

d) The Trump Administration

There is a perception among focus group participants that the Trump administration is focused on jobs for Americans and does not comprehend the impact agriculture has on the US economy. Agriculture is a \$30B industry. Regarding immigration reform for agriculture, there is a consensus that the new administration's policies will have a negative impact on American farmers, but the administration will not realize this impact until food prices rise.

e) Mandatory E-Verify

E-verify is currently a voluntary government program operated by the Department of Homeland Security that employers can use to compare information from an employee's I-9 form to data from U.S. government records, and if the information matches, that employee is allowed to work in the United States. If E-verify becomes law without legal status for undocumented workers, the consequences for the farms would be "crippling". The employers acknowledged that this would potentially force them to terminate the employment of some of their immigrant workers. It would also push the workers underground even more.

Immigration Summary:

- Relatively few Hispanic workers have been deported
- There is a general sense of fear regarding immigration enforcement and removal of unauthorized workers
- Some Hispanic workers are afraid to be seen in public and are reluctant to leave the farms
- The Executive Order creates a sense of fear in the community, reversing years of established trust and appreciation for the value the workers bring to their community
- Making the border crossing more difficult will result in a diminished Hispanic labor pool
- Employers will seek workers from other immigrant or refugee groups
- If the majority of Hispanic workers left, farms would scramble to replace them from other less desirable labor sources
- Current benefits are in line with what dairy producers offer Americans, but farm employers may add additional wages to compensate for the housing benefit
- A guestworker program is an option if the program is stable and ensures that the same employees return each year
- Trump administration immigration policies will result in higher prices for food
- Mandatory e-verify would have a crippling impact on farms

Farm Worker Advocacy

Over the past several years, worker justice groups in New York and Vermont have created a worker advocacy program called "Milk with Dignity". They advocate for changes in what they call poor employment practices on dairy farms, including wage underpayments, inadequate housing and a seven-day work week. The farmers were asked to rate their level of concern about the activities of these groups. Overwhelmingly they stated they were somewhat or very concerned, with only one farm stating that they were not concerned about advocacy activities. Their concern stems from their belief that these groups have an agenda to ultimately harm their farms, rather than actually to help farm workers. Publicly the goal is to advocate for farm workers, but the reality is they aim to litigate against the farms. This will ultimately destroy farm businesses and ruin not only the employer's livelihood but also that of their employees. The advocacy groups have referred to farm employment practices as a form of "modern day slavery", which underscores the tone of animosity that these groups have toward the employers. The employers expressed frustration that these groups do not make an effort to work with them

to help their workers, but rather expend great energy to work against them and foster discontent among the workers. As a result the employers feel they have to constantly be on the defensive. The employers welcome these groups to partner with them to educate their workforce, but when this occurs, these groups use the access to the employees as an opportunity to convince the workers that they are not happy. Naturally, this has resulted in a deep level of distrust between advocates and the dairy employers. They also noted that the advocacy groups are recruiting at colleges, and this recruitment effort is influencing students to advocate for unionization. This underscores the level of misinformation being disseminated to recruit young people to join their cause without actually understanding the employers' point of view. The employers expressed a desire to work with these advocacy groups, but ultimately feel that when they do, they are taken advantage of rather than helped.

Farm Worker Advocacy Summary:

- Great concern is expressed about the activities of worker advocacy groups
- Advocacy groups have taken an adversarial approach to farm employers, sometimes calling farm employment practices "modern day slavery"
- College students recruited by advocacy groups demonstrate a lack of understanding of farm employment
- To truly help farm workers, the advocacy groups would be more effective if they moved from a hostile to a cooperative relationship with farm employers

Farm Employment and the Consumer

Most milk cooperatives now require their farmer members to comply with the Farmers Assuring Responsible Management (FARM) program when it comes to treatment of animals. This program holds cooperative members to rigorous guidelines regarding milk quality and how farm animals are treated. When asked how likely it is that a similar mandatory program related to how workers are treated will be implemented within the next 10 years, the majority felt this was unlikely to occur. They feel strongly that they are their own best stewards of their workforce. They are motivated to ensure that they treat their workers well, not only because it is the right thing to do, but also because it makes good business sense. They also feel that this type of mandate would have a ripple effect, potentially exposing not just their industry sector, but also the businesses that purchase their milk, which would not be well received. Should such a program come to fruition, it would have minimal impact on these farms, since they all feel that they provide great benefits already and are treating their employees well.

Farm Employment and the Consumer Summary:

- Mandated guidelines for the treatment of workers very unlikely to occur
- Farms feel morally obligated to treat workers well and also realize it's a good business practice
- Farms are already striving to be the best employers by offering great benefits and good treatment of their employees

Collective Bargaining

When focus group participants were asked how likely is it that the State of New York will allow collective bargaining rights for farm workers within the next 10 years, all said it was somewhat likely or very likely to occur. If New York farm workers were granted collective bargaining rights, participants thought that advocacy groups would encourage union membership for dairy farm workers, remain active and continue to operate in an adversarial manner. These groups actively look for labor violations to hold up as an example of poor employee management. With collective bargaining rights, advocates would have even greater leverage. Given that farm workers are spread over 4000 employers in the state, forming and then implementing a union will be a challenge. The concern is that granting workers collective bargaining rights will just amplify and increase employee complaints, legitimate or not.

Collective Bargaining Summary

- Collective bargaining rights for farm workers in New York are very likely within the next 10 years
- If advocacy groups continue to operate as adversaries, collective bargaining rights are of great concern
- Advocacy groups are likely to promote union organizing on farms

Robotic Milking

Many observers think that robotic milking systems are the solution to unauthorized dairy worker issues. The general consensus among focus group participants is that robots are the future and that they are inevitable. Behind the expectation to move to robotics is the recognition that these are the hardest and dirtiest jobs on the farm, and that employers cannot find American workers to do them. Robotic milking will change the employment requirements, moving to a more skilled labor force that will need to know how to operate and manage technology. Given the large capital investment required to install a robotic rotary parlor, it will put pressure to increase farm sizes in order to pay for the investment. Robots will not be suitable for everyone, as they require a huge learning curve and highly technical specialized skills. As a result, some farms may transition out of dairy to a different enterprise or stop farming altogether. There already are next generation farmers who are choosing to move to a different enterprise, given all the obstacles faced by dairy farmers. The low-end jobs involve working in the barn, and that will still require humans. However, there is a trend toward robotic milking, and there is a realization that this may be a cheaper and better way to address employer needs.

Robotic Milking Summary

- Moving to robots is inevitable; the technology is already being adopted
- Robotic milking systems require large capital investment, which will pressure farms to expand in size
- Next generation dairy farmers are choosing to move to different enterprises given the difficulties of finding workers to do labor-intensive jobs

Hispanic Culture

Given that about 50% of the workforce of these farms consists of Hispanic workers, the employers make an effort to show respect to them by treating them like all their employees. They take extra steps to show them respect by doing things such as taking them to church where there is a large Hispanic congregation, taking them to soccer, providing them with nice housing, and advocating for their children in their schools. They treat them as they would want to be treated. There is a misconception that they treat their Hispanic workers worse than other employees. The employers work to understand where their workers come from and what motivates them. This way they can be more empathetic and understand the sources of their stresses. They make an effort to make their Hispanic workers feel welcome.

Hispanic Culture Summary

- Employers treat their Hispanic workers like all their employees
- They identify ways to improve their employees' lives, through church, sports, housing, education, etc.
- They show empathy to their situation and make an effort to understand their background

Labor Law Compliance

There is optimism about the impact of complying with federal labor laws under the new administration, which wants to make things easier for employers. The challenge for the employers is that New York State laws are significantly more stringent than those at the federal level.

Labor Law Compliance Summary

- The Trump administration will likely make it easier for employers to comply with Federal labor laws
- New York State laws are currently much tougher than federal laws for the employers

Additional Thoughts

There is general level of frustration from the employers that they have no voice to express their needs and the challenges they are facing. They are unable to write a letter without being identified, and once identified they feel they become a target that puts their employees, their businesses and their livelihoods at risk. Any effort that brings their status to the forefront is dangerous for them. As such, they need other avenues of advocating for themselves that do not directly link back to them. President Trump's negative statements and the extent of misinformation about undocumented workers have increased tensions within their communities. The employers have spent a lot of time and effort building community trust and are now seeing that effort deteriorate. There is a lack of understanding of the financial contributions these workers make to their local communities. Hispanic farmworkers pay taxes into our system but never draw from it. Also, if these farms were to suddenly lose half their workforce, everyone would pay the price by paying more for their products. These are not jobs that Americans will

take, and Americans are unwilling to work the longer hours. There currently is no mechanism by which these employers can advocate for their undocumented workers without compromising their business.

- Employers lack a voice to express their position
- Employers cannot advocate for their undocumented workers without compromising their businesses
- The general population does not understand nor appreciate the contributions of the Hispanic workers

Conclusion

Focus group participants rely heavily on migrant workers and they reported that at least 50% of their workforce was made up of Hispanic workers. Participants discussed current workforce challenges as well as future challenges. These included worker availability, competitive wages (including overtime pay), immigration policy, farmworker advocacy, collective bargaining, robotic milking and labor law compliance. Participating managers are concerned about being able to hire an adequate number of qualified workers in the future. Enforcement activities that remove undocumented workers from the workforce would be a major challenge for farm managers, but they would continue to seek other sources of immigrant or refugee workers or move to robotic milking. Requiring overtime pay will result in either passing down these costs to the consumer or cutting back the workers' hours offered, or both. Hispanic workers want to work 60-70 hour workweeks, so a reduction in their hours would force them to seek other employment. Participants felt that changes in New York labor laws will eventually lead to collective bargaining rights for farm workers. Technological investments will likely require higher wages for higher skilled workers. Participants indicated that next generation farmers are already making strategic decisions to help ensure an adequate number of workers and labor efficient operations. Focus group participants feel that advocacy groups are demonizing them and want the worker advocates to engage cooperatively with them to help them to help improve their working conditions, rather than work against them and threaten their businesses and their livelihoods. The farm employers feel it is an important time to educate policy makers and the public about the challenges they face and the contributions their Hispanic workers bring to their farms and to their local communities.

APPENDIX I

Focus Group Discussion Guide

Farm Owners/Managers

Estimated time: 120 minutes

Prepared by Thomas R. Maloney, Libby Eiholzer, and Yasamin Miller

Date: Thursday, February 23, 2017

Time: 12:00-2:30pm

Location: CCE Genesee County, 420 East Main St., Batavia, NY 14020

Snow Date: Wednesday, March 1, 2017 (same time and location)

Introduction: (2 minutes)

Good afternoon, and thank you for joining us in today's discussion. My name is Yasamin Miller and I have been asked to lead this discussion today.

Last summer you and your employees participated in a survey related to the Hispanic workforce in the dairy industry. The survey generated a great deal of timely and useful information. Now we are working on the second phase of the project. Cornell Cooperative Extension has received a grant from Farm Credit East to conduct a discussion group that will provide an in-depth examination of issues related to the recruitment and retention of Hispanic dairy workers. We are in a unique period of time when a variety of labor issues are impacting farm businesses. These include tight labor supplies, mandatory wage increases, immigration enforcement, immigration reform, pressure from advocacy groups, and others. In an organized way are going to lead you through a series of questions to examine these issues. This session is being recorded and the results will be transcribed and summarized into a final report that will be available on Cornell's Dyson School web site. All individual names, farm names, etc. will be confidential.

Before we start the discussion, there are a few things I need to cover.

This session is being tape-recorded. We are recording the session because we want to make certain that we get all of your comments. All of your comments will be confidential. No names of individuals will be revealed in the summary of the information collected during the session or in any reports developed for the study.

This focus group will take about two hours. Your participation in the discussion is voluntary, meaning that you are free to choose not to participate or to leave at any time.

Ground Rules: (8 minutes)

Just a few ground rules before we start:

- We would like to hear from each of you throughout the discussion. However, each person does not have to answer every question.
- There are several topic areas we need to cover today. Therefore, we must keep the discussion moving and may need to interrupt someone who is talking. Please do not be offended by this. We want to be sure that we have time for each topic.
- Remember, there are no right or wrong answers. We are interested in each of your thoughts and opinions. It is okay that your opinions may be different from others in the group.
- Please speak one at a time, speak slowly and loudly, and just give us your first name before you speak. (This is because we will be transcribing this session.)

If there are no questions, let's get started.

Before we begin, let's take just a few minutes to introduce ourselves to one another.

Please tell us your first name, your farm name, location, and how many workers you have, and of these how many are Hispanic. Also, how many cows you have on your farm?

1) Worker Availability Today and Beyond: (15 minutes)

We are going to start by talking about worker availability today and beyond.

1. From what labor pools are you currently hiring?
2. Think of the last time you had a non-supervisory position open. How easy or difficult was it to fill that position? Let's use a 1-10 scale, where 1 is very difficult and 10 is very easy, how easy/difficult was it to fill that position? Please explain.
3. Are you concerned about finding qualified workers? This is a general recruiting question – we are going to talk about immigration later on, but right now let's just focus on recruiting.

Yes/No

Probe: What are your specific concerns?

a. Now?

b. In the years ahead?

2) Wages and Benefits: (25 minutes)
[Share report – ask to look at it – page 4 in particular]

Please take a few minutes and look at the report that summarizes the results of the survey that was conducted this summer. Please take a look at the summary provided on page 4 in particular. [Give a few minutes for review]

Let's talk about the wages first. It shows that on average, employers reported a starting hourly wage for milkers at \$9.34/hour, and highest hourly pay was \$11.05. The average hourly wage for a Hispanic employee in any position on the farm was \$12.94/hour.

1. Do you think the wage rates reported in the Hispanic Worker Survey are sufficient to compete for quality workers now?

1 -yes
0 – no

Probe: Please elaborate on your answers

2. What adjustments might be needed?
3. How about competing in the future – what adjustments do you think will be needed?
4. California recently passed a law giving farm workers overtime pay at the rate of time and a half after 40 hours of work. Prior to the change, California farmers were required to pay their workers time and a half after 60 hours.

How likely do you think it is that New York State will require farmers to pay their workers time and a half after 40 hours? Let's use a scale of 1-10 where 1 is not likely at all and 10 is very likely.

5. How would it affect your business if the law required you to pay overtime after 40 hours per week?
6. According to the survey, more than 80% of Hispanic dairy workers receive housing as a benefit. What housing concerns do you have on your farm (if any)?
7. What about other benefits? Are there any other benefits that are important that you wish to discuss – that are an issue for you.

3) Immigration: (30 minutes)

a) Immigration Enforcement in New York

A recent Executive Order states that all undocumented workers are a priority for removal from the United States including those who entered without inspection.

1. Have you ever had a Hispanic worker employed on your farm deported?
If yes, how many times have you had any Hispanic worker deported?
2. Regarding enforcement, what do you expect from the Trump administration? How do you think this will relate to your farm?
If yes, please elaborate
3. If the majority of your Hispanic workers suddenly left your farm, how would you replace them?

b) Hispanic Worker Retention

1. Assume immigration reform legislation is passed with a legalized status for undocumented workers, what changes (i.e., wages, benefits, and housing supervision) are you willing to make, if any, to ensure that your current Hispanic workers don't leave your farm for another job?

c) Guestworker Program for Dairy

1. Assume immigration reform is passed with a guest worker program that includes dairy workers, do you think your farm would use a guest worker program?

If yes, what management adjustments would be needed? How will managing your farm be different under a guest worker program?

d) The Trump Administration

1. In regard to immigration reform for agriculture, do you think the Trump administration will help or hinder progress? Please explain.

e) Mandatory E-Verify

E-Verify is a government program operated by the Department of Homeland Security that employers can use to compare information from an employee's I-9 form to date from U.S. government records. If the information matches, that employee is allowed to work in the United States.

1. If mandatory e-verify becomes law without legal status for undocumented workers, what do you think will be the consequences for your farm?

4) Farm Worker Advocacy: (20 minutes)

Over the past several years, worker justice groups in New York and Vermont have created a worker advocacy program called “Milk with Dignity”. They want to force changes in what they call poor employment practices on dairy farms including wage underpayments, poor housing, a seven-day workweek, etc.

1. How concerned are you about the activity level of these advocacy groups? Again, let's use 1-10 where 1 is not concerned at all and 10 is you are very concerned.

Probe: Please explain.

2. How likely do you think it is that their activities will eventually have an impact on your farm employment practices? 1-10 again, 1 is it will not impact your farm employment practices at all and 10 is it will greatly impact your practices.

Probe: Please elaborate on your answer.

3. Most milk cooperatives now require their farmer members to comply with the FARM Program when it comes to treatment of animals. This program holds cooperative members to rigorous guidelines regarding milk quality and how farm animals are treated.
4. How likely do you think it is that we will have a similar mandatory program for the treatment of workers within the next 10 years? (again 1-10 where 1 is very unlikely and 10 is very likely)

Probe: Please explain

5. What do you see as the impact of such a program on your business?

5) Collective Bargaining: (10 minutes)

1. How likely do you think it is that the State of New York will allow collective bargaining rights for farm workers within the next 10 years? Again, let's use a scale of 1-10 where 1 is it is very unlikely and 10 is very likely that New York State will allow for collective bargaining for farm workers.
2. How concerned would you be about managing your farm if farm workers in New York were granted collective bargaining rights?
3. What are your specific concerns?

6) Robotic Milking: (3 minutes)

1. Many observers think that robotic milking systems are the solution to unauthorized dairy worker issues. What are your thoughts?

7) Hispanic Culture: (3 minutes)

1. In what ways do you show respect for your Hispanic workers?
2. In what ways does your cultural understanding make you a better manager/supervisor?

8) Labor Law Compliance: (2 minutes)

1. In regard to Federal labor law compliance, do you think the Trump administration will make it harder or easier to comply with existing labor laws? Please explain.

9) Summary: (4 minutes)

Before we end our discussion for today, I would like to give you an opportunity to talk about anything else we have not covered that you think is important to help us better understand your issues and concerns.

Thank you all for your time.

APPENDIX II

Farm Owners/Managers Responses to “Scale” Questions

Focus Group Discussion

Thursday, February 23, 2017

CCE Genesee County, 420 East Main St., Batavia, NY 14020

1) Worker Availability Today and Beyond

1. Think of the last time you had a non-supervisory position open. How easy or difficult was it to fill that position? Let's use a 1-10 scale, where 1 is very difficult and 10 is very easy, how easy/difficult was it to fill that position?

8, 10, 6, 10, 8, 10, 10, 7, 8, 8, 5, 7 Average: 8

2. Are you concerned about finding qualified workers? This is a general recruiting question – we are going to talk about immigration later on, but right now let's just focus on recruiting.

Yes/No

1 – No

11 – Yes

2) Wages and Benefits

1. California recently passed a law giving farm workers overtime pay at the rate of time and a half after 40 hours of work. Prior to the change, California farmers were required to pay their workers time and a half after 60 hours.

How likely do you think it is that New York State will require farmers to pay their workers time and a half after 40 hours? Let's use a scale of 1-10 where 1 is not likely at all and 10 is very likely.

9, 7, 9, 9, 8, 7, 7, 7, 7, 7, 8, 8 Average: 7.75

3) Farm Worker Advocacy

Over the past several years, worker justice groups in New York and Vermont have created a worker advocacy program called “Milk with Dignity”. They want to force changes in what they call poor employment practices on dairy farms including wage underpayments, poor housing, a seven-day workweek, etc.

1. How concerned are you about the activity level of these advocacy groups? Again, let's use 1-10 where 1 is not concerned at all and 10 is you are very concerned.

6, 3, 8, 5, 8, 5, 5, 10, 5, 5, 7, 10 Average: 6.4

How likely do you think it is that we will have a similar mandatory program for the treatment of workers within the next 10 years? (Again 1-10 where 1 is very unlikely and 10 is very likely.)

3, 2, 2, 3, 2, 6, 2, 4, 6, 5, 3, 3 Average: 3.4

4) Collective Bargaining

1. How likely do you think it is that the State of New York will allow collective bargaining rights for farm workers within the next 10 years? Again, let's use a scale of 1-10 where 1 is it is very unlikely and 10 is very likely that New York State will allow for collective bargaining for farm workers.

8, 8, 7, 6, 6, 7, 8, 7, 5, 8, 6, 8 Average: 7

OTHER A.E.M. EXTENSION BULLETINS

EB No	Title	Fee (if applicable)	Author(s)
2017-03	Workforce Issues and the New York Dairy Industry, Focus Group Report		Maloney, T.R. & Eiholzer, L.
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2017-01	A Practitioner's Guide to Conducting an Economic Impact Assessment of Regional Food Hubs using IMPLAN: A Systematic Approach		Schmit, T. and B. Jablonski
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2016-07	Dairy Farm Business Sumarry, Hudson and Central New York Region, 2015	(\$16.00)	Knoblauch, W., Dymond, C., Karszes, J., Howland, B., Buxton, S., Kiraly, M., Kimmich, R., Shoen, K., and Overton, R.
2016-06	An Analysis of Opportunities For Food Hub Development In Northern New York		Severson, R., Schmit, T., and Shin, P.
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