

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Marketing Service

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FARM LABOR REPORT

Washington, D. C.

October 11, 1940

FARM WAGE RATES UP THREE
POINTS FROM A YEAR AGO

Wage rates paid by farmers on October 1 averaged about the same as on July 1, but were about 3 points higher than on October 1, 1939, the Agricultural Marketing Service reported today. The index of the general level of daily and monthly rates reported by farmers was 129 percent of the 1910-14 base on October 1, compared with 126 in October of last year. Day rates without board ranged from 85 cents in South Carolina to \$3.05 in the State of Washington and averaged \$1.61 for the country as a whole.

In the North, farmers were busily occupied in harvesting the late potato crop on the first of October. Corn and soybeans were also being harvested along with fruit picking, beet pulling, and seeding of winter wheat. In the South, cotton picking was in full swing in many localities. Tobacco cutting was unusually late in the Burley Belt this year, and had to be crowded in with corn husking and other fall harvest operations.

The higher level of October 1 wage rates throughout the country as compared with a year earlier reflects a rather substantial drop in the number of workers available for hire and a sizeable increase in the demand for hired workers. As of the first of this month, reports from more than 20,000 farmers indicated that the supply of workers available for hire in rural areas was only 85.6 percent of normal as compared with 90.4 a year ago. This was the smallest supply reported for that date since 1937. This apparently resulted from the recent increase in industrial activity and military recruitments. The latest data available on industrial employment indicate that the number of workers employed in manufacturing industries in August already was as high as in October last year. Since August, industrial employment probably has increased further.

Farm wage rates and related data, United States, October 1, 1940,
with comparisons

	Annual average: 1910-14:	July 1, 1939	Oct.1, 1939	July 1, 1940	Oct.1, 1940
FARM WAGE INDEX					
Unadjusted.....	100	126	126	129	129
Adjusted for seasonal variation.....	100	122	122	125	125
FARM WAGE RATES					
Per month, with board.....	\$22.09	\$28.18	\$28.28	\$29.01	\$28.77
Per month, without board.....	29.18	36.26	36.13	37.18	36.84
Per day, with board.....	1.16	1.36	1.35	1.37	1.79
Per day, without board.....	1.42	1.59	1.57	1.62	1.61
SUPPLY OF AND DEMAND FOR FARM LABOR (Percentage of normal)					
Supply.....	--	89.6	90.4	88.4	85.6
Demand.....	--	84.6	83.4	86.7	88.1
Supply as a percentage of demand.....	--	105.9	108.4	102.0	97.2
FARM EMPLOYMENT INDEXES					
Total-					
Unadjusted.....	100	101	99	100	97
Adjusted for seasonal variation....	100	89	87	88	85
Family labor-					
Unadjusted.....	100	100	97	97	95
Adjusted for seasonal variation....	100	90	87	87	86
Hired labor-					
Unadjusted.....	100	107	104	108	106
Adjusted for seasonal variation....	100	88	85	89	86
FARM EMPLOYMENT (Thousands of persons):					
Total.....	12,052	12,215	11,886	12,037	11,735
Family labor.....	9,150	9,124	8,854	8,925	8,683
Hired labor.....	2,892	3,091	3,022	3,112	3,052
RELATED INDEXES					
Prices received by farmers <u>1</u> /.....	100	89	97	95	97
Ratio of prices received to farm wage rates.....	100	71	77	74	75
Industrial wage rates <u>3</u> /.....	--	213	219	222	<u>5</u> /104
Industrial employment <u>4</u> /.....	--	94	104	100	<u>5</u> /104
Industrial pay rolls <u>4</u> /.....	--	84	102	97	<u>5</u> /104

1/As of the 15th of the month. 2/June 1940 - latest data available. 3/Average weekly earnings, New York State factories, June 1914 = 100. 4/Bureau of Labor Statistics indexes for manufacturing industries revised 1923-25 = 100. 5/August 1940 - latest data available.

Based on reports from approximately 22,453 correspondents. The data for previous quarters, by States, appear in Crops and Markets for January, April, July, and October.

Farm wage rates and related data, by geographic divisions,
October 1, 1940, with comparisons

Geographic division	Annual : average : 1910-14 :	July 1, : 1939 :	Oct. 1, : 1939 :	July 1, : 1940 :	Oct. 1, : 1940 :
FARM WAGE RATES	Dollars	Dollars	Dollars	Dollars	Dollars
PER MONTH WITH BOARD					
New England.....	24.18	32.96	33.52	33.91	34.23
Middle Atlantic.....	22.25	29.23	29.37	30.73	30.92
East North Central.....	23.75	29.57	29.75	30.35	30.54
West North Central.....	26.32	29.05	28.89	29.37	29.75
South Atlantic.....	14.62	16.89	16.86	17.55	17.75
East South Central.....	14.71	16.47	16.08	16.14	16.50
West South Central.....	17.35	19.19	18.93	19.87	20.13
Mountain.....	32.48	37.24	36.59	36.91	36.98
Pacific.....	33.45	43.18	44.79	42.34	44.86
PER MONTH WITHOUT BOARD					
New England.....	37.70	57.24	58.52	57.90	58.43
Middle Atlantic.....	33.41	45.56	45.62	47.13	47.35
East North Central.....	32.80	41.71	42.07	42.25	42.95
West North Central.....	36.86	39.19	39.36	39.57	40.42
South Atlantic.....	20.97	25.17	24.80	25.69	25.77
East South Central.....	20.80	23.57	22.81	23.21	23.08
West South Central.....	24.93	27.63	27.46	28.25	28.78
Mountain.....	46.42	53.64	52.54	52.43	52.89
Pacific.....	48.16	64.04	67.04	65.12	67.83
PER DAY WITH BOARD					
New England.....	1.27	1.79	1.84	1.80	1.85
Middle Atlantic.....	1.24	1.74	1.76	1.79	1.86
East North Central.....	1.31	1.66	1.67	1.68	1.72
West North Central.....	1.46	1.57	1.58	1.53	1.64
South Atlantic.....	.81	.90	.88	.92	.95
East South Central.....	.81	.81	.77	.80	.83
West South Central.....	.98	1.00	1.00	1.00	1.02
Mountain.....	1.50	1.75	1.72	1.74	1.76
Pacific.....	1.49	2.00	2.02	2.09	2.10
PER DAY WITHOUT BOARD					
New England.....	1.71	2.71	2.70	2.67	2.70
Middle Atlantic.....	1.63	2.37	2.35	2.38	2.45
East North Central.....	1.63	2.15	2.17	2.17	2.23
West North Central.....	1.88	2.06	2.11	2.06	2.17
South Atlantic.....	1.05	1.20	1.19	1.21	1.24
East South Central.....	1.05	1.04	1.03	1.04	1.03
West South Central.....	1.25	1.26	1.24	1.26	1.28
Mountain.....	2.05	2.34	2.27	2.29	2.29
Pacific.....	2.06	2.70	2.79	2.77	2.92

Farm wage rates and related data, by geographic divisions,
October 1, 1940, with comparisons

Geographic division	July 1, 1938	Oct.1, 1938	July 1, 1939	Oct.1, 1939	July 1, 1940	Oct.1, 1940
SUPPLY OF FARM LABOR						
(Percentage of normal)						
New England.....	94.9	90.5	87.5	88.2	84.3	81.0
Middle Atlantic.....	87.1	87.9	87.3	88.5	83.6	79.0
East North Central.....	93.1	91.3	90.9	89.9	87.8	85.4
West North Central.....	92.0	92.2	91.8	92.5	91.7	89.6
South Atlantic.....	88.1	87.9	84.4	84.4	83.8	81.1
East South Central.....	87.5	86.5	83.0	88.1	87.9	83.5
West South Central.....	92.1	91.1	89.4	91.3	89.4	85.1
Mountain.....	98.6	97.7	97.2	95.8	93.9	91.5
Pacific.....	104.3	104.0	101.0	99.9	92.9	94.5
DEMAND FOR FARM LABOR						
(Percentage of normal)						
New England.....	87.4	87.4	89.9	88.1	89.5	91.6
Middle Atlantic.....	86.7	87.0	85.3	86.3	89.9	90.3
East North Central.....	86.6	86.0	87.3	87.6	90.6	91.0
West North Central.....	84.6	77.2	81.9	79.9	84.9	83.1
South Atlantic.....	85.8	81.3	87.9	86.6	87.8	90.7
East South Central.....	83.4	81.1	89.7	81.6	85.1	83.9
West South Central.....	78.2	76.9	78.2	76.3	81.9	84.4
Mountain.....	82.4	82.3	80.3	83.6	85.5	87.0
Pacific.....	81.2	79.2	85.4	87.7	90.1	91.3
SUPPLY AS A PERCENTAGE OF DEMAND						
(Percentage of normal)						
New England.....	108.2	103.5	97.3	100.1	94.2	88.4
Middle Atlantic.....	101.5	101.0	102.3	102.5	93.0	87.5
East North Central.....	107.5	106.2	104.1	102.6	96.9	93.8
West North Central.....	108.7	110.4	112.1	115.8	108.0	102.9
South Atlantic.....	102.7	108.1	96.0	97.5	95.4	89.4
East South Central.....	104.9	106.7	92.5	108.0	103.4	103.1
West South Central.....	117.8	118.5	114.3	110.7	100.1	100.8
Mountain.....	119.7	118.7	121.0	114.6	109.9	105.2
Pacific.....	128.4	131.3	117.3	113.9	103.1	103.5
FARM EMPLOYMENT						
(Thousands of persons)						
<u>Total</u>						
New England.....	284	268	277	265	273	273
Middle Atlantic.....	719	633	728	625	709	621
East North Central.....	1,688	1,551	1,611	1,516	1,600	1,492
West North Central.....	1,942	1,741	1,905	1,745	1,911	1,773
South Atlantic.....	2,574	2,380	2,458	2,353	2,423	2,332
East South Central.....	2,010	2,176	2,027	2,124	1,912	2,073
West South Central.....	2,143	2,177	2,118	2,191	2,085	2,141
Mountain.....	527	506	501	493	537	460
Pacific.....	586	622	590	574	587	568

Continued

Farm wage rates and related data, by geographic divisions,
October 1, 1940, with comparisons - continued

Geographic division	July 1, 1938	Oct.1, 1938	July 1, 1939	Oct.1, 1939	July 1, 1940	Oct.1, 1940
FARM EMPLOYMENT						
(Thousands of persons)						
<u>Family Labor</u>						
New England.....	175	166	172	166	170	167
Middle Atlantic.....	452	401	409	403	461	402
East North Central.....	1,261	1,139	1,209	1,128	1,216	1,115
West North Central.....	1,459	1,329	1,437	1,305	1,419	1,305
South Atlantic.....	1,970	1,784	1,859	1,767	1,846	1,715
East South Central.....	1,749	1,857	1,742	1,839	1,643	1,783
West South Central.....	1,633	1,616	1,601	1,653	1,563	1,595
Mountain.....	309	286	305	284	303	281
Pacific.....	307	318	330	319	304	320
<u>Hired Labor</u>						
New England.....	109	102	105	99	103	106
Middle Atlantic.....	261	232	259	222	248	219
East North Central.....	427	412	402	388	384	377
West North Central.....	483	412	468	440	492	468
South Atlantic.....	604	596	590	586	577	617
East South Central.....	261	319	285	285	269	290
West South Central.....	510	561	517	538	522	546
Mountain.....	218	220	196	209	234	181
Pacific.....	279	304	260	255	283	248

Reports from farmers also indicate that the demand for farm labor is up significantly over a year ago. At 82.1 percent of normal, these reports averaged 4.7 points above October 1, 1939. As a result, the supply-demand ratio dropped to 97.2 on the first of October, compared with 108.4 a year ago. The demand for farm labor at present wage rates is reported in excess of the supply in all parts of the country except the East South Central, West Central, and Far Western States.

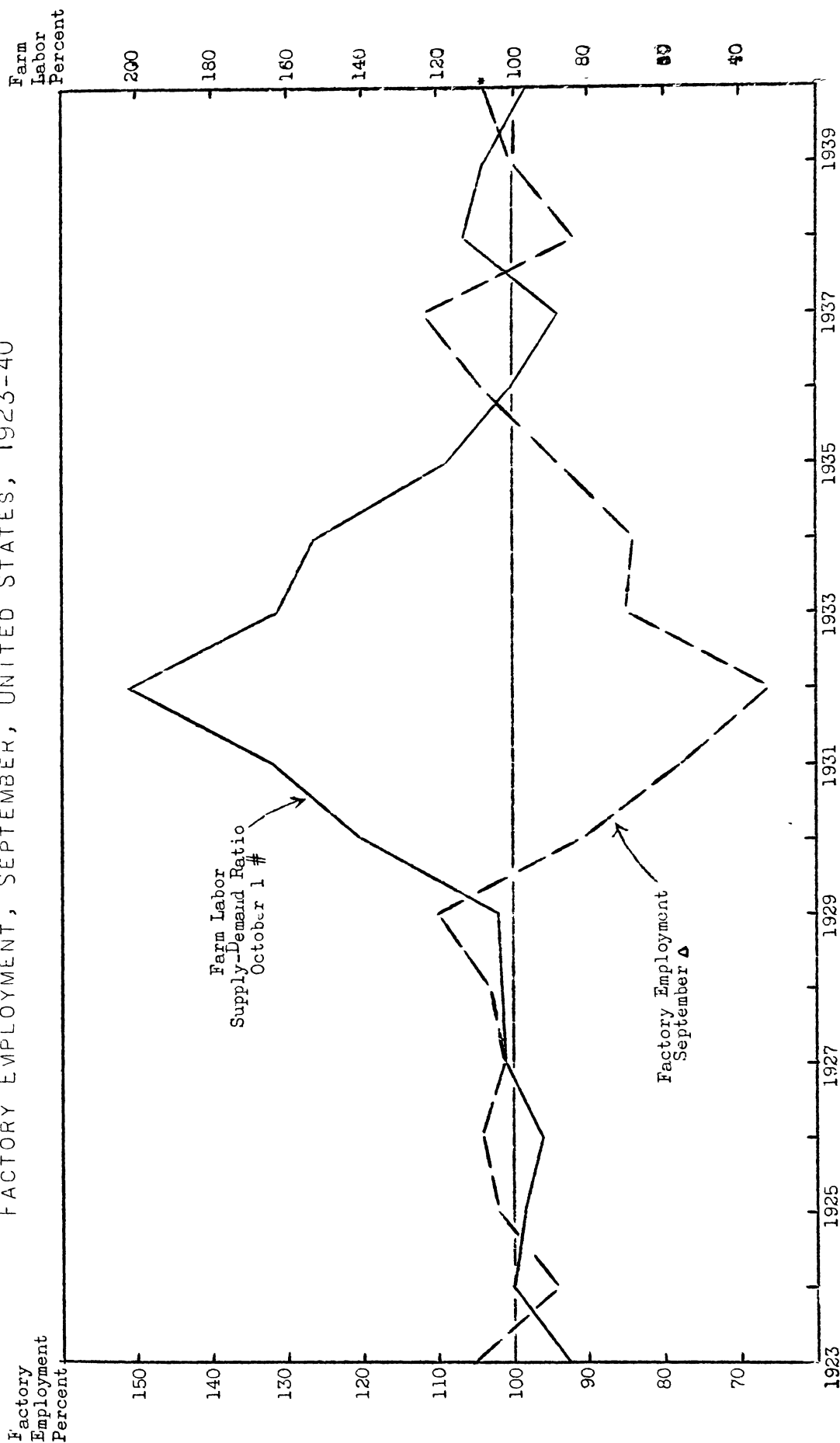
Another indication of the increase in the demand for farm workers is the slight increase in the number of hired hands actually employed on farms October 1, compared with a year ago. Despite some decline in the total number of ^{farm} workers employed, the number of hired hands is estimated at 3,052,000 as compared with 3,022,000 a year ago. The number of family workers (farm operators and unpaid family labor) on the other hand decreased from 8,864,000 on October 1, 1939, to 8,683,000 on October 1, 1940. This reflects, first, a shift of unpaid family workers in agriculture to other industries as employment in manufacturing industries increased and second, the shift of some unpaid family workers to the farm pay roll to induce them to remain on the farm.

The total number of family workers employed October 1 was sharply lower than on July 1 as thousands of farm children trooped back to school. This factor, however, was of prime importance only in the North. In the South Central States, the number of family workers increased from July 1 to October 1. The fall school term is broken in many areas of the South by a vacation of several weeks during the height of the cotton picking season.

Farm wage rates and related data, by States, October 1, 1940

State	Per month		Per day		Supply of and demand for farm labor		
	With	Without	With	Without	Supply as	Demand as	Supply as
	board	board	board	board	percentage	percentage	percentage
	:	:	:	:	of normal	of normal	of demand
	Dol.	Dol.	Dol.	Dol.	Pct.	Pct.	Pct.
Maine	32.00	49.75	1.30	2.30	82	88	93
N.H.	31.25	56.50	2.15	2.25	78	82	95
Vt.	32.50	50.00	1.80	2.70	82	93	88
Mass.	34.75	63.50	1.80	2.80	82	91	90
R.I.	72.00	65.00	2.25	2.95	93	99	94
Conn.	36.75	64.00	2.00	2.95	77	97	79
N.Y.	32.50	48.75	1.35	2.50	79	91	87
N.J.	34.50	56.50	1.90	2.55	76	89	85
Pa.	28.25	43.00	1.85	2.35	80	90	89
Ohio	27.25	40.25	1.70	2.25	84	88	95
Ind.	28.75	79.50	1.60	2.05	96	91	95
Ill.	33.25	43.75	1.30	2.70	87	88	89
Mich.	30.25	44.25	1.30	2.30	90	93	86
Wis.	31.75	45.25	1.65	2.20	89	95	94
Minn.	32.75	44.24	1.90	2.50	90	88	102
Iowa	34.25	44.00	1.90	2.40	92	94	98
Mo.	24.25	33.00	1.20	1.55	81	88	92
N.Dak.	31.50	45.50	1.80	2.50	99	79	113
S.Dak.	30.25	42.75	1.60	2.15	88	73	113
Nebr.	27.50	37.50	1.45	2.00	91	69	132
Kans.	26.25	37.75	1.55	2.15	92	87	106
Del.	27.75	42.00	1.70	2.20	87	95	92
Md.	23.25	40.75	1.55	1.95	81	98	83
Va.	22.75	52.00	1.20	1.30	79	96	82
W.Va.	22.50	37.00	1.10	1.50	86	89	97
N.C.	18.25	26.25	1.00	1.25	84	77	90
S.C.	13.50	18.75	.65	.85	77	88	83
Ga.	13.25	19.25	.75	.95	80	90	89
Fla.	16.50	28.50	.90	1.30	86	79	109
Ky.	21.00	29.25	1.05	1.30	87	87	100
Tenn.	17.75	24.75	.85	1.05	86	89	97
Ala.	14.25	19.75	.70	.90	86	83	104
Miss.	14.25	20.25	.75	.95	87	78	112
Ark.	15.75	24.50	.85	1.10	83	84	99
La.	15.75	23.25	.80	1.05	89	77	116
Okla.	21.75	31.25	1.20	1.50	90	85	106
Tex.	22.25	31.25	1.10	1.35	83	87	95
Mont.	41.25	57.50	2.05	2.75	95	84	113
Idaho	41.25	55.25	2.05	2.55	96	91	105
Wyo.	33.00	54.50	1.75	2.40	97	89	109
Colo.	31.75	47.25	1.60	2.15	89	88	101
N.Mex.	23.50	40.75	1.30	1.75	83	85	98
Ariz.	37.75	57.00	1.60	2.10	93	90	103
Utah	46.75	62.25	2.25	2.65	94	84	112
Nev.	45.00	66.75	2.00	2.30	90	82	110
Wash.	40.00	61.00	2.15	3.05	91	90	101
Oreg.	36.50	55.25	1.95	2.50	92	90	102
Calif.	47.75	72.25	2.10	2.95	96	92	104
U.S.	28.77	36.84	1.39	1.61	85.6	82.1	97.2

FARM LABOR SUPPLY AS PERCENTAGE OF DEMAND, OCTOBER 1, AND FACTORY EMPLOYMENT, SEPTEMBER, UNITED STATES, 1923-40

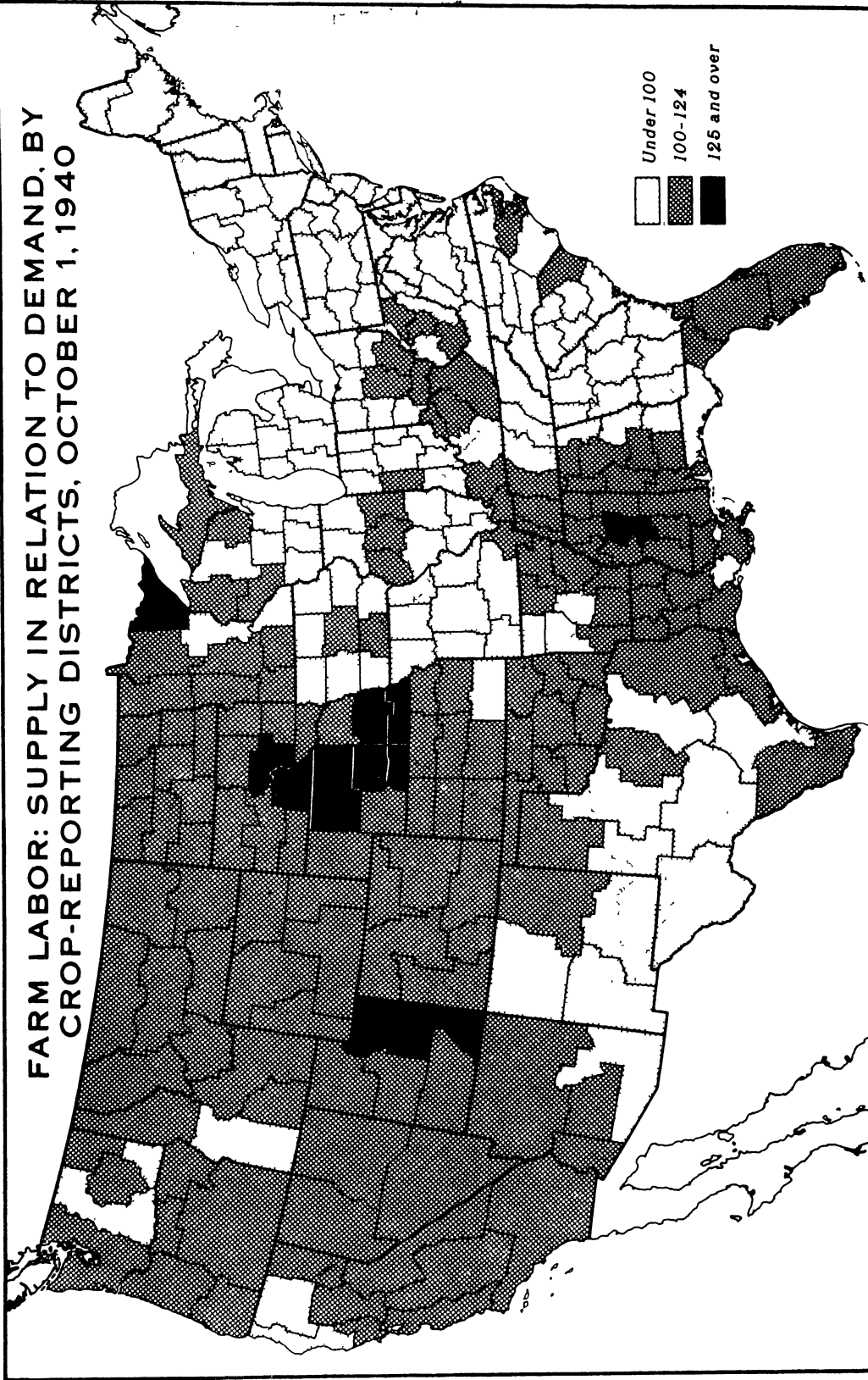


#Supply as percentage of demand. "Normal" supply with "normal" demand = 100.

Δ Employment in manufacturing industries. Monthly average 1923-25 = 100.

* August 1940 - latest data available.

**FARM LABOR: SUPPLY IN RELATION TO DEMAND, BY
CROP-REPORTING DISTRICTS, OCTOBER 1, 1940**



U.S. DEPARTMENT OF AGRICULTURE

NEG 296 AGRICULTURAL MARKETING SERVICE

REPORTS FROM CROP CORRESPONDENTS ON OCTOBER 1 INDICATED THAT THE DEMAND FOR FARM LABOR EXCEEDED SUPPLY ALONG THE ENTIRE ATLANTIC COAST FROM MAINE TO GEORGIA AND IN MOST OF THE CORN BELT STATES AS FALL HARVESTING OPERATIONS WERE IN FULL SWING. DEMAND ALSO EXCEEDED SUPPLY IN SOME AREAS OF THE PACIFIC NORTHWEST WHERE THE APPLE HARVEST AND THE SEEDING OF FALL WHEAT WERE IN PROGRESS. FOR THE COUNTRY AS A WHOLE, THE FARM LABOR SUPPLY-DEMAND RATIO ON OCTOBER 1 WAS THE SECOND LOWEST FOR THAT DATE SINCE 1926.