

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

**Prepared by
Ron Stochlic and Kari Hamerschlag**

December 2005

**California Institute for Rural Studies
221 G Street, Suite 204
Davis, California 95616
(530) 756-6555
www.cirsinc.org**



**CALIFORNIA
INSTITUTE FOR
RURAL STUDIES**

Table of Contents

Acknowledgements	ii
Executive Summary	iii
Introduction.....	1
Research Methodology	2
Key Findings	2
Respectful Treatment and Humane Pace of Work.....	3
Wages and Compensation.....	4
Labor Stabilization and Year-Round Employment.....	6
Traditional Benefits.....	7
Non-Traditional Benefits	9
Health and Safety.....	9
Hiring and Recruitment.....	10
Management Structures.....	11
Communications and Decision Making.....	12
Diversity of Tasks	14
Opportunities for Professional Development and Advancement	14
Opportunities for Older Workers	15
What Workers Most Appreciate	15
Areas for Improvement	15
Good Farm Labor Conditions: A Win-Win Situation.....	16
Conclusions	18
References	20
Appendix A: “Gold Star” Practices	23
Appendix B: Summary of Low, Medium and High Cost Practices.....	26
Appendix C: Social Certification and Domestic Fair Trade: Market-Based Opportunities for Farmers.....	27

Acknowledgements

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 Foundation, which provided generous support for this project; the growers that invited us to their farms and shared information on their labor practices; the many farmworkers that agreed to meet with us and share their experiences working on these farms; Aimee Shreck and Julie Guthman, for invaluable advice and information that helped shape and inform this work; the many colleagues that provided important insights and information through key informant interviews, including: Bob Scowcroft, Organic Farming Research Foundation; Brian Leahy, California Association of Resource Conservation Districts (former director, California Certified Organic Farmers); Kris O'Connor, Central Coast Vineyard Team; Scott Exo, Food Alliance; Ann Thrupp; Fetzer Vineyards and California Sustainable Winegrowing Alliance; Richard Mandelbaum, Farmworkers Support Committee; Jeff Dlott, former director, California Sustainable Winegrowing Alliance; Liz Thach, Sonoma State University; Kay Logterman, Earthbound Farm; Martha Guzmán, California Rural Legal Assistance Foundation; Gregorio Billikopf, University of California Cooperative Extension, Farm Labor Advisor; and Sandy Brown, Swanton Berry Farms; members of the National Campaign for Sustainable Agriculture Social Justice committee, in particular Richard Mandelbaum, for helpful comments and feedback on earlier drafts of this report; and the many individuals that helped us identify sustainable farmers with good labor practices.

Executive Summary

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, the social aspects of sustainable agriculture have been eclipsed by greater attention to environmental and economic concerns, with few efforts to make sustainable agriculture more socially just.

Many sustainable growers have expressed a deep genuine interest in improving farm labor conditions, yet most do not know how to do so, or feel they cannot afford to. At the same time, there are many sustainable farmers that are – of their own accord – offering a broad range of positive labor conditions. They are maintaining economically viable farm operations, and in many cases increasing their profitability. As with many other socially responsible businesses, these growers are “doing well by doing good.”

In order to promote improved labor conditions in sustainable agriculture, the California Institute for Rural Studies has set out to document these best practices, from both a grower and farmworker perspective. We have identified the numerous ways in which growers are offering good farm labor conditions, the benefits of doing so to their farm operations, and the practices and workplace conditions that farmworkers most value.

The findings are based on case study research on twelve sustainable farms in California with a reputation for particularly good labor conditions. The case studies consisted of in-depth semi-structured interviews with growers and/or farm managers, followed by focus groups with farmworkers at each site. More than eighty farmworkers were interviewed as part of this process.

In addition to on-farm interviews, we reviewed the literature on social equity in sustainable and organic agriculture, examined sustainable codes of production, conducted informal interviews with five sustainable growers, and conducted key informant interviews with a dozen stakeholders representing a broad spectrum of leaders in the field of sustainable agriculture, including certification agencies, and organizations advocating for increased social justice in sustainable agriculture.

The research has identified a broad range of positive practices, including respectful treatment and a humane pace of work; fair compensation through wages, profit-sharing, and bonuses; traditional benefits, including health insurance, paid time off, retirement plans, and housing assistance; non-traditional benefits, including personal loans, food from the farm, assistance with social services and educational assistance; formalized policies and grievance procedures; regular meetings; information sharing and opportunities for worker input; more democratic management structures; year-round employment; minimal use of farm labor contractors; improved health and safety conditions; opportunities for professional development and the ability to advocate for improved conditions without fear of retribution.

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, many of the practices on these farms demonstrate what is possible within the context

of serious economic constraints, and how many of these practices can actually improve the farmer's bottom line.

It is difficult, if not impossible to rank these conditions in terms of importance to farmworkers, since all benefits are important and each individual has his or her own priorities. Nonetheless, the following is a rough prioritization of the workplace conditions most valued by farmworkers, based on the frequency, order and enthusiasm of responses to that question: respectful treatment; slower pace of work; fair compensation (through wages and other forms of supplementing income); year round employment; health insurance; personal loans; food from the farm; paid time off; flexible work schedules; a 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; and retirement plans.

The research also identified a broad range of benefits accruing to farmers implementing these practices. These include a more satisfied and committed workforce; higher retention rates; reduced training and supervision costs; a more skilled, knowledgeable and productive labor force; higher quality products and ultimately, higher revenues and profits.

At the same time, the study identifies room for improvement, even among these more progressive farms. These include increased opportunities for worker representation and input; the codification of existing practices into more formal policies; more formalized systems for calculating profit-sharing and increased transparency regarding farm level finances; the provision of more equitable benefits for temporary and seasonal workers; formal orientations for new employees regarding benefits, job expectations, workplace practices, grievance procedures and other policies; and increased incentive programs promoting employee health and safety.

External factors not within the scope of this research, but which must be addressed by efforts to promote improved farm labor practices, are price equity for growers, immigration reform, and stricter regulations and accountability for farm labor contractors

Introduction

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. However, the social aspects of sustainable agriculture have been eclipsed by greater attention to environmental and economic concerns, with few efforts to make sustainable agriculture more socially equitable.¹

Conversations with numerous sustainable growers have indicated a deep and very real desire to offer improved farm labor conditions. Nonetheless, most believe they cannot afford to do so, while many report they do not know how to do so. At the same time, many growers are – of their own accord – providing workers with good, and in some cases, exceptional conditions. They are maintaining economically viable farm operations, and in many cases increasing their profitability. As with many other socially responsible businesses, these growers are “doing well by doing good.”

In order to promote greater social equity in sustainable agriculture, the California Institute for Rural Studies has set out to document these best practices, from both a grower and farmworker perspective. We have identified the numerous ways in which growers are offering good farm labor conditions, the benefits of doing so to their farm operations, and the practices, conditions and benefits that farmworkers most value. The result is a “road map” for growers interested in offering improved farm labor conditions and others seeking to promote a more socially just food system.

While the economic constraints preventing growers from providing improved labor conditions are very real, the research highlights many low or no-cost practices that can readily be adopted by a broad range of growers. In fact, some of these practices, such as respectful treatment, are among those most valued by farmworkers. At the same time, the growers in our sample report numerous economic and other benefits of good farm labor conditions, including a more satisfied and committed workforce; increased retention rates; reduced training and supervision costs; a more skilled, knowledgeable and productive labor force; higher quality products and ultimately, higher revenues and profits. The practices on these farms demonstrate what is possible within the context of the economic constraints facing sustainable growers. At the same time, the study identifies areas with room for improvement, even among these more progressive farms.

Given the high interest in improved labor conditions expressed by many growers, along with growing pressure on sustainable agriculture to better address social justice concerns, we hope that the examples from these farms will provide others with the tools and inspiration to improve labor conditions on their own farms. At the same time, with the emergence of certification schemes stressing social, as well as environmental standards, we hope this research will provide growers with the tools to remain competitive in an increasingly socially responsible marketplace.

¹ While the term “social equity” refers all actors in a sustainable food system, including 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.

Research Methodology

The research findings are based on case study research on twelve sustainable farms in California with a reputation for offering particularly good labor conditions.² Nine of the farms are certified organic, two are mixed conventional and organic, and one uses low-input sustainable agriculture practices. While we attempted to identify a broad range of farms in terms of attributes such as size, crop mix and management structure, the provision of good labor practices was ultimately the key criterion for inclusion in our sample.³

Four of the farms surveyed are medium-sized diversified farms, producing a wide range of fruits and vegetables, six produce a narrower smaller range of crops, including berries, stone fruits, nuts, herbs, and salad greens, while two are vineyards (including a vineyard management company). Eight of the farms are family-run medium-sized operations with under 70 employees and annual revenues of between \$600,000 and \$2 million. Four are larger, with a more corporate structure, labor forces ranging from 80 to 4,000 employees and revenues of \$10 million upwards.

The case studies, which were conducted on site at all but two farms, consisted of in-depth semi-structured interviews with growers and/or farm managers, followed by focus groups with approximately eight to twelve farmworkers at each site. More than eighty farmworkers were interviewed as part of this process. In addition to on-farm interviews, we reviewed the literature on social equity in sustainable and organic agriculture, examined sustainable codes of production, conducted informal interviews with five sustainable growers, and conducted key informant interviews with a dozen stakeholders representing a broad spectrum of leaders in the field of sustainable agriculture, including certification agencies, and organizations advocating for increased social justice in sustainable agriculture.

Key Findings

The following are key labor management practices and workplace conditions reported by the growers in our sample, and the conditions and benefits that farmworkers most value. It should come as no surprise that what farmworkers want from their places of work is in fact no different than 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, opportunities for professional development and the ability to advocate for improved conditions without fear of retribution. The findings reveal that, as in other industries, workers that are treated well and

² It should go without saying that the farms in our sample are not necessarily the “best farms” in California in terms of labor practices. They are merely those most frequently mentioned to us, and that agreed to participate in this research. While there are many more farms providing good labor conditions, it was difficult to identify them, in part because growers are generally reluctant to discuss their labor practices. We hope that this research encourages the farmers in our sample – as well as others providing positive farm labor conditions – to share and discuss those practices more openly.

³ Since a condition of participation for several growers was that their farms not be identified in the final report, we refrain from divulging the names of participating farms. Given the sensitive nature of farm labor issues in California, even farmers providing good labor conditions are reluctant to draw attention to themselves, as they are wary of scrutiny from both within and without the sustainable agriculture community. Many farmers also expressed discomfort with promoting their good labor practices. Ironically, while they are happy to let consumers know how well they treat the earth, they are less comfortable letting them know how well they treat their workers.

made to feel an integral part of the farm operation, are more satisfied, more motivated and ultimately, more productive.

Respectful Treatment and Humane Pace of Work

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 experienced abusive, humiliating or exploitative treatment on other farms. 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. When given the hypothetical choice between higher wages in a disrespectful environment or lower wages in a more respectful environment, farmworkers consistently opted for the latter. As a worker on a farm that pays just above minimum wage noted, “We come back here each year because of the way people are treated, even though the money is a little less.”

Virtually all of the farmers in our sample make a point of treating workers with respect, and have instructed supervisors to do the same. 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.

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 eight or more hours a day. Many, in fact, expressed amazement at being told to slow down, by farmers attempting to reduce accidents and increase product quality. As a farmworker explained, “*We work more slowly here but we do it well. The rhythm is good. The owner supports us to work more slowly and to do high quality work.*”

Respectful treatment is also associated with having a personal relationship with farmers. Farmworkers expressed appreciation for simple, but important gestures such as growers saying hello, inquiring about their families, sharing lunch with them, or inviting them into their homes for meetings or celebrations.

The following is a sampling of comments made by farmworkers regarding respectful treatment:

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.

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.

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.

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 harder.

There is flexibility for getting up and stretching when you want. Each worker does their work as they like. The foreman has nothing to do with that. Here we can talk to each other and listen to the radio. We don’t need to ask permission to go to the bathroom.

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.

The way we work here is different. He [the farmer] cares about us. He even has a stove for us to heat our lunch. Here they treat us like family. They eat with us. On other farms they would never eat with us.

I’m very happy working here. For [the growers], there is no difference between them and the workers. We’re all equal.

Wages and Compensation

Fair compensation rates a close second to respectful treatment in terms of what is most important to the farmworkers we interviewed. Given the precarious economics of farming, compensation is, however, a complex issue, and we found a high rate of variation in terms of wages and other mechanisms for compensating workers. With only three exceptions, it was difficult to find a farm that offered a truly living wage.⁴ Nonetheless, when all forms of compensation and benefits – including profit-sharing, bonuses, health insurance, retirement plans, paid time off, housing assistance and access to food from the farm – are taken into account, the total value of compensation on these farms increases significantly, and more closely approximates a living wage.

Wages

Most of the farms in our sample offer a starting wage of between \$7 and \$8 per hour, while three start at minimum wage (\$6.75). With the exception of one farm, which consistently pays minimum wage to field staff and \$7.75 per hour to supervisors and managers,⁵ the other farms increase starting wages by approximately 25 or 50 cents per hour after a two or three month probationary period.

⁴ Definition of living wage adopted by Living Wage Summit, July 1998, Berkeley, CA; citation from “Codes of Conduct: From Corporate Responsibility to Social Accountability”, by Lynda Yanz and Bob Jeffcott, Maquila Solidarity Network, Sep 1999: *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).*

⁵ Prevailing agricultural wages and the existence of competing industries, such as construction, affect wage rates as well. The grower offering minimum wage is located in the Central Valley. Growers on the Central Coast, where prevailing wages are higher, would be unable to attract any workers offering only minimum wage.

The average wage range for long time employees on the farms in our sample is \$9-14/hour. None provide annual salaries for field staff. Only three have regular, automatic pay increases of five to ten percent a year. Several farmworkers expressed dissatisfaction with the lack of regular pay increases and recommended that as an additional benefit.

Most farmers have a clear preference for paying hourly wages rather than piece rate, which is generally associated with an unsustainable pace of work, higher accidents and lower quality. Most of the farmworkers in our sample expressed a preference for hourly wages as well, citing the benefits of a stable income and a more sustainable pace of work.⁶ As a farmworker on the Central Coast explained, *“In other places, they pay per box and you can earn as much as \$16 an hour, or more. But that only lasts for a little while. We prefer stable work.”* As another noted, *“Piece work is just for a short amount of time. If you don’t have family, it’s OK, but those of us with families prefer more stable work.”*

Profit-Sharing and Bonuses

Virtually all the farms in our sample supplement hourly wages with other forms of compensation, including profit-sharing, bonuses and retirement plans. All but one farm offer profit-sharing, which has a significant positive impact on worker motivation and sense of investment in the farm. Farmworkers cited increased motivation and productivity as a result of profit-sharing, knowing that they would directly enjoy the benefits of their hard work.

While most farms offer profit-sharing once a year, at Christmas, some do so during the harvest as well, as a means of expressing appreciation for and incentivizing workers during what is a difficult and exhausting period. Profit-sharing amounts vary considerably, from year to year and from farm to farm. Amounts are generally based on a combination of wages, seniority, position, initiative and leadership. However, virtually none of the farms in our sample have a clear formula or guidelines for calculating profit-sharing. When asked how they arrive at these amounts, most farmers scratched their heads and admitted that it was a very inexact process.

While profit-sharing is a strong motivator, a lack of perceived parity can have adverse impacts. Most farmworkers seem to discuss the amounts they have received with one another, and a number expressed dissatisfaction with perceived low amounts, compared with what their colleagues had received.

Low amounts during bad years can also have adverse impacts on worker morale and satisfaction. Workers on farms that had received smaller than usual amounts during the previous year appeared significantly less satisfied than those that had received large bonuses. In that regard, a number of workers expressed mistrust of growers offering lower profit-sharing amounts, based on claims of “a bad year.” From their perspective the farm seemed to be doing as well as ever, and they expressed skepticism regarding those claims. Increased transparency – with respect to both the farm’s finances and how profit-sharing is calculated – would greatly contribute to allaying such concerns and increasing worker morale.

⁶ Nonetheless, that was generally more the case among older farmworkers and those with families in the United States. While all agreed that they can make more money per day working piece rate, they also noted that piece work is short term, and is generally followed by unemployment, such that total income under the two systems is ultimately comparable.

The grower that pays minimum wage offsets low wages with the most generous profit-sharing plan of the farms in our sample, offering up to \$4,000 per year per worker, effectively increasing hourly wages by as much as two dollars per hour. Another farm, with revenues of approximately \$2 million per year, provided \$40,000 in profit-sharing to workers last year, increasing wages by the equivalent of 25 to 50 cents per hour.

In addition to providing an important incentive for workers, profit-sharing is a vital risk management strategy, allowing growers to supplement wages in good years, while keeping labor costs down during bad years. Because labor accounts for approximately 60% of expenses among the farms in our sample, growers have a strong stake in keeping those costs at a level that will ensure the farm's continued viability. As a grower in the Central Valley explained, "*We pay minimum wage and use the bonus [profit-sharing] program to supplement that. That enables us to protect ourselves in a bad year, since once you raise the minimum wage you can't go back. It gives us more flexibility.*"

Some farms have sought more innovative means of supplementing employee income. One grower provides employees with weekly food baskets worth approximately \$50. This increases the value of employee compensation by about one dollar per hour, while allowing the farmer to avoid paying higher payroll taxes and workers compensation rates, which would effectively bar him from increasing actual wages by that amount.⁷

Only two of the farms in our sample use bonuses as a means of encouraging workers to remain until the end of the season. One farm offers an additional 22 cents per hour worked to everyone working until the last day of the harvest. Other means of encouraging workers to remain through the end of the season include access to benefit plans and guaranteed employment in the spring.

Labor Stabilization and 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 for at least a portion of their labor force. Given the highly seasonal nature of agricultural employment, this is a benefit that is highly valued by farmworkers and their families. As a farmer explained, "*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 a community now.*"

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.

⁷ This represents an innovative means of increasing the value of employee compensation on the part of the least financially secure grower in our sample, yet one who is highly committed to providing good labor conditions. Despite the appearance of paternalism, workers on that farm greatly appreciated the food baskets, which they saw as a measure of the grower's concern for them. At the same time, by buying food in bulk, this grower is able to increase the value of employee compensation by approximately one dollar an hour, while the cost for him is in fact less than that.

Of the twelve farms surveyed, all but three maintain a year round workforce, and at least five had intentionally developed year-round cropping systems as a means of providing farmworkers with year-round employment. Three of these have year round crews constituting more than 75% of their peak workforce. Four Farms have permanent staff representing 50% of their peak workforce, and two farms have smaller permanent workforces, representing less than 25% of their overall labor force.

Given the labor intensive nature of sustainable agriculture, the farms in our sample also demonstrate a high ratio of permanent employees per acre. One farm is able to provide work for 40 permanent employees on only 75 acres, while several others employ roughly 30 full-time employees on approximately 200 acres. As a diversified grower in Ventura County commented, *“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.”*

Some of the less diversified farms in our sample have sought other means of providing year-round work for their employees. For example, a vineyard has contracted to harvest a neighboring olive grove during December and January, when there is little work on that farm. Other farms hire their field staff to help with maintenance and repairs during the winter instead of hiring carpenters, painters, mechanics, etc.

While some growers claim they are able to offer year-round employment to all interested farmworkers, that is not the case for all. The fact that many farmworkers prefer to return to Mexico (or other country of origin) during the winter is beneficial for growers unable to employ their entire labor force year-round. Nonetheless, those growers offer workers guaranteed employment in the spring, which workers appreciate immensely.

Traditional Benefits

The growers on the farms in our sample offer a broad range of traditional benefits, including health insurance, retirement plans, paid time off, life insurance, bereavement leave and free or subsidized housing. The vineyard/winery in our sample is perhaps most in keeping with the spirit of social justice, providing all permanent employees with the exact same benefits package as the president of the company.

Health Insurance

Health insurance is offered by nine of the twelve farms in our sample. However, coverage varies significantly from farm to farm. Some offer full coverage, including health, dental and vision, while others offer health only. Some offer health insurance to all employees, while others offer it to permanent workers only. Some pay 100% of the employee contribution, while others cover only a portion. Some provide coverage for family members, while others do not. After respectful treatment, fair compensation and year round work, most workers ranked health insurance as the next most important benefit. While that was more the case among older workers and those with families in the U.S., even unaccompanied men were aware of the importance of health insurance coverage in the U.S., particularly those with uninsured friends or family members that had had firsthand experience with catastrophic illness and associated economic impacts.

Paid Time Off

There is also considerable variation with respect to paid time off. Eight of the farms in our sample provide workers with some form of paid time off, including vacations and public holidays. Some farms offer paid time off to permanent and seasonal workers, while most provide it to permanent workers only. Five farms offer paid vacation, which varies from five days after the first year up to three weeks after five years of employment. Some farms allow workers to receive pay in lieu of paid time off, which many have taken advantage of. While the workers we interviewed appreciate paid time off, it did not stand out as a particularly important benefit.

Retirement Benefits

Approximately 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. Because this is an issue about which there is considerable confusion and mistrust on the part of farmworkers, many prefer not to participate in those plans. As a result, some employers – determined to help their employees save for retirement – have chosen to contribute to employee retirement plans even in the absence of employee contributions.

Housing

Given the high cost of housing in California, and the substandard conditions in which many farmworkers live, housing is an extremely important benefit. Five of the farms in our sample provide free or subsidized housing, although only one is able to provide housing for all interested farmworkers. Housing is free on one farm, while rents vary considerably on the others, from \$1.50 per day to \$400⁸ per month. One farm, which is not able to provide housing, helps workers locate housing in the area and helps negotiate rental agreements. As that grower explained, *“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.”*

Flexible Scheduling

All of the farms in our sample offer flexible scheduling, allowing employees time off to take care of personal and family needs. In most cases, several days notice is required, and employees are encouraged to avoid doing so during the peak season. Workers greatly appreciate this benefit, which contrasts sharply with their experiences on many other farms. As a farmworker noted, *“In other places you can get permission, but it’s more difficult. They don’t care about your kids.”* Another noted that taking time off can result in the loss of a job on other farms, explaining that, *“In other places, if you can’t show up, they tell you that there are others that can take your place.”*

Overtime Pay

Unlike other industries, farmworkers are entitled to overtime pay after ten hours per day or 60 hours per week. Nonetheless, a large farm on the Central Coast offers overtime after only eight hours per day and 48 hours per week.

⁸ The farm charging \$400/month for rent offers extremely nice houses on the Central Coast. While not inexpensive per se, those rents are significantly below market value.

Additional Benefits

Some farms offer additional benefits as well. One, which offers life insurance to workers, recently doubled the amount of benefits provided after a worker died, in order to cover the cost of transporting bodies to Mexico. That same farm also provides employees with direct payroll deposit, to avoid both check-cashing fees and holdups that are common at check-cashing sites. While not a benefit per se, many growers offer workers the opportunity to work additional hours during slower periods, as a means of providing them with higher incomes.

Non-Traditional Benefits

In addition to the above, the farms in our sample offer a broad range of less traditional benefits. Of those, the most highly valued are personal loans and access to food from the farm. Personal loans, which are provided by half of the farms in our sample, range in size from \$200 to \$2,000. Those loans have been utilized by virtually all employees on those farms, particularly during the winter months, when there is less work. Loans are deducted from employee paychecks with the amount of the deductions jointly agreed upon by farmworkers and growers.

All of the farms in our sample provide employees with free food from the farm. This practice stands in sharp contrast to many farms, where farmworkers must “steal” food they wish to bring home. Access to free food is highly appreciated by employees, who report improved diets for themselves and their families, as well as significant cost savings. Farmworkers also appreciate the ability to eat food without pesticide residues in the fields, and bringing healthy, pesticide-free food home to their families.

Other less traditional benefits include English classes, bereavement leave, free or subsidized access to higher education for those interesting in increasing their agricultural knowledge, assistance paying for children’s education, allowing social service providers to conduct outreach on the farm (which is often paid time), and providing referrals for social services or legal/immigration assistance.

One of the farms in our sample provided three of its workers with a loan to purchase a nearby farm and start their own business. That same farm has paid for alcohol rehabilitation treatment for farmworkers and has helped set up Alcoholic Anonymous meetings in the local community. Other farms have provided workers with the use of farm cars for personal use, and one has actually provided farmworkers with their own cars. Most also provide workers with access to tools for car repair and other personal needs.

Health and Safety

Improved health and safety is an additional benefit offered by many of the farms in our sample. Lack of exposure to synthetic pesticides was often cited as a much appreciated benefit of working on organic farms. As a farmworker stated, *“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 cited a reduced incidence of back problems and other musculoskeletal injuries because they are allowed – and in fact encouraged – to carry heavy items with coworkers, a practice which also stands in sharp contrast with their experiences on other farms.

In addition to the above, some growers have taken more proactive steps to improve worker health and safety. Two of the farms in our sample explicitly limit handweeding to no more than two hours per day. As a farmworker explained, *“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.”* A farmer growing stone fruit reduced the height of those trees in order to reduce falls from ladders. While that reduced accidents, it also increased production and decreased harvest time, resulting in reduced labor costs and increased revenues.

The workers we interviewed also reported access to prompt and adequate medical attention in the case of serious injuries, which is often not the case on many farms and is a serious health concern for many farmworkers. Equally important, farmworkers reported being able to take the necessary time off to recover from illnesses and injuries without fear of losing their jobs. Similarly, they reported being able to engage in “light duty” following accidents or injuries without fear of losing their jobs, which they appreciate immensely.

In addition to providing legally required trainings, many growers reiterate safety messages to employees on a regular basis, in order to reduce accidents and workers’ compensation costs. One farm has monthly safety meetings and three farms have incorporated explicit safety incentives into their annual bonus programs. One of the larger farms conducts quarterly and annual raffles for workers remaining accident free, with sizable cash and merchandise prizes. That farm reports nearly one million dollars in annual savings as a result of that program.⁹

Hiring and Recruitment

The vast majority of employees on the farms in our sample are hired directly by the growers. Since recruitment is generally done via other farmworkers, employees are often from the same region, and in many cases are related. Most growers and farmworkers report that this results in a more cohesive workforce, with more teamwork and less interpersonal conflict.

Approximately one in three California farmworkers are employed by farm labor contractors (FLCs), who are notorious for low wages, poor treatment, and fast, but often poor quality work. All of the growers in our sample prefer to hire directly, in order to ensure good worker treatment and higher quality production. One farmer’s opinion is common:

Workers contracted by FLCs have no loyalty to the farm. They may work three days for you, but have no attachment to your business. A farmer using the FLC system can’t really be good to his workers either. He may pay a better wage, but the FLC may pocket that. The farmer also loses control over work practices. You can have abuses going on, but you don’t have to be responsible for them. It’s a good way for farmers to protect themselves from liability, but it is negative in most regards.

Despite these concerns, half of the farmers in our sample report contract with FLCs when they require large crews for short periods of time. In those cases, however, growers attempt to ensure

⁹ That practice is, however, somewhat controversial, as it effectively penalizes workers injured through no fault of their own.

good worker treatment by setting higher pay levels and providing oversight of FLC workers. They also seek out FLCs with a reputation for fair labor conditions.

Management Structures

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. As a grower explained, *“My management style is MBWA – management by walking around.”* Direct contact 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.”* All the growers in our sample speak some Spanish, which facilitates direct communication and minimizes abuses on the part of foremen. As a grower commented, *“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.”*

Most of the farms in our sample rely on “team leaders,” who provide guidance but work alongside farmworkers, rather than traditional foremen, who stand over workers and “crack the whip.” A grower explained his management philosophy in the following way:

We have leaders with a lot of responsibility, but we don’t call them foreman or *mayordomos*. We make sure their authority is limited. For example, they don’t have the power to hire and fire, or change people’s conditions. But they speak with our voice when they give out tasks. We encourage team management. They are supposed to be motivating other workers. We look for people who don’t want to be authoritarian, who can organize people, foster cooperative work and minimize conflict. We try to cooperate, not dominate.

The farmworkers we interviewed appreciate the absence of foremen tremendously, given the harsh treatment and exploitative behavior that is often associated with that position. The absence of foremen also results in significant cost-savings for growers. Farmworkers also expressed appreciation for the increased trust and autonomy that is associated with the absence of foremen. As one explained, *“They trust us. They don’t stand over us all the time. They tell us what is needed and we do it. They’ve seen that as they trust us more, there is improvement in production, in both quality and quantity.”*

This team-based approach, coupled with a slower pace of work, allows workers to assist one another and help new workers learn the ropes. Farmworkers often cited the stresses of the “sink or swim” atmosphere associated with being a new worker on many farms, and the difficulties of trying to keep up with more experienced workers. They expressed high levels of appreciation for

the more collaborative atmosphere on these farms. As one commented, *“It’s a team effort here. Everyone cares about each other. Everyone helps train you and show you how to do something if you don’t know how.”*

In addition to creating a more collegial and less competitive environment, teamwork allows farmworkers to help each other with potentially injurious tasks such as lifting and carrying heavy items. 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.”*

Communications and Decision Making

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. Others, such as regular meetings and grievance procedures, create space for worker representation and participation in decision-making processes. While workers expressed a general appreciation for practices such as formal communication mechanisms and employee manuals, they were not identified as areas of high importance.¹⁰

Some growers actively solicit farmworker feedback, while others are open to unsolicited feedback. As a grower commented, *“I try to engage people’s creativity and find smart people. It doesn’t matter if they are educated. I cut them loose to use their intelligence and don’t beat them up for mistakes, as long as they don’t make the same mistakes. Then they get more engaged in their work.”* Workers also appreciate the ability to contribute. *“Sometimes we have good ideas about how to do things. They don’t get mad if we make suggestions.”* A number of growers also noted that worker input has helped them improve farm operations, and in many cases avoid costly mistakes.

Opportunities to provide input also contribute to farmworkers’ sense of being an integral part of the farm. As a farmworker explained, *“Here we have meetings 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 that their knowledge or opinions were valued, 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.”*

Meetings

Five of the farms in our sample hold regular daily, weekly or monthly meetings with employees, which are primarily focused on production tasks. Three use meetings for other purposes, such as introducing new workers, soliciting feedback on production related issues, dealing with personnel conflicts, providing market feedback and/or providing information about benefits. Another farm holds regular monthly meetings that are focused exclusively on safety. The largest farm in our sample shares information with employees via short monthly – and longer quarterly – newsletters. Conversely, six of the farms in our sample have no regular meetings.

¹⁰ Had we visited farms with higher levels of worker dissatisfaction, these issues may have figured more highly.

Perhaps the best practice in this regard was found on the vineyard in our sample, which invites all field staff, including permanent and seasonal employees, to weekly staff meetings and annual investor meetings. A Spanish interpreter is provided to ensure that all employees can participate in the annual investor meeting.

Orientations and Information

Only three of the twelve farms surveyed provide formal orientations for new employees regarding issues such as benefits, job expectations, workplace practices and policies. The other farms offer less formal orientations when hiring new employees, with much information communicated informally among employees.

This is clearly an area that would benefit from more attention, since issues such as benefits and workplace policies are difficult for many employees to keep track of. Given language, lack of familiarity, and other cultural barriers, that may be particularly true for farmworkers and other immigrant workers. We found particularly high levels of confusion regarding benefits among the farmworkers we interviewed, with sometimes adverse impacts. One farm that had previously offered full health insurance coverage for family members was forced to reduce that to 75% employer coverage. Despite communicating that to workers, many thought that family coverage had been eliminated entirely, about which they were understandably upset. In another case, information regarding changes in health insurance coverage was distributed with paychecks, but it was clear that information was not assimilated when transmitted in written form only.

Grievance Mechanisms

Only three of the farms in our sample have formal grievance procedure policies. In each of these cases, the farms have open door policies. Requests for meetings with senior management were encouraged after the grievance was taken to the immediate supervisor. The remaining nine farms had no formal policy, though all cited an informal open door policy. Virtually all of the farmworkers in our sample felt they could freely approach team leaders, or go directly to growers with grievances, and none expressed any dissatisfaction in that regard.

Formalized Policies and Employee Handbooks

Only three of the larger, more corporate farms in our sample have formalized policies, which have been codified in employee handbooks. At least five others indicated that they have started handbooks, but have not had the time to complete them. While farmworkers said they would appreciate employee handbooks, this was not a highly important issue for them.

Nonetheless, it is important that these practices be codified and not dependent on the goodwill of individual growers. Several workers who had been on one farm for many years, had worked there when it was run by the current owner's father. They made numerous references to how much better conditions had been when the farm was run by the father, compared with the current owner.

Employee Surveys

One farm has conducted three employee surveys over the past several years, to identify worker concerns and obtain direct feedback regarding issues, such as preferences for different benefits.

On another farm, individual conversations were held with each farmworker, to ask about job satisfaction and ways that conditions could be improved.

Diversity of Tasks

Most of the farms in our sample have 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. As a farmworker explained, *“It’s not boring on this farm. In one day, I might spend one to two hours picking lettuce, followed by two to three hours picking tomatoes. I start here, finish there. It changes all the time and the time goes by more quickly.”* This was corroborated by another farmworker, who reported that, *“There is a variety of work on this farm. It isn’t demanding in terms of doing the same thing over and over again. In one day, we do different tasks; picking, packing and other things. On other farms you do the same thing all day long, ten hours a day.”*

In addition to relieving the monotony and tedium that are often associated with monoculture production, a diverse set of tasks has important health benefits in terms of reducing problems associated with stoop labor and repetitive stress. Diversity of tasks also creates opportunities for on-going learning, which greatly contributes to job satisfaction. As a farmworker explained, *“It’s not boring on the farm, sometimes I have five or six tasks to do in a day. There are so many different tasks here that you learn a lot about many aspects of the farm. The work changes all the time and time goes by more quickly.”*

Opportunities for Professional Development and Advancement

Most of the growers in our sample have proactively attempted to provide workers with opportunities for acquiring new skills and advancing themselves on the farm. While farmworkers generally gain skills through on-the-job training, some have also been sent to specialized trainings and conferences, such as Eco-Farm. Many farmworkers expressed appreciation for these opportunities, which they are generally not afforded on more traditional farms. As a farmworker explained, *“We learn many things that we haven’t done before. There are so many different vegetables to learn about. People teach us, my compañeros teach me. In other places they don’t take the time to teach you.”*

Most of the growers in our sample have also attempted to provide workers with opportunities to assume more responsibility, by promoting those with leadership or other technical skills to managerial and technical positions. For example, after learning that a farmworker had a degree in agronomy from Mexico, a farmer put that person in charge of pest control. This strategy seems to work well in terms of promoting farmworkers to new skill categories such as irrigation or driving a tractor. However, it has met with less success in terms of promotions to supervisory positions, due to high levels of reluctance to supervise friends or family members. As a grower explained, *“You’d be surprised at the resistance. They say, ‘I don’t want to boss anyone around, I don’t want to get involved in politics.’ They especially don’t want to boss their family around.”* A large farm in our sample has attempted to address that issue by placing promoted farmworkers at sites away from family and friends. While that strategy has been relatively successful, it is clearly not an option for most small and medium sized farms.

Opportunities for advancement were not cited as particularly important by most farmworkers. However, on one farm where opportunities for advancement have been actively promoted, the issue was mentioned by virtually everyone. At least half of those participating in the focus group had been promoted to higher paying positions. As one explained, *"Here they give lots of opportunities for advancement. I started as a harvester and now I run machinery. They help you get the training and licenses to operate machinery. I have more motivation now. I want to keep moving up."*

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 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. Nonetheless, an aging workforce represents a conundrum for farmers, as it will inevitably result in decreased productivity. While all the growers in our sample expressed concerns about that, none have come up with ways to successfully address this complex issue.

What Workers Most Appreciate

One of the principal goals of this research was to identify the workplace conditions that are most important to farmworkers. Attempts to rank these conditions are difficult, if not impossible, since all benefits are ultimately important, and each individual has his or her own priorities. Nonetheless, the following is a rough prioritization of the workplace conditions most valued by farmworkers, based on the frequency, order and enthusiasm of responses to that question:

- Respectful treatment
- Slower pace of work
- Fair compensation (through wages and other forms of supplementing incomes)
- Year round employment
- Health insurance
- Personal loans
- Food from the farm
- Healthy and safe work environment
- Paid time off
- Flexible work schedule
- Housing
- Opportunities for advancement and professional development
- Diversity of tasks
- Involvement in decision making processes
- Clear and effective grievance procedures
- Retirement plans

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 unable to offer a living wage, paid sick days, health insurance and year-round employment. 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. The exception to this was three of the larger, more corporate farms in our sample, which have employee handbooks and clear workforce policies and guidelines. On-farm communications, information sharing, worker representation and input into decision making are other areas that merit increased attention. The following are several key areas for improvement:

- Increased opportunities for worker representation and input, through regular meetings offering workers the opportunity to express concerns, and regular forums for disseminating information;
- Codification of existing practices, especially grievance procedures, benefits, profit sharing plans, etc., into formal policies that are explained to employees verbally and in a Spanish language employee handbook;
- 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 Farm Labor Conditions: A Win-Win Situation

The research findings indicate that good farm labor conditions are a win-win situation for farmers, farmworkers and agricultural communities. In addition to being “the right thing to do,” good farm labor conditions result in numerous benefits for farm operations. Many of the farms in our sample obtain price premiums by delivering extremely high quality produce, which requires a skilled, knowledgeable and committed workforce. As a farmer operating a Community-Supported Agriculture (CSA) 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.*” Another farmer drove the point home as follows, “*Workers want two things: respect and fair compensation. When you give them that, it leads to higher quality work and higher quality produce.*”

It is safe to say that the farmers in our sample are primarily motivated by a strong sense of social justice, based on deep respect for the essential role workers play on their farms and the belief that they should be treated well and fairly compensated. As one farmer noted, “*the highest and most important product of this farm is our worker’s health, safety and happiness.*” Nonetheless, growers reported numerous benefits as a result of good workplace conditions, with reduced costs and increased revenues. Some of the principal benefits cited by growers include the following:

Increased retention and reduced training costs: Good farm labor conditions and year round employment opportunities have resulted in higher employee retention rates, with significantly reduced training and recruitment costs. 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 many years for employees to familiarize themselves with the production requirements of virtually dozens of different crops.

As a grower explained, *“How important is employee retention? Very important. There is an efficiency of having somebody you don’t have to retrain. Someone who knows the soils, who recognizes when there is a problem. Same thing with people who pick the fruit. They know which trees to go to, which parts of the orchard are going to be more mature.”* As another grower commented, *“It’s beneficial for us to have somebody here who has been here every year. You know them and you know what they’re going to do and what they’re not going to do. If you want to talk about sustainability, that’s part of it.”* One farmer, with a retention rate of approximately 90%, estimates annual cost savings of approximately \$20,000 to \$30,000 as a result of reduced training costs.

Reduced management costs: Motivated and committed farmworkers require less supervision and oversight. Many of the farms in our sample do not have foremen, resulting in thousands of dollars in cost savings and increased worker satisfaction. As a farmer who treats his workers exceptionally well, and does not hire foremen reported, *“My neighbors often ask me how I do it. They tell me that whenever they pass my farm I’m not in the fields and there are no foremen, but my employees are hard at work without any supervision.”*

Improved quality and better prices: A skilled, knowledgeable and committed workforce translates to higher quality products, allowing growers to access niche markets offering price premiums. Efforts to provide permanent employment through year-round cropping systems have resulted in increased sales and revenues, as well as increased market retention, a result of year-round contact with buyers.

A number of farms send farmworkers to sell at farmers’ markets, which has numerous advantages. Farmworkers interact directly with customers and obtain feedback regarding their likes and dislikes, which they pass on to co-workers. They also get a better sense of the quality of the “competition’s” produce, which often motivates them to improve the quality of their own product. Farmworkers also pass customer praise on to co-workers, which serves as an important motivator as well.

Cost savings come about in other ways as well. Workers on one farm insisted on working all night to remove bad product from a shipment. The farmers, who were exhausted from a long day, preferred losing the shipment to working all night to salvage it. However, their staff would not hear of it, and insisted on saving the shipment.

Reduced accidents and lower workers’ compensation rates: With the exception of reduced pesticide exposure, it is unclear to what extent factors such as a slower pace of work, diversity of tasks, and teamwork in lifting heavy items have resulted in reduced accidents and injuries or lower workers’ compensation costs. Some farmworkers and growers felt that was the case, while others did not. This is an issue that would benefit from further investigation.

Some farmers may ask which conditions and benefits have the greatest impact on worker satisfaction, motivation, retention and loyalty. In our research, year round employment and profit sharing emerged as most important. If the goal is to keep good workers, offering year round employment is perhaps the single most important retention strategy. *“Year round workers who have been here for a long time see year after year the impact of their work, they see the benefits*

and that makes them motivated to work harder.” In order to build the loyalty and motivation, workers also need to feel rewarded for these contributions. 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.”*

Many farmers, however, including the more successful ones, expressed the difficulties of increasing wages and benefits when low prices and high workers’ compensation costs make it difficult to generate even a small profit. The beauty of profit sharing, however, is that it enables farmers to supplement wages in good years, while keeping labor costs down during bad years, a virtually risk free strategy that creates a win-win situation for both farmers and workers.

In the meantime, farmers should keep in mind that there are simple, yet highly effective ways to increase worker satisfaction and productivity without significantly increasing wages and monetary benefits. Without ignoring the importance of improving compensation policies, many positive practices – such as respectful treatment, flexible work schedules, effective communication, access to loans, and free food from the farm – can be implemented with little or no additional cost.

Conclusions

The findings from this research provide a window into the different ways that sustainable growers in California are working to provide farmworkers with more socially equitable 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 in turn 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, which are highly valued by farmworkers. 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 to access niche markets offering price premiums. It is essential that sustainable growers be provided with the tools and information allowing them to successfully meet these emerging market demands.

More active engagement and support is therefore needed by grower, extension and other technical assistance organizations to provide this kind of support to growers and farm labor contractors, who employ nearly 50% of California's farm labor force. More resources for this work must also be forthcoming from sustainable agriculture funders and others concerned with long term stability, health and wellbeing of agricultural communities.

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).

Other issues must be addressed within the context of improved farm labor practices, including the need to formalize these "best practices" and make them less dependent on the goodwill of individual growers. Additionally, while immigration reform and the role of farm labor contractors were beyond the scope of this work, these too are issues that must be addressed in promoting improved farm labor conditions. Finally, 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.

References

The following publications and other resources were consulted in writing this report:

- Aguirre International. 2005. "The California Farm Labor Force Overview and Trends from the National Agricultural Workers Survey." Burlingame, CA: Author.
- Allen, Patricia. 1994. "The Human Face of Sustainable Agriculture: Adding People to the Environmental Agenda." *Issue Paper #4*. Santa Cruz, CA: Center for Agroecology and Sustainable Food Systems. (<http://zzyx.ucsc.edu/casfs/issuepapers/issuepaper4.html>).
- Allen, P., D. Van Dusen, J. Lundy, and S. Gliessman. 1991. "Integrating Social, Environmental, and Economic Issues in Sustainable Agriculture." *American Journal of Alternative Agriculture*, 6(1): 34-39.
- Allen, Patricia, Margaret FitzSimmon, Michael Goodman and Keith Warner. 2003. "Shifting Plates in the Agrifood Landscape: The Tectonics of Alternative Agrifood Initiatives in California." *Journal of Rural Studies*, 19: 61-75.
- Billikopf, Gregory. 2003. *Labor Management in Agriculture: Cultivating Personnel Productivity*. UC Agricultural Issues Center. (<http://www.cnr.berkeley.edu/ucce50/agriculture-labor/>).
- Brown, Sandy. 2003. "Social Accountability in Sustainable Agriculture." Santa Cruz, CA: *California Certified Organic Farmers Newsletter*. (<http://ccof.org/magazine/03sasa.pdf>).
- California Sustainable Agriculture Working Group. 2004. "Draft Labor Principles." Santa Cruz, CA: California Sustainable Agriculture Working Group.
- California Sustainable Winegrowing Alliance. 2004. "California Wine Community Sustainability Report 2004, Chapter 14: Human Resources." (http://www.sustainablewinegrowing.org/pdfs/04_ch14_F.pdf).
- Comité de Apoyo a los Trabajadores Agrícolas (CATA). "Fair Labor Standards and the Organic Industry." (<http://www.cata-farmworkers.org/english%20pages/laborstandardsorg.html>).
- Ecotrust. 2005. "The New Mainstream: A Sustainable Food Agenda for California." (Draft).
- Emert, Carol. "A Revolution Among the Vines." *San Francisco Chronicle*, November 6, 2003. (sfgate.com/article.cgi?file=/c/a/2003/11/06/WIG1I2Q9371.DTL)
- Fairtrade Labelling Organizations (FLO) International. "Generic Fairtrade Standards For Hired Labour." (<http://www.fairtrade.net/sites/standards/standards.html>).

- Food Alliance. "Food Alliance Standards: Safe and Fair Working Conditions."
(<http://www.foodalliance.org/downloads/pdf/certification/Safe%20and%20Fair%20Working%20Conditions.pdf>).
- Guthman, Julie. 2004. *Agrarian Dreams: The Paradox of Organic Farming in California*. Berkeley, CA: University of California Press.
- Henderson, Elizabeth, Richard Mandelbaum, Oscar Mendieta and Michael Sligh. 2003. "Toward Social Justice and Economic Equity in the Food System: A Call for Social Stewardship Standards in Sustainable and Organic Agriculture." Pittsboro, NC: Rural Advancement Foundation International. (http://www.rafiusa.org/pubs/SocialJustice_final.pdf).
- Howard, Phil. 2005. "What Do People Want to Know About Their Food? Measuring Central Coast Consumers' Interest in Food Systems Issues." *Research Brief #5*. Santa Cruz, CA: Center for Agroecology and Sustainable Food Systems.
(<http://repositories.cdlib.org/cgi/viewcontent.cgi?article=1014&context=casfs>).
- Huselid, Mark. 1995. "The Impact of Human Resource Management Practices on Turnover, Productivity and Corporate Financial Performance." *Academy of Management Journal*, Vol. 38, No.3.
- Inouye, Janel, and Keith Douglass Warner. 2001. "Plowing Ahead: Working Social Concerns into the Sustainable Agriculture Movement." *California Sustainable Agriculture Working Group White Paper*. Santa Cruz, CA: California Sustainable Agriculture Working Group.
- International Federation of Organic Agriculture Movements (IFOAM). "A Social Agenda for Organic Agriculture?" (http://www.ifoam.org/organic_facts/justice/).
- International Federation of Organic Agriculture Movements (IFOAM). "Organic Agriculture and Social Justice." (http://www.ifoam.org/organic_facts/justice/).
- International Federation of Organic Agriculture Movements (IFOAM). "IFOAM Basic Standards for Organic Production and Processing, Chapter 8: Social Justice."
(http://www.ifoam.org/organic_facts/justice/pdfs/IBS_chapter_8.pdf).
- Jaffee, Dan. 2000. "Behind the Organic Tomato: Farm Workers and Labor Conditions on Four Northern California Organic Farms." Unpublished manuscript.
- Kupfer, David. 2004. "Striving for Social Sustainability in Agriculture: Organic Farming Endeavors to Improve the Health of the Consumer and the Environment, But What About the Farm Worker?" *NewFarm*. (<http://www.newfarm.org/features/0804/worker/>).

- Lorenzen, Rachel P., Cameron Neil, Krisha Corbo and Sasha Courville. 2004. "SASA Final Report on Social Standards and Social Auditing Methodologies." Bonn, Germany: International Social and Environmental Accreditation and Labelling (ISEAL) Alliance. (http://www.isealalliance.org/sasa/documents/SASA_Final_socialstandards&verification.pdf).
- Mascarenhas, Michelle. 1997. *Just Food: Organic Farming in Santa Cruz County*. Master's Thesis, UCLA (California Center for Sustainable Communities at Occidental College).
- National Campaign for Sustainable Agriculture. 2005. "Social Justice Policy Committee: Statement And Priority Work For 2005 (Draft)." (<http://www.sustainableagriculture.net/social.php>).
- Pfeffer, Jeffrey. 1998. *The Human Equation: Building Profits By Putting People First*. Boston: Harvard Business School Press.
- Rainforest Alliance. "Sustainable Agricultural Network Social and Environmental Principles." (<http://www.rainforest-alliance.org/programs/agriculture/certified-crops/principles.html>).
- Rosenberg, Howard R., Jeffrey M. Perloff, and Vijaykumar S. Pradhan. 1994. "Hiring and Managing Labor for Farms in California." *Working Paper No. 730*. Berkeley, CA: Department of Agricultural and Resource Economics, Division of Agriculture and Natural Resources.
- Shreck, Aimee, Christy Getz and Gail Feenstra. 2005. "Farmworkers in Organic Agriculture: Toward a Broader Notion of Sustainability." *University of California Sustainable Agriculture Research and Education Program Newsletter*, Vol.17, No.1.
- Thach, L., T. Halhoul and J. Robinson. 2005. "Wine Business Management Practices to Promote Productivity and Profitability." *International Journal of Wine Marketing*, Vol. 17, Issue 1.
- Warner, Keith Douglass. 2003 . "Draft Workplan for the Farmworker Committee." Santa Cruz, CA: California Sustainable Agriculture Working Group.

Appendix A: “Gold Star” Practices

The following are examples of some of the “best of the best” practices identified through this research.

Respectful Treatment

Respectful treatment is at the heart of social equity in sustainable agriculture and is practiced by all the farms in our sample in different ways. This 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.

Compensation

- **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:** This large corporate farm offers overtime after 8 – not 10 – hours per day, and 48 – not 60 – hours per week.
- **Bonuses:** This large corporate farm on the Central Coastal provides a bonus of 22 cents per hour worked – amounting to roughly \$400 per year – to all workers remaining through the harvest.

Year Round work

- 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 farmworkers for jobs such as painting and carpentry in the winter.

Traditional Benefits

- **Health Insurance:** A vineyard management company covers 100% medical, dental, vision and life insurance benefits for workers and families after an employee has worked 120 hours. A diversified mid-sized farm on the Central Coast provides coverage for all employees and family members after 6 months.
- **Holiday pay:** Two large corporate farms offer 6 paid holidays each year, to seasonal and year round employees.
- **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. Another Central Valley mid-sized farm offers one week vacation pay to its employees after 2 years or 50 hours paid out, which increases to 2 weeks after 3 years, or 100 hours paid out.

- **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 also 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. One mid size farm assists in finding housing and occasionally takes on leases for permanent and seasonal staff.
- **Bereavement pay:** Two of the corporate farms offer 3 days paid bereavement leave.
- **Life Insurance:** One corporate farm offers life insurance, and recently doubled the amount of the benefit in order 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

- **Personal Loans:** Three farms offer no-interest loans of \$500 to \$2,000, which are paid back over time 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 farm in the Capay Valley helped employees start an Alcoholics Anonymous group in the local town, 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 providers to provide outreach on the farm, and pays workers for time spent attending those sessions.
- **Tuition Assistance and Scholarship Program:** This large corporate farm on the Central Coastal offers up to \$2,000 for work-related classes for all employees, and \$500-1,000 per child per year to attend college.

Labor Relations, Communication and Decision Making

- **Formalized Policies and Employee Manuals:** Three farms have formalized policies, which are codified in bilingual English-Spanish employee handbooks.
- **Grievance Procedure:** 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, requesting 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, legal issues, negotiating leases, 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 diversified Capay Valley farm has a strictly enforced “no yelling” policy for supervisors.

Farm Labor Contractors

- 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.

Ergonomic and Safety Issues

- **Handweeding Limitations:** Two farms explicitly limit hand weeding to two hours a day.
- **Safety Incentives:** A corporate farm conducts quarterly raffles for workers with a perfect safety record. The same farms conducts 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.
- **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.

Appendix B: Summary of Low, Medium and High Cost Practices

Low Cost Practices

Respectful treatment
Regular acknowledgement and appreciation
Personal loans
Policies and mechanisms for communication, information sharing and feedback
Clear grievance procedures
Flexible work schedules
Safe and healthy work environment (e.g. no pesticides, safety training)
Free food from the farm
Diverse tasks
Opportunities for training, skill acquisition and professional advancement
Surveys and other mechanisms for obtaining employee feedback
Assistance with social services
Celebrations, team-building and appreciation parties

Medium Cost Practices

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

High Cost Practices

Higher wages
Health insurance
Housing

Appendix C: Social Certification and Domestic Fair Trade: Market-Based 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.¹¹ Given the economic challenges reported by farmers for improving compensation and other more costly labor practices, new 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. In addition to Fair Trade, IFOAM's initiative to integrate social standards into organic standards and the Social Accountability in Sustainable Agriculture's (SASA) effort to develop guidelines to increase cooperation among different certification initiatives in sustainable agriculture, are two critical international ongoing 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, yielded important benefits for farmers, especially in terms of market access and new market opportunities.

In California, new market opportunities are emerging for farmers that meet higher levels of social and environmental responsibility. In the short term, demand is growing among institutional markets such as universities and hospitals, food service operators such as Aramark and Bon Appetit, and large buyers like Cascadian Farms, who have codes of conduct for their suppliers. In order to meet this growing demand, Food Alliance plans to enter the California market in 2006. While new markets for producers are an important benefit, the key challenge with these programs will be to secure higher prices for producers to defray costs associated with transitioning to improved environmental and social practices.

Fair Trade is one of the few established certification programs addressing the issues of fair prices for producers, and transparency and equity along the supply chain. Until recently, Fair Trade had been an international trading concept. However, many groups in the U.S. are actively working to develop domestic Fair Trade certification schemes, that ensure a fair price for farmers, and reward improved environmental and labor practices. A multi-year process to develop North American social justice standards for agriculture, led by the Rural Advancement Foundation International and the Farmworkers Support Committee (CATA), is the most comprehensive effort of that nature to date. A pilot program to test, implement and evaluate those standards is underway at a soon to be determined site in North America. At least half a dozen other schemes are in process, including the Minnesota Local Fair Trade Group, Ag in the Middle, and the Wisconsin Fair Trade cheese initiative. These initiatives, as well as other incipient efforts, are coming together under the banner of a Domestic Fair Trade Working group organized by Organic Valley, a farmer-owned dairy cooperative that has been applying fair trade principles in its domestic business practices since its inception in 1988.

¹¹ For example, in the U.S., Fair Trade Certified coffee grew by 93 percent in 2003 and 76 percent in 2004.

Over the past several years, many 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 U.S. 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.