



# Best Labor Practices on Twelve California Farms: Toward a More Sustainable Food System

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*“What I most like about working here is the good treatment. They treat everyone as equals. They have trust in us and what we do. The trust is the most important thing.”*

*Central Coast farmworker*

Sustainable agriculture is often compared to a three-legged stool, resting on the three “E’s” of Environment, Economy and Equity. For an agricultural system to be truly sustainable, it must be environmentally sound, economically viable and socially equitable. Nonetheless, until now, social aspects of sustainable agriculture have been eclipsed by greater attention to environmental and economic concerns. In order to more fully embrace the social side of sustainability, farmers and advocates alike need more information regarding what social sustainability means in practice, its benefits for farmers and farmworkers, and what is feasible within the context of the economic constraints facing growers. This research aims to answer some of these questions, by generating a deeper understanding of social sustainability as it relates to farm labor management.<sup>1</sup>

Conversations with numerous sustainable growers have indicated a deep and very real desire to provide better conditions for their workers. Nonetheless, many report they do not know how to do so, most believe they cannot afford to. In order to create a road map for growers who want to do better, and demonstrate what is possible, the California

Institute for Rural Studies has set out to document best practices in labor management on twelve sustainable farms in California.<sup>2</sup> These farms were selected because of their reputation for offering particularly good labor conditions. Information was gathered on site at all but two farms and consisted of in-depth semi-structured interviews with growers and/or farm managers, followed by focus groups with between eight and twelve farmworkers at each site. More than eighty farmworkers were interviewed as part of this process, providing us with valuable insights about what conditions farmworkers value most.

The findings reveal a number of ways that these farms are providing socially sustainable farm labor conditions, including a broad range of no- or low-cost practices that can easily be replicated. In fact, some of these low cost practices, such as respectful treatment, a reasonable work pace, and personal loans, are among those most valued by farmworkers. Others, such as bonuses and year-round employment may cost more, but also yield important benefits for farmers. Farmworkers in our focus groups reported numerous benefits of positive workplace conditions, including improved health, better diet and nutrition, reduced migration and more stable communities.

Growers identified a broad range of benefits of providing good farm labor conditions, including higher retention rates, reduced training and supervision costs, reduced labor short-

ages, a more skilled and invested labor force, better quality production and ultimately, higher profits. The economic constraints preventing growers from providing better labor conditions are real, and must be addressed by initiatives aimed at improving economic opportunities for farmers. However, the practices on these farms demonstrate what is possible within the context of these constraints, and how these practices can actually benefit growers' bottom line.

The research also identifies room for improvement, even among these more progressive farms. Many growers are still not able to offer a living wage, health insurance, paid sick days, and year-round employment, while few are able to provide seasonal workers with the same benefits as permanent staff. Labor management is also highly informal, with few farms providing clear rules, procedures and policies.

With growing interest for sustainable agriculture to better address social justice concerns, we hope that the examples from these farms will provide farmers with the tools and inspiration to seek ways to improve farm labor conditions. With the emergence of certification schemes stressing social as well as environmental standards, we also hope this research will be useful in helping producers remain competitive in an increasingly socially responsible marketplace.

## Summary of Best Practices

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*“The success of the farm is the people that are working on it...they are an integral part of the farm. They are key to the success of the farmer.”*

*Central Valley farmer*

The following is a summary and specific examples of the most outstanding practices identified among the farms in our sample. We also highlight the workplace conditions and benefits that farmworkers most value. It should come as no surprise that farmworkers value what most of us have come to expect or desire from our own places of work: a living wage, respectful treatment, safe conditions, health insurance and other benefits, and the ability to advocate for improved conditions without fear of retribution. The findings reveal that, as in other industries, workers who are treated well and made to feel an integral part of the farm operation are more satisfied, more motivated and ultimately, more productive.

## Respectful Treatment

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*“It’s different working here from other places. They don’t say ‘hurry up.’ They treat us well. They don’t demand that we work so fast. We like that.”*

*Central Valley farmworker*

Respectful treatment is ultimately at the core of social equity in sustainable agriculture. This issue is of particular importance for the many farmworkers that have suffered harsh, abusive or exploitative treatment on other farms.

Respectful treatment encompasses a broad range of issues, including a humane pace of work, respectful communication styles, direct grower-worker communications, a healthy work environment, and decision-making structures that recognize the contribution and value of each worker. Contrary to our initial expectations, the farmworkers we met with consistently ranked respectful treatment on par with or higher than wages in terms of importance.

A key element of respectful treatment is the ability to work at a humane pace, without being constantly rushed. Farmworkers consistently cited tremendous relief at being able to work at their own pace, and not being told to work faster by foremen for many hours a day. As one Central Valley farm worker pointed out, “The patrón treats us magnificently. He doesn’t say hurry up. Everyone works at their own pace. In other places they are always on top of you, telling you to work faster.”

Virtually all of the farmers in our sample make a point of treating workers with respect, and have instructed supervisors to address people respectfully. As one farmer put it, “We have a ‘no yell’ policy. My supervisors are not allowed to yell at anyone.” Nevertheless, few farms provide formal training for foremen and supervisors regarding how to treat workers respectfully, or have specific policies codifying respectful treatment for workers.

## Compensation

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*“We work harder here because we know that if the farm does well, we do well. At the end of the year, there are bonuses. In other place where I worked, they don’t have bonuses.”*

*Central Coast farmworker*

Fair compensation rates a close second to respectful treatment in terms of what is most important to farmworkers. Given the precarious economics of farming, compensation is a complex issue. Only three farms in our sample offer a truly living wage.<sup>3</sup> However, when all forms of compensation and benefits are taken into account – including profit-sharing, bonuses, health insurance, retirement plans, paid time off, housing support and access to food from the farm – the total value of compensation increases significantly, and more closely approximates a living wage.

All but one of the farms in our sample supplement hourly wages with profit-sharing, a key risk management strategy that allows growers to supplement wages in good years, while keeping labor costs down during bad years. Because labor accounts for approximately 60% of costs among the farms in our sample, growers have a stake in keeping those costs at a level that will ensure the farm's continued viability.

- ◆ **Living Wage:** A diversified Central coast farm pays an average hourly wage of \$9-11.25 to field workers, and between \$35,000 and \$45,000 per year to managers. A vineyard in Napa uses three pay levels for all workers, based on skill and responsibility: Tier A : \$13.25; Tier B: 11.75 and Tier C: \$11/hour.
- ◆ **Regular Pay Increases:** Three farms offer automatic cost of living increases of 5% to 10% each year.
- ◆ **Profit-Sharing:** This mid-sized diversified farm provides seasonal and permanent employees with approximately \$40,000 in profit-sharing each year, the equivalent of 25 to 50 cents per hour. Profits are distributed twice per year – during the harvest and at the end of the year – as a means of thanking and incentivizing employees.
- ◆ **Overtime Pay:** This large corporate farm offers overtime after 8, not 10, hours per day, and 48, – not 60, hours per week.
- ◆ **Bonuses:** This corporate farm on the Central Coastal provides a bonus of 22 cents per hour worked to everyone remaining through the harvest, amounting to roughly \$400 per year.

## Year-round Work

*“We provide year-round employment. That’s huge. It means that our workers can live here with their families. This is their community now. Families go to school here. Kids learn English. They are part of the community now.”*

*Capay Valley farmer*

Given the high levels of seasonal unemployment associated with traditional agriculture, a particularly important benefit of sustainable farms is the ability to offer year-round employment. The diversified and labor-intensive nature of sustainable agriculture allows most of the farms in our sample to provide permanent, year-round employment to at least a portion of their labor force. As a Ventura County farmer explained, “When I farmed conventionally, I had two workers for every 100 acres that I farmed. Now that I’m farming organically, I have one worker for every two acres.”

Farmworkers identified year-round employment as one of the conditions they most value, after good wages and respectful treatment. In addition to a steady income and job security, year-round work enables farmworkers to maintain a stable family life, with benefits for their children and communities. As a worker explained, “For those of us who have family here, we prefer stable, year-round work to contract work. We earn more in a year doing hourly work. If you don’t have a family it’s OK, but those of us with families prefer stable year-round work.” Of the twelve farms surveyed, all but three maintain a year-round workforce. At least five had intentionally developed year-round intensive cropping systems as a means of providing farmworkers with year-round employment.

In addition to the benefits for workers, families and their communities, a permanent workforce is also good for business. With increasing labor shortages, the growers in our sample have access to a steady supply of labor. High retention rates keep recruitment and training costs low, while year-round production increases grower revenue. Delivering high quality products year-round also enables farmers to

retain market share among wholesalers who prefer dealing with year-round suppliers.

- ◆ **Year-Round Employment Strategies:** A highly diversified 75 acre farm in the Central Valley produces a range of winter crops to provide year-round employment for 40 full-time workers. A Ventura county farm plants 40 crops on 30 acres, 4 times a year, creating year-round work for 10-12 people and seasonal work for an additional 15. Another farm produces dried flowers and wreathes in the winter, and hires farm-workers for jobs such as painting and carpentry in the winter. A vineyard contracts with a neighboring olive grove to provide employment during December and January, when there is no work at the vineyard.

## Traditional Benefits

*“Housing has been a huge issue. It’s a commitment of ours to help folks find housing. When anything is available, we snap it up. We sign a lease. We make sure the rent gets paid, even when there aren’t workers there.”*

*Capay Valley farmer*

The growers on the farms in our sample offer a broad range of traditional benefits, including health insurance, retirement plans, paid time off and free or subsidized housing. Health insurance is offered by nine of the twelve farms in our sample. Eight of the farms in our sample provide workers with some form of paid time off, including vacations and public holidays. Half of the farms in our sample offer retirement plans – in many cases even for seasonal workers – with employer matches of between three and five percent. Five farms provide free or subsidized housing, and all offer flexible scheduling, allowing employees to time off to take care of personal and family needs.

- ◆ **Health Insurance:** A vineyard management company covers 100% of medical, dental, vision and life insurance benefits for workers and families after an

employee has worked 120 hours. A mid-sized Central Coast farm provides health and dental insurance coverage for all employees and family members after 6 months.

- ◆ **Holiday Pay:** Two corporate farms offer 6 paid holidays to seasonal and year-round employees, and two smaller diversified farms offer 5 paid holidays.
- ◆ **Vacation Pay:** One Central Coast farm offers paid vacation to all employees working until the end of the season: 5 days during year 1, 2 weeks after 3 years; and 18 days after 6 years. A mid-sized Central Valley farm offers one week vacation pay – or 50 hours paid out – after 2 years, which increases to 2 weeks – or 100 hours paid out – after 3 years.
- ◆ **Retirement Plans:** A vineyard provides a 100% match for permanent employee contributions up to 5% of their wages. A corporate farm contributes 3% of wages for all permanent and seasonal workers, whether or not they contribute. It matches an additional 2% for employees that contribute.
- ◆ **Housing:** A mid-sized farm offers low cost housing for all interested employees. A corporate farm has donated 10 acres of land and is collaborating with a non profit housing developer to build a mixed-use housing development with a health and child care center.
- ◆ **Bereavement Pay:** Two corporate farms offer 3 days paid bereavement leave.
- ◆ **Life Insurance:** One corporate farm offers life insurance; it recently doubled the amount of the benefit to cover transporting bodies back to Mexico.
- ◆ **Access to Benefits:** A vineyard and winery offers all permanent workers the identical benefits package as the president of the company.

## Non-Traditional Benefits

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*“You can bring all the food home that you want. We are eating a lot of vegetables. We all have more to eat.”*

*Central Coast farmworker*

All of the farms in our sample offer a broad range of less traditional benefits. Of those, the most highly valued by employees are personal loans and access to food from the farm.

- ◆ **Personal Loans:** Four farms offer no-interest loans of \$500 to \$2,000, which are paid back through payroll deductions. Two other farms offer loans through retirement plans.
- ◆ **Business Loans:** A farm in the Capay Valley helped several of its farmworkers purchase a neighboring farm, which is now a successful CSA.
- ◆ **Food From the Farm:** Eight farms encourage workers to take home food grown on the farm on a regular basis. One farmer brings coffee and pastries to his workers each morning.
- ◆ **Assistance with Social Services:** A mid-sized Capay Valley farm helped employees start an Alcoholics Anonymous group, and paid for alcohol rehabilitation treatment for an employee. A corporate farm helped build and support a childcare center for its workers’ children. Another farm allows social services agencies to conduct outreach on the farm, and pays workers for time spent attending those sessions.
- ◆ **Tuition Assistance and Scholarship Program:** This large Central Coast corporate farm offers up to \$2,000 for work-related higher education for all employees, and \$500-1,000 per child per year for college.

## Labor Relations, Communication and Decision Making

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*“Here you speak up if you have an issue or concern. For example, I told the foreman that I don’t want to have to bring tools to work each day; that they should be on site. I would never have said that on another farm. You could get fired for that.”*

*Central Coast farmworker*

*“Before, I worked with a contractor and I was treated badly. Here there are policies. No one says anything in a mean way. They say ‘please.’ That means a lot. When you are happier you work more.”*

*Central Coast farmworker*

There are a range of practices that foster good communications between employers and employees. Some of these, such as safety meetings, employee orientations and employee handbooks are focused on communicating information and expectations, while others, such as regular meetings and grievance procedures, create space for worker representation and participation in decision-making processes. On most farms, there was a high level of communication and input from the team leaders and senior farm managers, but few formal mechanisms for information sharing and feedback from between supervisors and field staff.

Five farms hold regular daily, weekly or monthly meetings with employees. Three use those meetings to solicit employee feedback and discuss non-production issues such as personnel conflicts, benefits information, marketing and business operations. While workers expressed a general appreciation for practices such as formal communication mechanisms and employee manuals, these were not identified as areas of high importance.

Despite the lack of formal policies, many growers actively solicit or are open to unsolicited feedback from farmworkers. Farmers reported that worker input helped them improve farm operations and avoid costly mistakes. The opportunity to provide input also contributes to farmworkers’ feelings about being an integral part of the farm, which increases their motivation and productivity. As a

farmworker explained, “Here we have meetings from time to time, and the patrón informs us about what is happening on the farm. He takes us into account. He asks our opinion about things.” In contrast, farmworkers on one farm did not feel taken into account, which clearly made them feel less motivated. As they explained, “Here there is no opportunity to say anything. Our opinions don’t matter...the patrón decides everything.”

◆ **Formalized Policies and Employee Manuals:**

Three farms have formalized policies, which are codified in bilingual English-Spanish employee handbooks.<sup>4</sup>

◆ **Grievance Procedures:** A corporate farm’s policy is for employees to first raise concerns with direct supervisors. If concerns are not adequately resolved they may go to their manager’s supervisor, and from there to the head of Human Resources, or directly to the farm’s president.

◆ **Worker Input:** This mid-sized farm holds weekly meetings, where staff can provide input regarding production issues and voice concerns about pay, personnel conflicts, etc. Another farm conducted in-person interviews with all 40 employees, soliciting feedback about housing needs, ideas for improving farm management, etc.

◆ **Information Sharing:** This vineyard holds an annual meeting for its business partners, investors and employees. All permanent and seasonal employees are paid to attend the meeting, where a Spanish interpreter is provided.

◆ **Formal Surveys:** A corporate farm has conducted several surveys measuring employee satisfaction and soliciting worker input on issues such as housing and preferences for different benefits packages.

◆ **Formal Orientation:** Three farms have formal, paid orientations, and employ Spanish-speaking human resource staff, who also provide assistance with social service referrals and legal issues, etc.

◆ **Collective Bargaining:** One farm on the Central Coastal has a contract with the United Farm Workers, and has recognized collective bargaining as the vehicle for farmworker representation in wages and benefit negotiations.

◆ **Communication:** This Capay Valley farm has a strictly enforced “no yelling” policy for supervisors.

## Recruitment and Hiring Farm Labor Contractors

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*“Farm Labor Contractors (FLCs) have no loyalty to the farm. They have no attachment to your business. A farmer working under the FLC system can’t really be good to his workers. He may pay a better wage, but the FLC may pocket that. The farmer loses control over the work practices. You can have abuses going on but you don’t have to be responsible for them. It’s a good way to protect yourself from liability, but it is negative in most regards.”*

*Central Valley farmer*

Approximately 50% of California farms utilize the services of farm labor contractors (FLCs), who are notorious for low wages, poor treatment of workers, and fast, yet often poor quality work. In order to ensure good worker treatment and higher quality production, the farms in our sample prefer to hire directly. Nonetheless, fully half of those farms contract with FLCs when they require a large crew for a short period of time. In most of these cases, however, farmers take precautions to prevent abuses and ensure higher pay for workers.

◆ This nut farm in the Central Valley negotiates above minimum wage rates for workers employed by farm labor contractors, provides safety and quality training to FLC workers, uses its own supervisors to ensure high quality work and safe, respectful conditions and requests the same FLC crew each year to ensure higher quality work.

## Health and Safety Issues

*“The highest and most important product of the farm is the worker’s health, safety and happiness.”*

*Central Valley farmer*

*“Here we do handweeding, but it is one to two hours maximum, and isn’t too difficult. I think it’s better to weed with hands than to use chemicals. If someone has a hurt back, he can ask for a different job.”*

*Central Valley farmworker*

Improved health and safety are additional benefits offered by many of the farms in our sample. In addition to providing legally required trainings, many growers in our sample reiterate safety messages to employees and structure work in order to reduce accidents and worker compensation costs. Staff are often told to work at a slower pace and handweeding is limited to a few hours a day. As one farmer said, “On most farms, they tell people to work faster. We say the opposite. People are told to slow down. Quality comes first.”

Many workers cited lack of exposure to synthetic pesticides as an important and much appreciated benefit of working on organic farms. As one commented, “I like working here because there are no chemicals. On many farms where my friends work they have a lot of health problems. This is clean work.” Many also noted a reduced incidence of musculoskeletal injuries, because they are allowed, and in fact encouraged to carry heavy items with coworkers, a practice that stands in sharp contrast with their experiences on other farms. While all workers appreciate this, that is especially true for women. As a female farmworker noted, “I like the fact that we always have help and support from our compañeros, especially in helping us lift heavy boxes. On other farms it isn’t like that.”

Workers on the farms in our sample also reported access to prompt and adequate medical attention in the case of serious injuries, often not the case on many farms. Equally important, they reported being able to take the necessary time off to recover from accidents and illnesses without fear of losing their jobs, or engage in “light duty” following accidents or injuries, which they appreciate immensely.

- ◆ **Handweeding Limitations:** Two farms explicitly limit hand weeding to two hours a day.

- ◆ **Safety Incentives:** Three farms have incorporated explicit safety incentives into their annual bonus programs. A corporate farm conducts quarterly raffles for workers with a perfect safety record and an annual raffle for workers who have remained accident free during the entire year, with a grand prize of \$14,000 toward the purchase of a vehicle, \$8,000 towards a mortgage or home remodeling, and numerous other high value prizes.<sup>5</sup>
- ◆ **Safety Conditions:** This stone fruit farm in the Central Valley lowered the height of trees to reduce falls from ladders. Another farm has monthly safety meetings. Virtually all farms encourage workers to share heavy loads.

### What Workers Most Appreciate

Attempts to rank workplace benefits are difficult, if not impossible, since ultimately, all benefits are important. Nonetheless, the following is a rough prioritization of benefits and conditions most appreciated by farmworkers, based on the frequency, order and enthusiasm of responses to that question:

- ❖ Respectful treatment
- ❖ Slower pace of work
- ❖ Fair compensation
- ❖ Year-round employment
- ❖ Health insurance
- ❖ Personal loans
- ❖ Food from the farm
- ❖ Paid holidays and vacation
- ❖ Flexible work schedule
- ❖ Healthy and safe work environment
- ❖ Housing
- ❖ Opportunities for advancement, training and professional development
- ❖ Diversity of tasks
- ❖ Involvement in decision-making processes
- ❖ Clear and effective grievance procedures

## Management Structures

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*“I really like working with the team that I’m working in. Everyone cares about each other. It is a team effort. We are all together. Everyone helps train you and shows you how to do things if you don’t know how.”*

*Capay Valley farmworker*

One of the defining characteristics of the farms in our sample is a significantly more democratic, team-based approach to management and supervision than the hierarchical management structures found on many farms. Virtually all of the growers in our sample work alongside farmworkers to some degree, and have direct communication with them on a daily basis. All speak some Spanish, as well, which facilitates direct communication. Direct contact also allows farmers to get to know their workers personally, and to identify particularly motivated employees or those with special skills.

Personal relationships with growers also increase farmworkers’ sense of investment in and commitment to the farm. More importantly, perhaps, they help avoid abuses that are commonly associated with foremen. As a farmworker explained, “In other places, you never speak to or see the owner, only the mayordomo [foreman]. If the mayordomo doesn’t like you, they can tell the patrón to fire you. Here if there is a problem, you can talk directly with the farmer.” Similarly, as a grower explains, “Most employers don’t speak the language, so they employ someone who can communicate for them. That person holds a lot of power. It’s a system ripe for abuse.”

The farms in our sample also rely on “team leaders,” who provide guidance but work alongside farmworkers, rather than traditional foremen, that stand over them and “crack the whip.” The farmworkers in our sample appreciate the absence of foremen tremendously, given the harsh treatment and exploitative behavior that is often associated with that position. “In some places, there are more supervisors than there are people working. We feel pressured. Here we do the best we can without pressure.” At the same time, the absence of foremen also results in significant cost-savings for growers.

## Diversity of Tasks

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*“There is a variety of work here. In one day, we do different tasks; picking, packing and other things. On other farms you do the same thing all day, ten hours a day.”*

*Capay Valley farmworker*

Most of the farms in our sample produce ten or more crops, with over a third growing at least 50 different crops. This diversity leads to a greater variety of tasks for workers, who appreciate the ability to switch tasks several times a day. In addition to relieving the monotony and tedium that are often associated with production agriculture, this helps reduce health problems associated with stoop labor and repetitive stress. The diversity of tasks also creates opportunities for on-going learning, which contributes to job satisfaction. As a farmworker explained, “It’s not boring on the farm. Sometimes I have five or six tasks in a day. There are so many different tasks here that you learn about many aspects of the farm. The work changes all the time and time goes by more quickly.”

## Opportunities for Professional Development and Advancement

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*“We learn many things that we haven’t done before. There are so many different vegetables. My compañeros teach me. In other places they don’t take the time to teach you.”*

*Central Coast farmworker*

Most of the growers in our sample have proactively provided workers with opportunities for skills acquisition and advancement in their jobs, by promoting those with leadership or other skills to managerial or technical positions. While this strategy seems to work well in terms of promoting farmworkers to new skill categories, such as irrigation or driving a tractor, it has met with less success in terms of promotions to supervisory positions, given high levels of reluctance among farmworkers to supervise friends or family members. A large farm in our sample has attempted to address that issue by placing promoted farmworkers at sites away from friends and family. While that strategy has

been relatively successful, it is clearly not an option for most small and medium sized farms.

## Opportunities for Older Workers

One of the outstanding characteristics of the farms in our sample is treatment of older workers. High employee retention rates have resulted in an aging workforce on many of the farms in our sample, which – given the physically demanding requirements of production agriculture – can ultimately represent a liability for employers. Nonetheless, virtually all of the growers in our sample have made a conscious decision to keep older workers on, and have sought appropriate tasks for them, rather than letting them go, as on many farms. Nonetheless, an aging workforce represents a conundrum for growers, as it will inevitably result in decreased productivity. While all the growers in our sample expressed concerns in that regard, none have come up with ways to successfully address this complex issue.

## Areas for Improvement

One of the more sobering aspects of this research is the realization that even among these more exemplary farms, there is still much room for improvement. Some of the more profitable growers are still not able to offer a living wage, paid sick days, health insurance and year-round employment, while few are able to provide seasonal workers with the same benefits as permanent staff. Labor management on most of the farms is highly informal, with few clear rules, procedures and policies. Notably, the larger corporate farms in our study are the exception to this. Given higher revenues, these larger farms also tend to provide more comprehensive benefits. The following are some of the key areas for improvement:

- ◆ Increased opportunities for worker representation and input, through regular meetings where workers can express concerns, and regular forums for disseminating information;
- ◆ Codification of existing practices, including grievance procedures, benefits, profit-sharing plans, etc. into formal policies that are explained to employees verbally and in a Spanish language employee manual;

- ◆ More formalized systems for calculating profit-sharing, and increased transparency regarding farm level finances;
- ◆ Provision of more equitable benefits for temporary and seasonal workers;
- ◆ Formal orientations for all new employees regarding issues such as benefits, job expectations, workplace practices, grievance procedures and other policies;
- ◆ Increased incentive programs promoting employee health and safety.

## Good Labor Conditions: A Win-Win for Farmers and Farmworkers

*“Workers want two things: respect and fair compensation. When you give them that it leads to higher quality work and higher quality produce.”*

*Central Coast farmer*

As is the case with other socially responsible businesses, the growers in our survey are “doing well by doing good.” Although primarily motivated by social justice concerns and a desire to “do the right thing,” virtually all report numerous economic and other benefits of providing good farm labor conditions. A satisfied, motivated, skilled and knowledgeable workforce has resulted in increased retention rates, reduced recruitment, training and supervision costs; higher quality products and ultimately, higher revenues and profits.

Many of the farms in our sample obtain price premiums by delivering high quality produce, which is dependent on a committed workforce. As a farmer operating a Community-Supported Agriculture operation explained, “When people open our boxes, we want them to appreciate that hands that really cared touched the food. To do that, we need workers who are trained and motivated.” Because many aspects of agricultural production require a skilled and knowledgeable workforce, growers place a high value on employee retention. That is particularly true on highly diversified farms, where it can take a long time for farmworkers to become familiar with the production requirements of dozens of different crops.

Some farmers may ask which conditions and benefits have the greatest impact on worker satisfaction, motivation, retention and loyalty. In our research, respectful treatment, year-round employment and profit-sharing emerged as most important. As a farmworker explained, “we come back here because of the way people are treated, even though the money is a little less.” To the extent that keeping good workers is a goal, year-round employment is perhaps the single most important retention strategy. As a farmer explained, “year-round workers who have been here for a long time see the impacts of their work, they see the benefits, and that makes them motivated to work harder.” In order to build and maintain that loyalty and motivation, workers also need to feel rewarded for these contributions.

## Low, Medium and High Cost Practices

### Low Cost Practices:

- Respectful treatment
- Regular acknowledgement and appreciation
- Free food from the farm
- Personal loans
- Policies and mechanisms for communication and information sharing
- Clear grievance procedures
- Flexible work schedules
- Safe and healthy work environment
- Diverse tasks
- Opportunities for training, skill acquisition and professional advancement
- Surveys and other feedback mechanisms
- Assistance with social services
- Celebrations, team-building and appreciation parties

### Medium Cost Practices:

- Bonuses and profit-sharing
- Year-round employment
- Paid time off
- Retirement plans
- Educational assistance

### High Cost Practices:

- Higher wages
- Health insurance

While verbal expressions of appreciation are important, a monetary reward at the end of a hard season is key. Profit-sharing was cited by most farmers as a tremendous motivating force, “We do it because it is the right thing to do. They work hard and they deserve it. I also think it has a huge impact on morale, productivity and retention. I don’t think they would want to work here if they didn’t get their bonus.” The beauty of profit-sharing is that it enables farmers to supplement wages in good years while keeping labor costs down during bad years, a virtual risk free strategy that is a win win for farmers and workers.

Many farmers, including the more successful ones, expressed how difficult it is to increase wages and other benefits given extremely low or non-existent profit margins. Without ignoring the importance of improving compensation policies, farmers should keep in mind that there are many low cost, simple, yet highly effective ways of increasing worker satisfaction.

## Social Certification and Domestic Fair Trade: New Market Opportunities for Farmers

With Fair Trade leading the way, more and more market based opportunities are emerging for farmers who meet social as well as environmental standards.<sup>6</sup> Given the economic challenges reported by farmers for improving compensation and benefits, market opportunities created by these programs could provide needed incentives and rewards for producers to improve conditions for their workers.

Social certification has been growing most rapidly internationally and in Europe over the past several years. IFOAM’s initiative to integrate social standards into organic standards and SASA’s effort to develop guidelines and increase cooperation among different certification initiatives in sustainable agriculture are two critical international efforts in this area. Domestically, the Food Alliance is the principal program certifying adherence to both social and environmental standards among growers. Unlike Fair Trade, none of these certification schemes explicitly mandate fair prices for farmers. Participation in these schemes has, however, helped farmers access new market opportunities.

In California, new market opportunities are emerging for farmers that meet higher levels of social and environmental responsibility among institutional markets such as universities, hospitals, and business campuses.<sup>7</sup> In order to meet this growing demand, Food Alliance has plans to enter the California market in the next year. While new markets for producers are an important benefit, the key challenge with all these programs will be to secure higher prices for producers as a means of helping to pay the costs associated with the transition to better environmental and social management practices on the farm.

Fair Trade is the one of the few established certification programs that addresses the issue of fair prices for producers and transparency and equity all along the supply chain. With urgency to address the need for higher producer prices domestically, many groups around the world are actively working to develop domestic Fair Trade certification schemes.<sup>8</sup> In the US, several initiatives are underway. A multi year process led by the Rural Advancement Foundation International (RAFI) and Committee to Support Workers (CATA) to develop North American social justice standards for agriculture is one of the more comprehensive US efforts to date. At least half a dozen other schemes are in process, including the Minnesota Local Fair Trade group, Ag in the Middle, and Wisconsin Fair Trade cheese initiative. These, and other incipient efforts and interested organizations are coming together under the banner of a Domestic Fair Trade Working group that is being organized by Organic Valley, a farmer owned cooperative dairy company that has been applying fair trade principles in its business practices since its inception in 1988.

Over the past several years, some organic farmers and advocate groups have expressed interest in developing beyond organic certification schemes to enable truly sustainable farmers to further differentiate themselves in the marketplace. While the US organic community has mostly rejected the idea of integrating social issues into organic certification, it is just a matter of time before a program is developed specifically to certify social, as well as other sustainability criteria among organic farmers and farmers in transition.

## Conclusion

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The findings from this research provide a window into the different ways that sustainable growers in California are currently working to provide socially sustainable farm labor conditions. The findings are hopeful, in that they demonstrate that it is possible to offer good labor conditions, while maintaining an economically viable farm operation. At the same time, they are sobering, in that there is considerable room for improvement, even on the most progressive farms. Tellingly, while the farmworkers we met with were generally happy with the conditions on these farms, virtually none hoped their children would themselves become farmworkers.

While the high cost of benefits, such as health insurance, may make those practices prohibitive for some growers, the research identifies numerous no- and low-cost means of offering positive farm labor conditions. By documenting those conditions, and the value placed on them by farmworkers, we hope to encourage more growers to adopt similar practices.

In addition to being “the right thing to do,” the practices identified by this research have resulted in numerous benefits for growers, who are “doing well by doing good.” With growing interest in domestic fair trade and an increase in certification schemes stressing social and environmental standards, the adoption of positive labor practices offers growers the opportunity access to niche markets offering price premiums. It is essential that sustainable growers be provided with access to the tools and information that will allow them to meet these emerging market demands.

More active engagement is therefore needed by grower, extension and other technical assistance organizations to provide this kind of support to growers. More resources must also be forthcoming from sustainable agriculture funders and others concerned with long term stability, health and well being of agricultural communities.

Other strategies are needed to improve labor practices, including the formalization of these “best practices” – through employee manuals or other mechanisms – to make them less dependent on the goodwill of individual growers. While

immigration reform and the role of farm labor contractors were beyond the scope of this work, these are critical issues that must be addressed as well.

At the same time, attempts to encourage improved labor practices must be accompanied by public policy and market-based mechanisms ensuring greater price equity for growers. As Paul Muller, co-founder of Full Belly Farm notes,

Everyone in the food chain needs to adopt a sense of fairness and responsibility for the well being of farm laborers. It needs to be a partnership through the whole agriculture system, with wholesalers

and consumers paying fair prices that then assure that farm workers are adequately compensated in an equitable way. The equation of greater social responsibility needs to be integrated through the whole food system (*cited in Kupfer 2004*).

More work is needed to educate and mobilize all levels of the supply chain to increase their willingness to pay a price that reflects the true costs of socially just production. Ultimately, we must seek creative mechanisms to promote a food system that is socially equitable for growers, farmworkers and consumers. ❖

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<sup>1</sup> While the social dimensions of sustainable agriculture affect growers, farmworkers and consumers, this research focuses on farmworkers, who with low wages, harsh working conditions, precarious housing and tenuous legal status, have fared particularly poorly within the context of the U.S. food system.

<sup>2</sup> Nine of the farms are certified organic, two are mixed conventional and organic, and one uses low-input sustainable agriculture practices. Of these, four are medium sized diversified farms, producing a large range of fruits and vegetables, two are vineyards (including a vineyard management company); and six produce a smaller range of crops, including berries, stone fruits, nuts, herbs, and salad greens. Eight are family run medium-sized operations, with fewer than 70 employees and annual revenues between \$600,000 and \$2.5 million. Four are larger, with a more corporate structure, and labor forces ranging from 80 to 4,000 employees, with revenues from \$10 million upwards.

<sup>3</sup> Definition of living wage adopted by Living Wage Summit, July 1998, Berkeley, CA: "A living wage is the net wage earned during a country's legal maximum work week, but not more than 48 hours, that provides for the needs of an average family unit (nutrition, clothing, health care, education, potable water, child care, transportation, housing, and energy) plus savings (10 percent of income)."

<sup>4</sup> At the same time, a number of farms recognized the importance of employee manuals and some were in the process developing them. Others cited a strong interest in doing so but indicated a lack of time and resources.

<sup>5</sup> That practice is, however, somewhat controversial, as it effectively penalizes workers injured through no fault of their own.

<sup>6</sup> In the US Fair Trade Certified coffee grew by an astounding 93 percent in 2003 and 76 percent in 2004.

<sup>7</sup> See An Assessment of Market Viability for Third-party Certification and Eco-label for California. October 2005, by Kari Hamerschlag [http://www.vividpicture.net/documents/19\\_An\\_Assessment.pdf](http://www.vividpicture.net/documents/19_An_Assessment.pdf)

<sup>8</sup> One of the more advanced domestic fair trade schemes is the British Soil Associations' Ethical Trade Initiative which was launched as a pilot certification scheme for UK produced organic products in 2001. Implementation of a full (voluntary) domestic ethical trading certification program is planned for 2006.

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*We are grateful for the support of the many individuals and organizations that helped us in this effort, including the Columbia Foundation and the Ramsay-Merriam Fund, which provided generous support for this project; the growers that invited us to their farms and shared information on their labor practices; the farmworkers who agreed to meet with us and share their experiences working on these farms; the many individuals who contributed invaluable advice and information that helped shape and inform this work; and the many colleagues that provided important insights and information through key informant interviews. Thank you all!*

A more detailed version of this study is available at [www.cirsinc.org](http://www.cirsinc.org)



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