

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics

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FARM WAGE RATES AND RELATED DATA, JULY 1, 1937, WITH COMPARISONS

Estimated farm wage rates, the supply of and demand for hired farm workers and farm employment, as based on reports to the Crop Reporting Board. The data for previous quarters appear in "Crops and Markets" for February, April, July, and October, and in the United States Agricultural Statistics 1936, Tables 454, and 455. The data shown below will be published in the July issue of "Crops and Markets."

	Annual average 1910-14	April 1, 1936	July 1, 1936	April 1, 1937	July 1 1937
FARM WAGE INDEX	100	101	108	112	123
FARM WAGE RATES:					
Per month, with board	\$20.41	\$20.89	\$22.07	\$23.38	\$25.28
Per month, without board	29.09	30.27	32.21	34.16	36.14
Per day, with board	1.10	1.05	1.15	1.16	1.34
Per day, without board	1.45	1.43	1.54	1.58	1.76
SUPPLY OF AND DEMAND FOR FARM LABOR (Percentage of normal)					
Supply	--	93.8	83.9	87.2	82.4
Demand	--	82.1	82.7	86.6	90.7
Supply as a percentage of demand	--	114.3	107.5	100.7	90.8
FARM EMPLOYMENT ^{1/} (Persons per 100 farms)					
Family labor	--	135	223	197	219
Hired labor	--	89	101	78	107
Combined	--	284	324	275	326
RELATED INDEXES:					
Prices received by farmers ^{2/}	100	105	115	130	124 ^{3/}
Ratio of prices received to farm wage rates	100	104	106	116	101
Industrial wage rates ^{4/}	--	198	198	219	219 ^{5/}
Industrial employment ^{6/}	--	89	91	102	102 ^{5/}
Industrial payrolls ^{6/}	--	79	80	105	105 ^{5/}

^{1/} On farms of 13,769 crop reporters.

^{2/} As of the 15th of the month.

^{3/} June 1937 - latest data available.

^{4/} Average weekly earnings, New York State factories, June 1914 = 100.

^{5/} May 1937 - latest data available.

^{6/} Bureau of Labor Statistics indexes for manufacturing industries, 1923-1925 = 100.

FARM WAGE RATES AND RELATED DATA, BY GEOGRAPHIC DIVISIONS,
JULY 1, 1937, WITH COMPARISONS

Geographic Divisions	Annual average 1910-14	April 1, 1936	July 1, 1936	April 1, 1937	July 1, 1937
	Dollars	Dollars	Dollars	Dollars	Dollars
FARM WAGE RATES					
Per month with board					
New England	24.23	28.06	30.27	31.41	32.94
Middle Atlantic	22.08	25.35	26.64	28.44	31.44
East North Central	23.79	24.94	26.40	29.59	31.35
West North Central	26.02	24.50	26.29	26.32	29.17
South Atlantic	14.65	14.75	15.05	16.43	17.11
East South Central	14.65	14.09	14.22	15.65	16.70
West South Central	17.65	16.95	17.52	18.70	19.95
Mountain	32.36	29.96	33.94	34.34	37.05
Pacific	33.33	36.50	40.33	41.57	46.49
Per month without board					
New England	37.54	49.44	51.87	53.11	55.60
Middle Atlantic	33.19	40.40	41.94	45.13	48.24
East North Central	32.86	35.73	37.16	41.23	43.09
West North Central	36.45	33.99	36.07	36.28	39.95
South Atlantic	20.96	21.98	22.51	24.30	25.04
East South Central	20.72	20.70	20.59	22.65	23.68
West South Central	25.33	24.63	25.23	26.38	28.38
Mountain	46.15	44.05	48.86	50.36	52.45
Pacific	47.97	56.59	61.27	64.14	67.11
Per day with board					
New England	1.27	1.61	1.70	1.77	1.96
Middle Atlantic	1.23	1.42	1.54	1.62	1.85
East North Central	1.31	1.27	1.43	1.51	1.69
West North Central	1.44	1.16	1.41	1.25	1.60
South Atlantic	.81	.77	.78	.83	.89
East South Central	.81	.71	.72	.77	.85
West South Central	.99	.83	.90	.90	1.06
Mountain	1.50	1.43	1.61	1.58	1.76
Pacific	1.50	1.62	1.83	1.86	2.14
Per day without board					
New England	1.71	2.31	2.41	2.50	2.72
Middle Atlantic	1.62	2.00	2.12	2.25	2.47
East North Central	1.68	1.71	1.89	1.98	2.21
West North Central	1.85	1.65	1.89	1.75	2.14
South Atlantic	1.05	1.03	1.04	1.13	1.18
East South Central	1.04	.92	.94	1.00	1.07
West South Central	1.26	1.08	1.18	1.17	1.34
Mountain	2.04	1.95	2.11	2.15	2.34
Pacific	2.06	2.40	2.53	2.70	2.97

FARM WAGE RATES AND RELATED DATA, BY GEOGRAPHIC DIVISIONS,
JULY 1, 1937, WITH COMPARISONS (continued)

Geographic divisions	April 1, 1935	July 1, 1935	April 1, 1936	July 1, 1936	April 1, 1937	July 1, 1937
SUPPLY OF FARM LABOR (Percentage of normal)						
New England	106.6	97.3	96.9	88.5	87.1	79.3
Middle Atlantic	102.8	95.2	90.8	83.5	80.8	71.5
East North Central	103.3	96.6	91.6	85.8	83.5	77.5
West North Central	105.1	96.7	96.1	91.1	91.0	84.5
South Atlantic	95.2	94.3	91.3	87.8	82.7	78.6
East South Central	95.5	91.7	91.0	89.8	85.4	81.3
West South Central	102.9	97.1	97.8	92.9	92.2	89.9
Mountain	111.4	99.5	99.2	86.8	93.8	90.0
Pacific	107.0	98.3	96.9	89.8	96.2	92.7
DEMAND FOR FARM LABOR (Percentage of normal)						
New England	79.6	85.6	84.4	90.3	91.5	94.4
Middle Atlantic	78.9	82.2	86.3	88.5	90.6	94.2
East North Central	77.9	85.7	87.4	89.5	92.0	94.8
West North Central	65.6	78.4	81.1	80.7	77.6	86.2
South Atlantic	80.8	82.6	85.3	84.0	91.4	93.5
East South Central	76.6	78.8	82.5	74.9	89.8	90.7
West South Central	62.6	74.7	72.0	77.3	78.7	85.9
Mountain	62.7	78.3	77.7	83.3	83.9	88.0
Pacific	77.8	84.7	85.9	91.4	89.6	93.2
SUPPLY AS A PERCENTAGE OF DEMAND (Percentage of normal)						
New England	133.9	113.7	114.8	98.0	95.2	84.0
Middle Atlantic	130.3	115.8	105.2	94.4	89.2	75.9
East North Central	132.6	112.7	104.8	95.9	90.8	81.8
West North Central	160.2	123.3	118.5	112.9	117.3	98.0
South Atlantic	117.8	114.2	107.0	104.5	90.5	84.1
East South Central	124.7	116.4	110.3	119.9	95.1	89.6
West South Central	164.4	130.0	135.8	120.2	117.2	104.7
Mountain	177.7	127.1	127.7	104.2	111.8	102.3
Pacific	137.5	116.1	112.8	98.2	107.4	99.5
FARM EMPLOYMENT (Persons per 100 farms) ^{1/}						
Family Labor						
New England	148	159	149	169	150	161
Middle Atlantic	173	177	174	181	165	180
East North Central	168	177	167	173	160	172
West North Central	174	185	169	181	164	180
South Atlantic	285	317	253	303	260	303
East South Central	368	457	266	351	293	339
West South Central	240	266	211	255	216	241
Mountain	162	181	161	181	157	173
Pacific	166	177	152	157	178	155

^{1/} On farms of crop reporters.

FARM WAGE RATES AND RELATED DATA, BY GEOGRAPHIC DIVISIONS,
JULY 1, 1937, WITH COMPARISONS (Continued)

Geographic divisions	April 1, 1935	July 1, 1935	April 1, 1936	July 1, 1936	April 1, 1937	July 1, 1937
FARM EMPLOYMENT (Continued)						
<u>Hired Labor</u>						
New England	75	97	83	112	86	111
Middle Atlantic	68	89	80	83	67	93
East North Central	50	68	61	70	53	69
West North Central	38	54	46	57	37	59
South Atlantic	132	159	147	161	127	160
East South Central	94	121	137	117	118	136
West South Central	51	97	74	92	54	104
Mountain	53	73	59	91	61	94
Pacific	192	290	201	279	225	298
<u>Combined</u>						
New England	223	256	232	281	236	272
Middle Atlantic	241	266	254	264	232	273
East North Central	218	245	228	243	213	241
West North Central	212	239	215	238	201	239
South Atlantic	417	476	400	464	387	463
East South Central	462	578	403	468	411	475
West South Central	291	363	285	347	270	345
Mountain	215	254	220	272	218	267
Pacific	358	467	353	436	403	453

FARM LABOR

Farm wage rates, rising about 10 percent, made the sharpest seasonal upturn in 14 years during the second quarter of 1937, according to a report released today by the Bureau of Agricultural Economics. The index advanced 11 points from 112 percent of its pre-war level on April 1 to 123 percent on the first of July. This was the highest point reached by the wage rate index since 1930 and shows the sharpest increase recorded during the second quarter since 1923.

The wage rate index on July 1 was 15 points up from a year earlier. All classes of rates were sharply higher than in July of last year. July 1 rates per day without board ranged from 80 cents in South Carolina to \$3.15 in Connecticut and averaged \$1.76 for the country as a whole. The latter figure was about 22 cents per day more than a year ago.

The increase in wage rates above those of last April and a year ago appears to reflect a return toward normal conditions. The volume of crops in prospect is much larger than the production expected at the same time a year ago. Greater returns are being obtained generally from farming operations. Very few unemployed men are now seeking work on farms. Crop correspondents reported the supply of labor in rural areas at 82.4 percent of normal, compared with 87.2 on April 1.

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FARM WAGE RATES AND RELATED DATA, BY STATES, JULY 1, 1937

State	Wage rates				Supply of and demand for farm labor		
	Per month		Per day		Supply as	Demand as	Supply as
	With	Without	With	Without	percentage	percentage	percentage
	board	board	board	board	of normal	of normal	of demand
	Dollars	Dollars	Dollars	Dollars	Percent	Percent	Percent
Maine	31.75	49.50	1.75	2.30	81	93	87
N.H.	31.00	52.50	1.95	2.80	86	90	96
Vt.	31.50	49.25	1.80	2.60	74	93	80
Mass.	32.75	58.50	2.15	2.80	79	93	85
R.I.	41.75	67.25	2.10	2.80	88	94	94
Conn.	35.50	64.75	2.10	3.15	77	102	75
N.Y.	33.00	49.50	1.90	2.55	70	93	75
N.J.	34.75	55.50	1.95	2.55	76	97	78
Pa.	28.50	44.50	1.75	2.35	72	95	76
Ohio	28.00	39.50	1.65	2.20	71	93	76
Ind.	28.00	39.25	1.55	2.00	81	97	84
Ill.	32.75	42.25	1.70	2.20	82	92	89
Mich.	33.75	48.00	1.90	2.50	66	97	68
Wis.	34.25	47.75	1.70	2.20	84	97	87
Minn.	34.25	47.75	1.80	2.50	83	92	90
Iowa	34.00	42.50	1.80	2.30	91	91	100
Mo.	22.75	31.75	1.30	1.70	79	91	87
N.Dak.	30.00	43.75	1.45	2.15	81	70	116
S.Dak.	29.25	40.75	1.45	2.05	83	71	117
Nebr.	27.00	37.00	1.40	1.90	90	78	115
Kans.	26.25	38.00	1.90	2.40	85	85	100
Del.	26.25	41.50	1.65	2.15	72	100	72
Md.	27.00	39.25	1.50	1.95	76	98	78
Va.	21.00	30.00	1.05	1.40	79	97	81
W.Va.	22.50	33.25	1.10	1.55	77	89	87
N.C.	18.25	26.25	.95	1.20	83	94	88
S.C.	12.50	18.25	.60	.80	74	89	83
Ga.	13.25	19.25	.70	.95	79	95	83
Fla.	15.50	26.50	.85	1.25	80	87	92
Ky.	19.75	27.50	1.00	1.25	79	92	86
Tenn.	17.75	25.00	.85	1.05	84	90	93
Ala.	14.50	20.75	.75	.95	81	90	90
Miss.	15.00	21.75	.80	1.05	81	91	89
Ark.	17.00	24.50	.85	1.10	86	88	98
La.	15.50	23.75	.80	1.05	88	86	102
Okla.	23.00	32.50	1.35	1.75	96	91	105
Tex.	21.75	30.25	1.15	1.40	90	83	108
Mont.	38.75	54.25	1.95	2.55	94	61	154
Idaho	43.50	60.75	2.10	2.65	94	96	98
Wyo.	37.00	53.25	1.75	2.45	88	88	100
Colo.	32.75	48.75	1.60	2.20	89	90	99
N.Mex.	27.00	39.00	1.30	1.65	84	83	95
Ariz.	40.00	53.25	1.60	2.05	93	96	97
Utah	44.50	61.25	2.20	3.05	88	97	91
Nev.	43.00	65.00	1.85	2.70	90	91	99
Wash.	39.75	52.75	2.05	2.80	90	91	99
Oreg.	40.50	56.75	1.95	2.60	90	92	98
Calif.	49.50	71.50	2.20	3.10	94	94	100
U. S.	25.28	36.14	1.34	1.76	82.4	90.7	90.8

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The Department of Labor reported continued gains in employment in industries other than agriculture in April and May. At the same time complaints continued to pour in from most areas concerning the difficulties being encountered by farmers in obtaining an adequate supply of labor. A year ago, the supply was reported to be 88.9 percent of normal. The 82.4 reported this year was the lowest percentage of normal supply reported since March 1924.

A sharp increase in the demand for farm labor to harvest larger crops this season accounted for about as large a part of the increase in farm wage rates as did the decline in the supply of farm labor. The reported demand for labor rose from 86.6 to 90.7 percent of normal during the 3 months ended July 1. On the first of July the winter wheat harvest was in full swing from Kansas east to Maryland, while haying was under way, and row crops were being cultivated. With farm income up somewhat and better crops to harvest, the demand for labor was up 8 points over a year ago.

The reported supply of farm labor, in relation to the reported demand, dropped to only 90.8 percent of normal on July 1. This was about 10 points lower than on April 1, nearly 17 points under a year ago, and the lowest supply-demand ratio recorded since December 1923. The ratio indicated a shortage of labor at prevailing farm wage rates in all States except Iowa, Louisiana, Montana, Wyoming, California, and the block of States running south from North Dakota to Texas.

Larger harvests, improved crop prospects and increases in farm income also were reflected in gains in total farm employment. An average of 326 workers per 100 farms were employed on the farms of 13,769 crop reporters on July 1. This labor force, on the average, consisted of 219 family workers and 107 hired hands per 100 farms. Both figures showed a sharp seasonal upturn from April 1. On every 100 farms, there were 6 more hired hands than a year ago. This increase over last July was partly offset, however, by a slight decline in the number of family workers, indicating that perhaps some of these had been shifted to the regular payroll while others had found jobs in industries outside of agriculture.

When the production of agricultural products is normal, the ability of farmers to employ labor depends primarily on the price of farm products. During periods of drought and low yields, the amount of labor needed is reduced and the ability of farmers to employ labor is also reduced unless the prices of farm products increase substantially. Since 1934 the index of farm wage rates has been below the index of prices of farm products. Between April 1 and July 1 of this year, crop prices dropped 3 percent as a result of improved crop prospects. At the same time farm wage rates increased 10 percent, and by July 1 the index of farm wage rates, at 123 percent of the 1910-14 (pre-war) level was nearly on a parity with the index of prices received for farm products, at 124 percent of the pre-war level. The price-wage ratio was thus 101 percent of pre-war, compared with 116 percent on April 1 and with 106 percent on July 1, 1936.

Gains in employment in industries other than agriculture and further increases in agricultural production as compared with recent drought years are likely to pull farm wage rates within the next 12 months somewhat above the pre-war parity with prices received by farmers.