

The Economic Impacts of Immigrant Labor on U.S. Dairy Farms

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Introduction

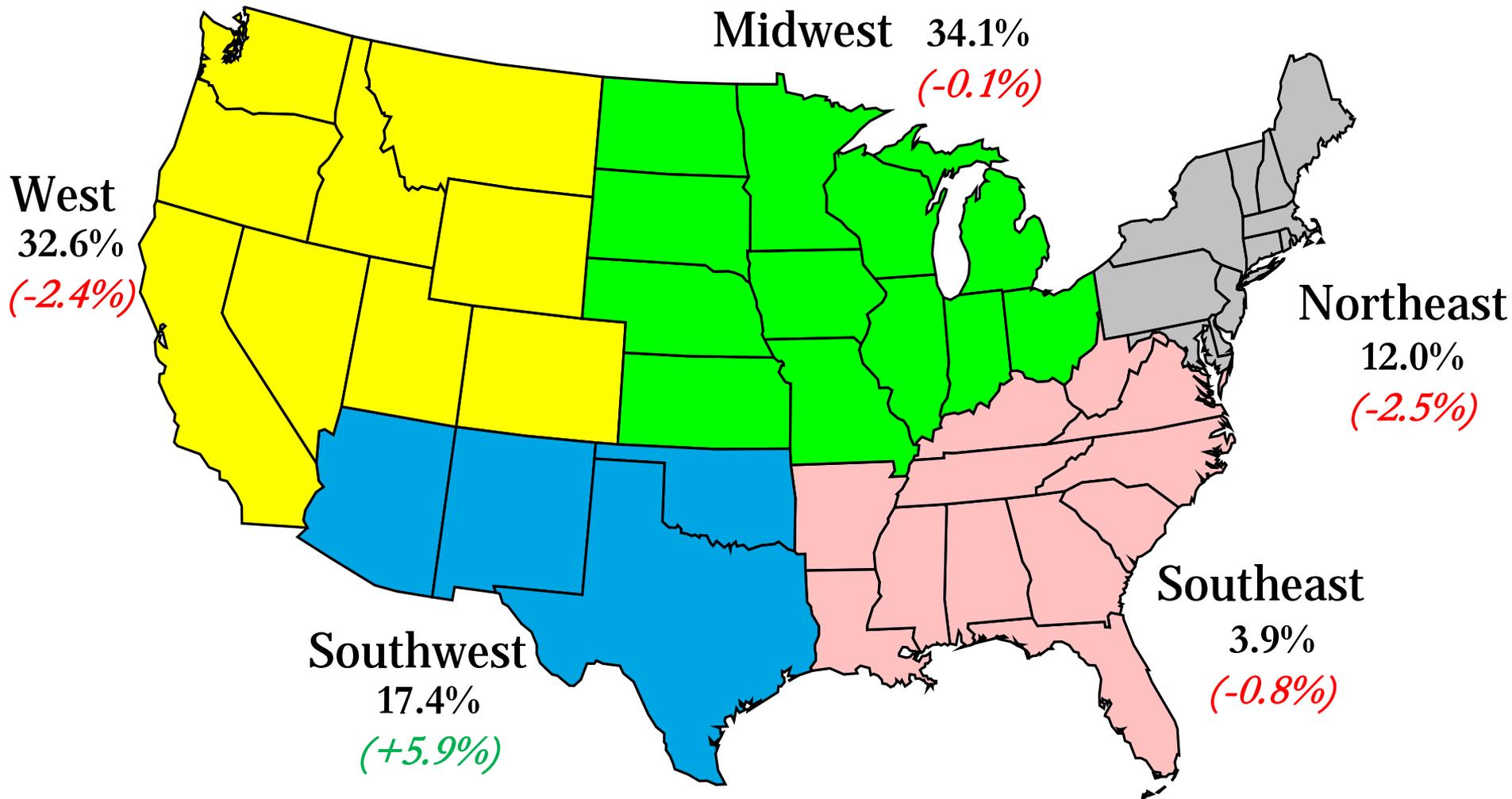
- **Immigrant Labor Continues to be an Important Component of Many U.S. Agricultural Enterprises**
- **Similar Study in 2009 Found 62 Percent of Milk was Produced by Farms Employing Immigrant Labor (CNAS)**
- **Partially Supported by National Milk Producers Federation**
- **2015 Survey Sent to 5,000 Dairy Farms in Hard Copy and Electronic Form**
- **1,223 Questionnaires were Returned – 1,000 were Usable**
- **Final Paper Currently Under Editorial Review**

Representative of Industry

- Since Random Sample Not Taken, We Must Verify Respondents Represented the Industry
- Responses Came from All U.S. Regions and from All Herd Sizes
- Higher Proportion of Responses from Larger Farms that Hire Labor
- Geographic Dispersion Similar to NASS Reported Dairy Farm Data

Survey Respondents by Farm Size and Region		
Number of Dairy Cows	Number of Dairy Farms Responding	% of Total Respondents
<50	45	4.5%
50-199	193	19.3%
200-499	154	15.4%
500-999	269	26.9%
1,000-1,999	184	18.4%
2,000+	155	15.5%
Region of the United States	Number of Dairy Farms Responding	% of Total Respondents
Northeast	172	17.3%
Southeast	38	3.8%
Midwest	467	46.9%
Southwest	72	7.2%
West	246	24.7%

Percent of Surveyed Milk Production (and Difference from NASS)

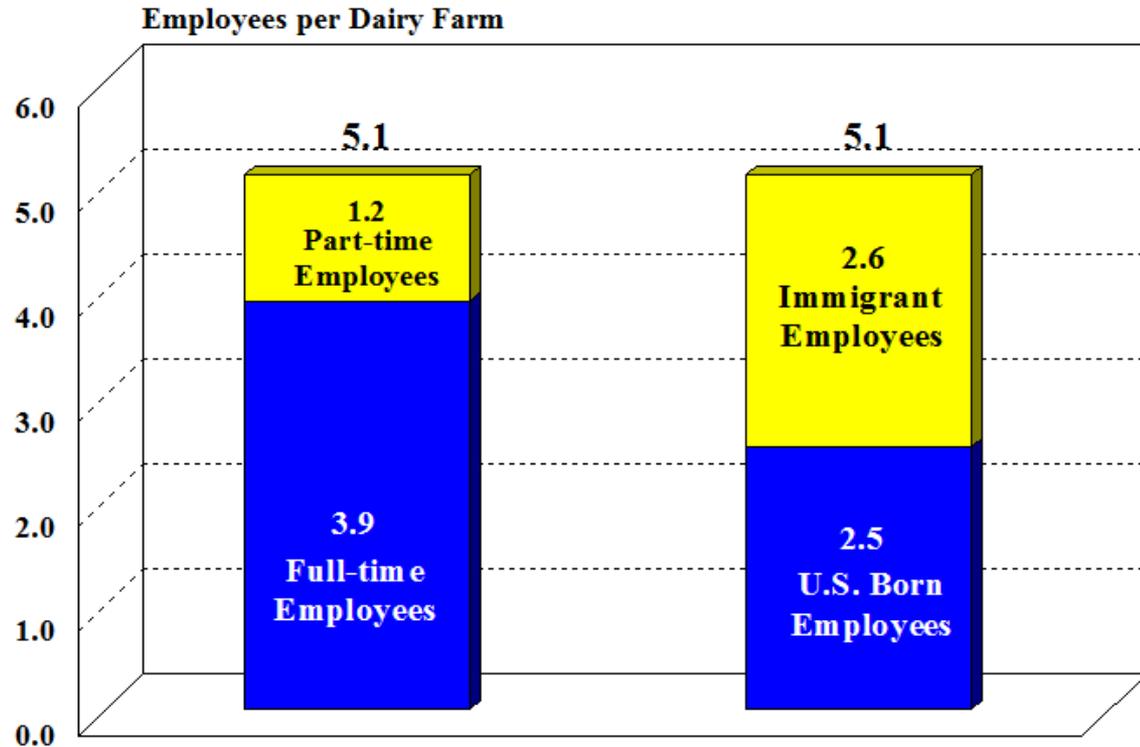


U.S. Dairy Farm Labor

➤ Using Extrapolation, Survey Results Indicate 114,092 Full-Time and 36,326 Part-Time Employees on U.S. Dairies for a Total of 150,418

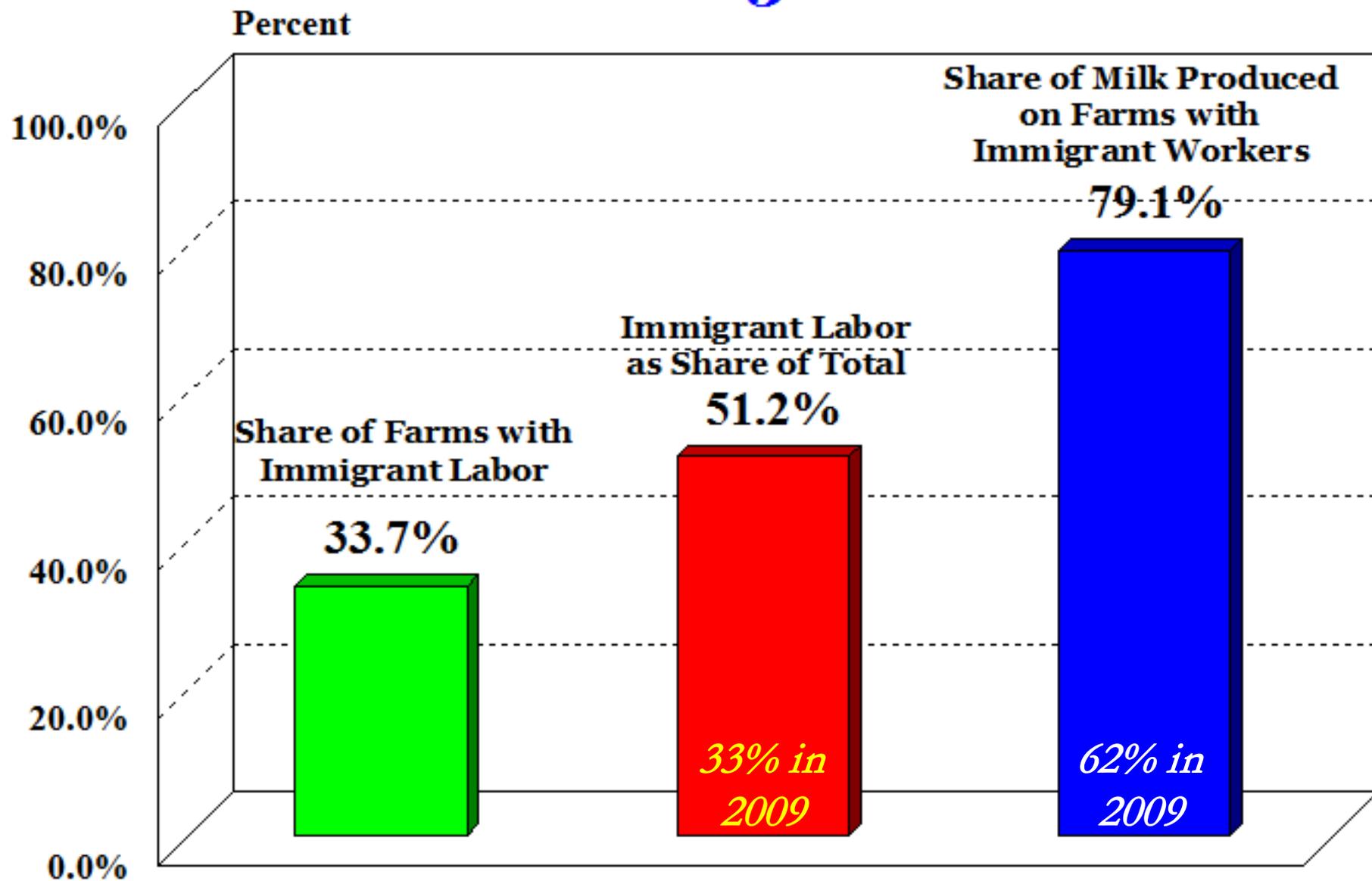
➤ Slightly More than Half, 76,968, of U.S. Dairy Labor are of Immigrant Origin

Workers on Dairy Farms Average, 2013



Source: National Dairy Labor Survey, n=911

Immigrant Workers on U.S. Dairy Farms, 2013

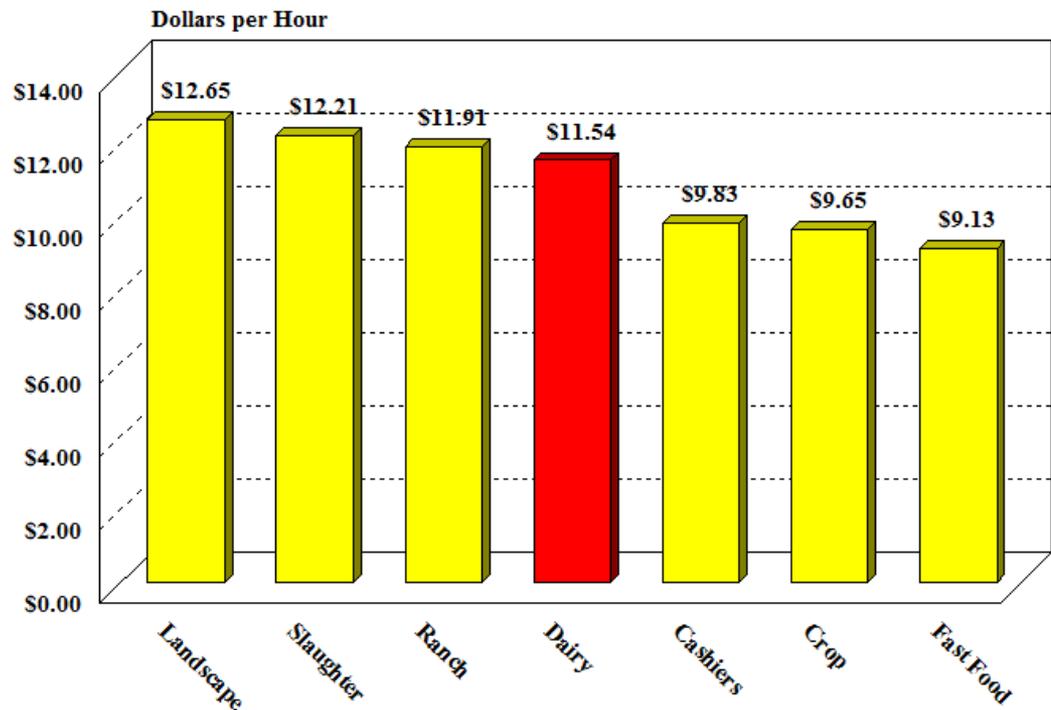


Source: National Dairy Labor Survey, n=911; Percents are for Farms with 50 or More Cows

U.S. Dairy Labor Compensation

- U.S. Dairy Employees Earn an Average \$11.54/Hour
 - Dairies with Immigrant Labor Pay \$11.69/Hour
- Dairy Employees Work an Average of 54 Hours per Week, Earn \$623/Week or >\$31,000/Year
- Most Dairy Farm Pay a Wide Array of Benefits

Hourly Wage Comparison, 2013

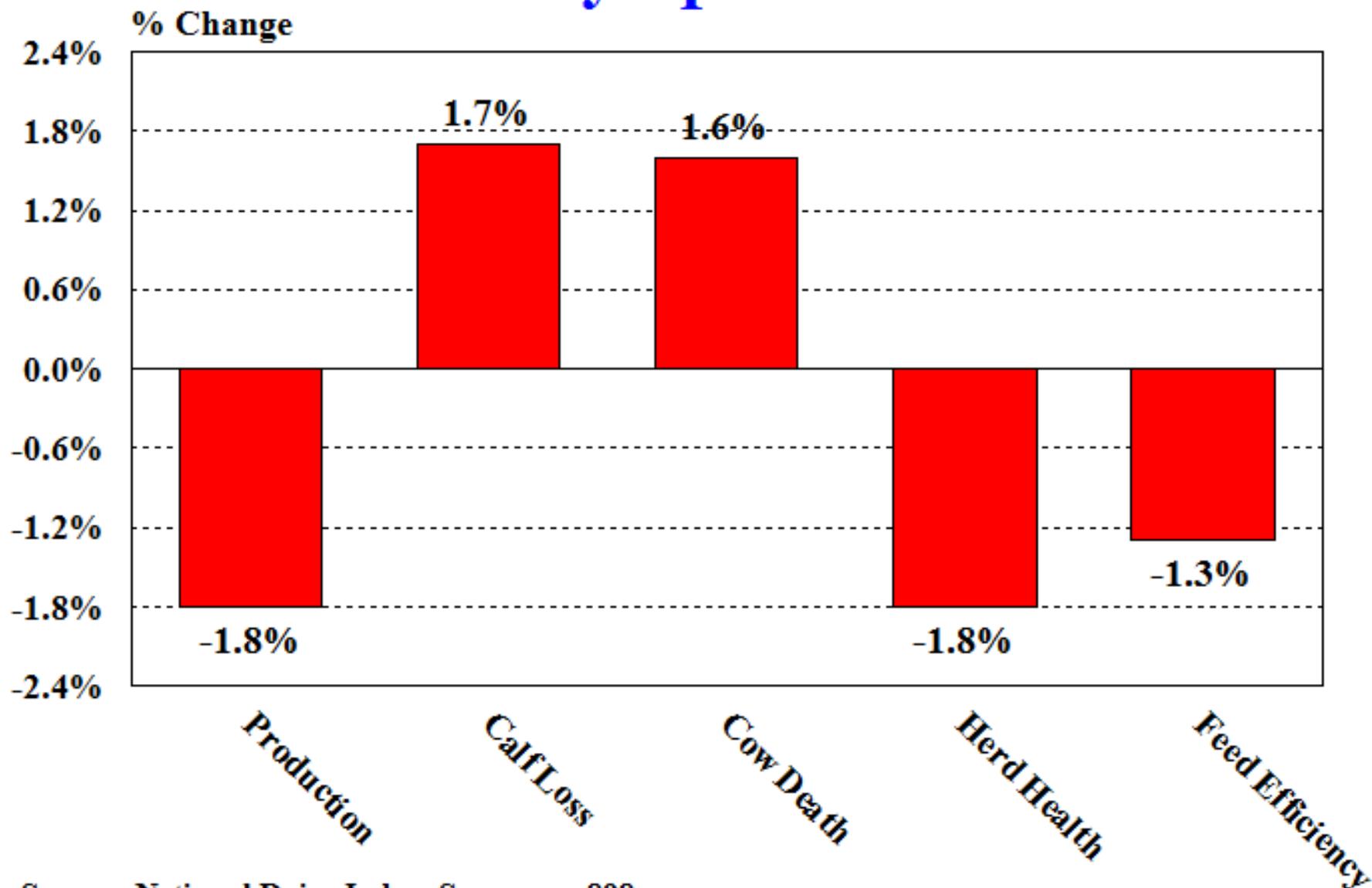


Source: National Dairy Labor Survey and Bureau of Labor Statistics

U.S. Dairies and Immigration Issues

Issue	Low	Medium	High	Average Rating
Confidence in Documents of Immigrant Employees (n=750)	38.9%	32.1%	28.9%	2.8/5.0
Concern about Actions by Immigration and Customs Enforcement or Customs and Border Protection (n=727)	21.2%	21.2%	57.6%	3.6/5.0

Effects of Employee Turnover on Surveyed Dairy Operations

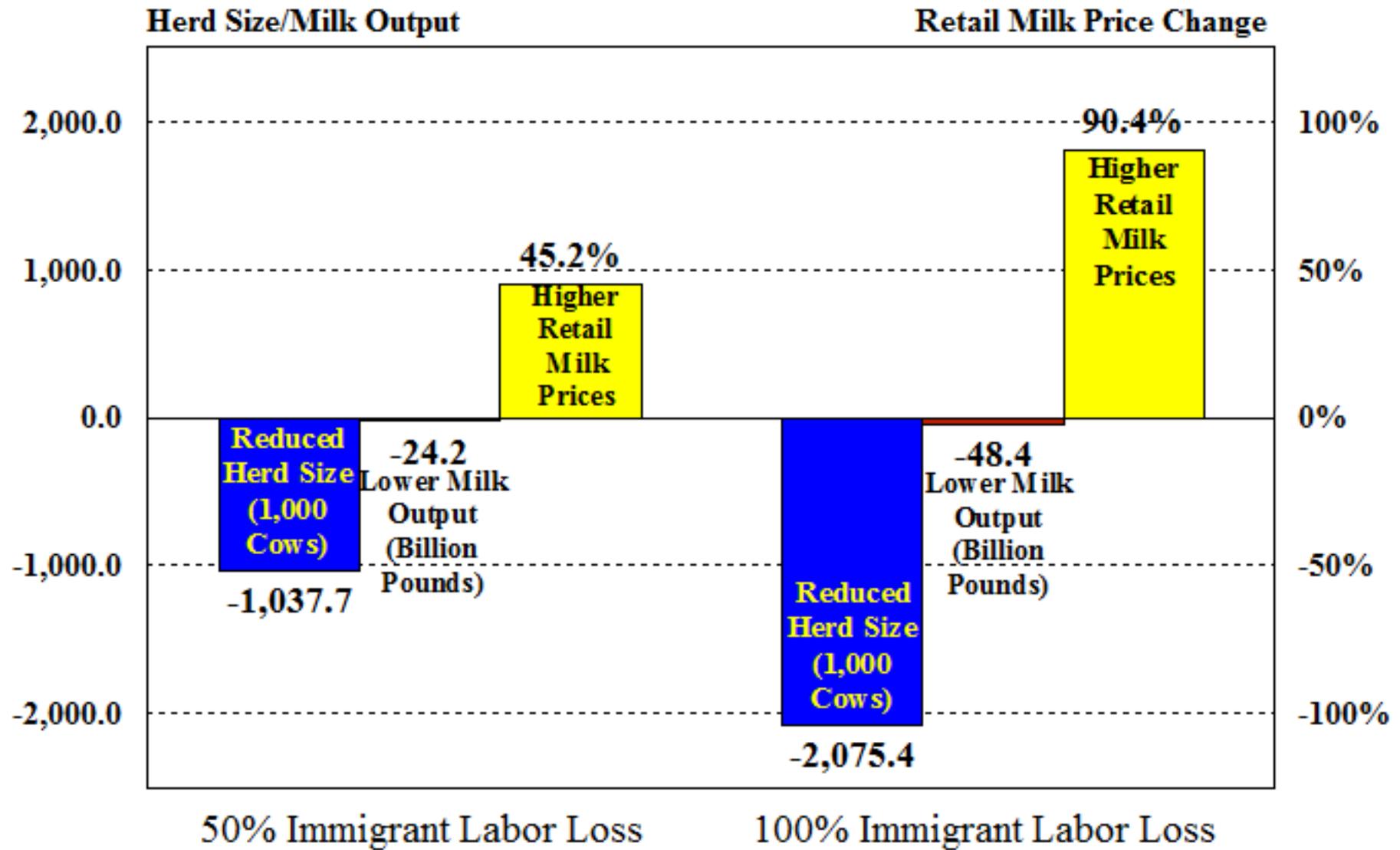


Source: National Dairy Labor Survey, n=898

Impacts of Immigrant Labor Loss on U.S. Dairies

Dairy Characteristic Impacted	National Total (Baseline)	50% Labor Loss	100% Labor Loss
Impact on Dairy Herd Size (Head of Cattle)	9,207,600	-1,037,681	-2,075,362
Impact on Number of Dairy Farms	58,000	-3,506	-7,011
Impact on Milk Production (Million Pounds)	206,700	-24,200	-48,399

Immigrant Labor Loss Reduces Dairy Herd and Production & Raises Retail Milk Prices

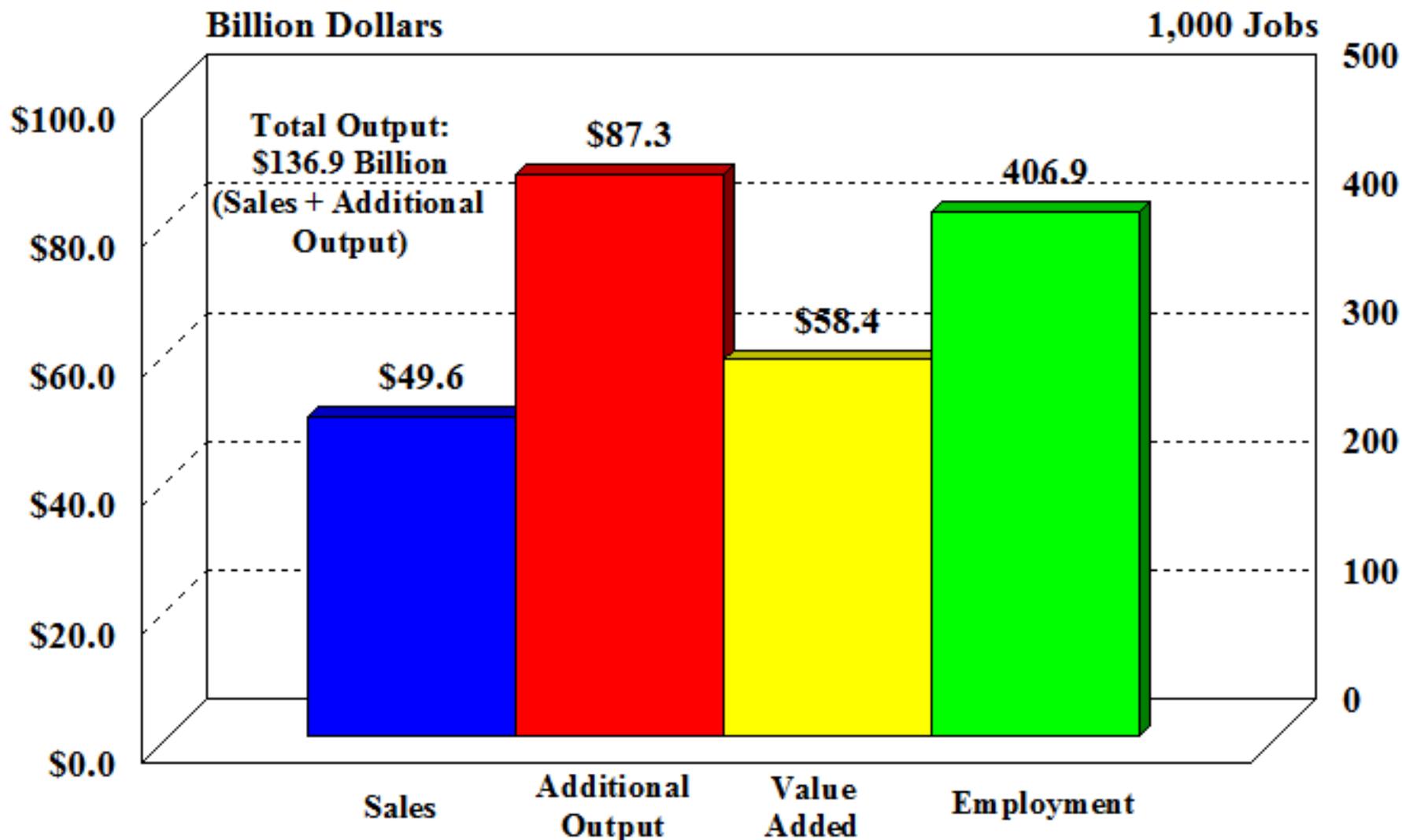


Source: National Dairy Labor Survey, n=955

Input/Output Definitions

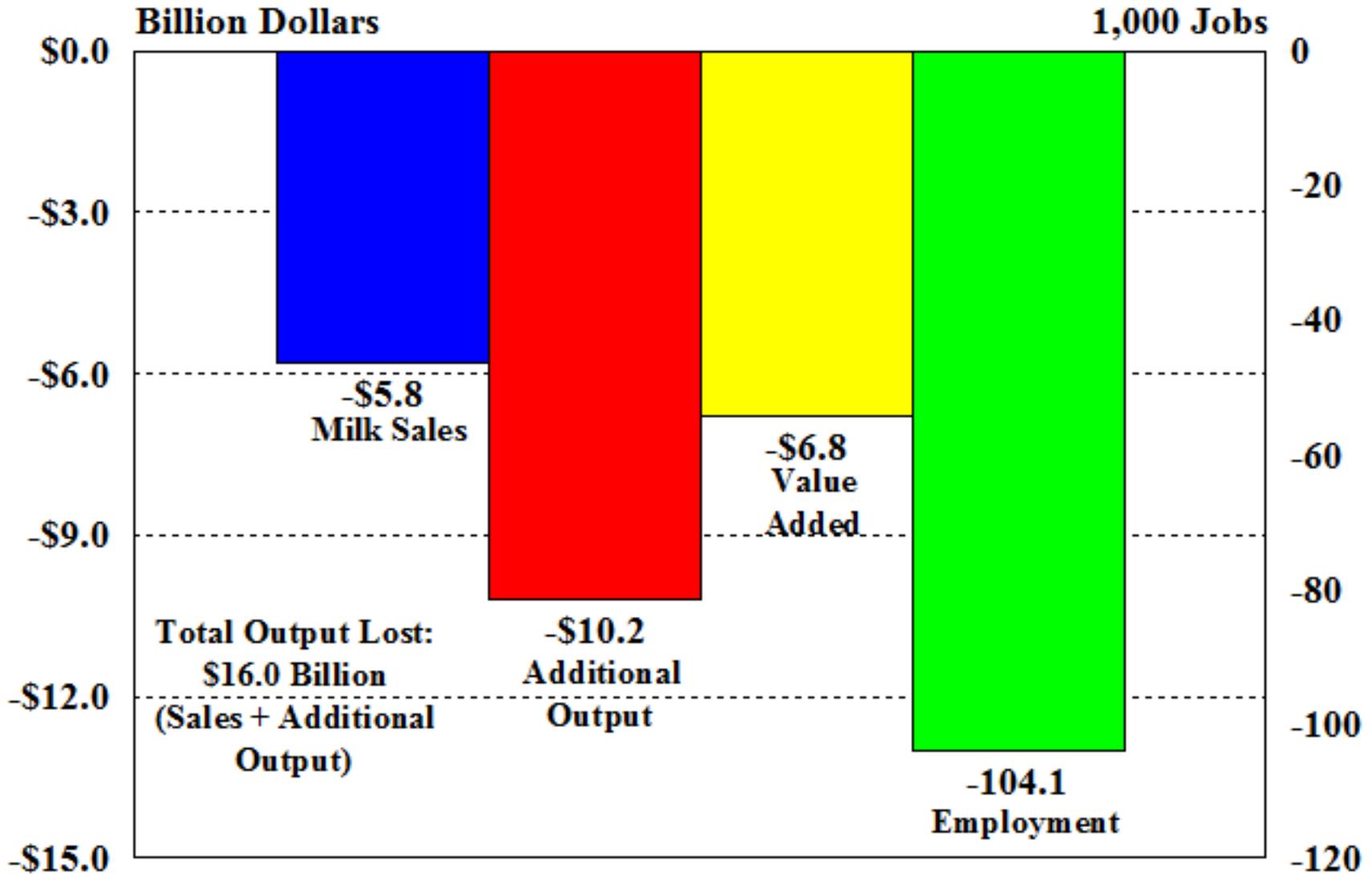
- ***Output***: Increase in Business Sales Required to Support \$1 of Milk Sales (*Farm Level*)
- ***Value Added***: Additional Gross National/ State Product due to \$1 in Milk Sales
- ***Employment***: Additional Employees Required for \$1 Million in Milk Sales
- ***Direct***: Sales of Output to Milk Customers
- ***Indirect***: Purchases of Inputs Required to Produce the Products for Sale
- ***Induced***: Expenditures by Employees and Households in the Input Industries

U.S. Dairy Sales Support Economic Activity



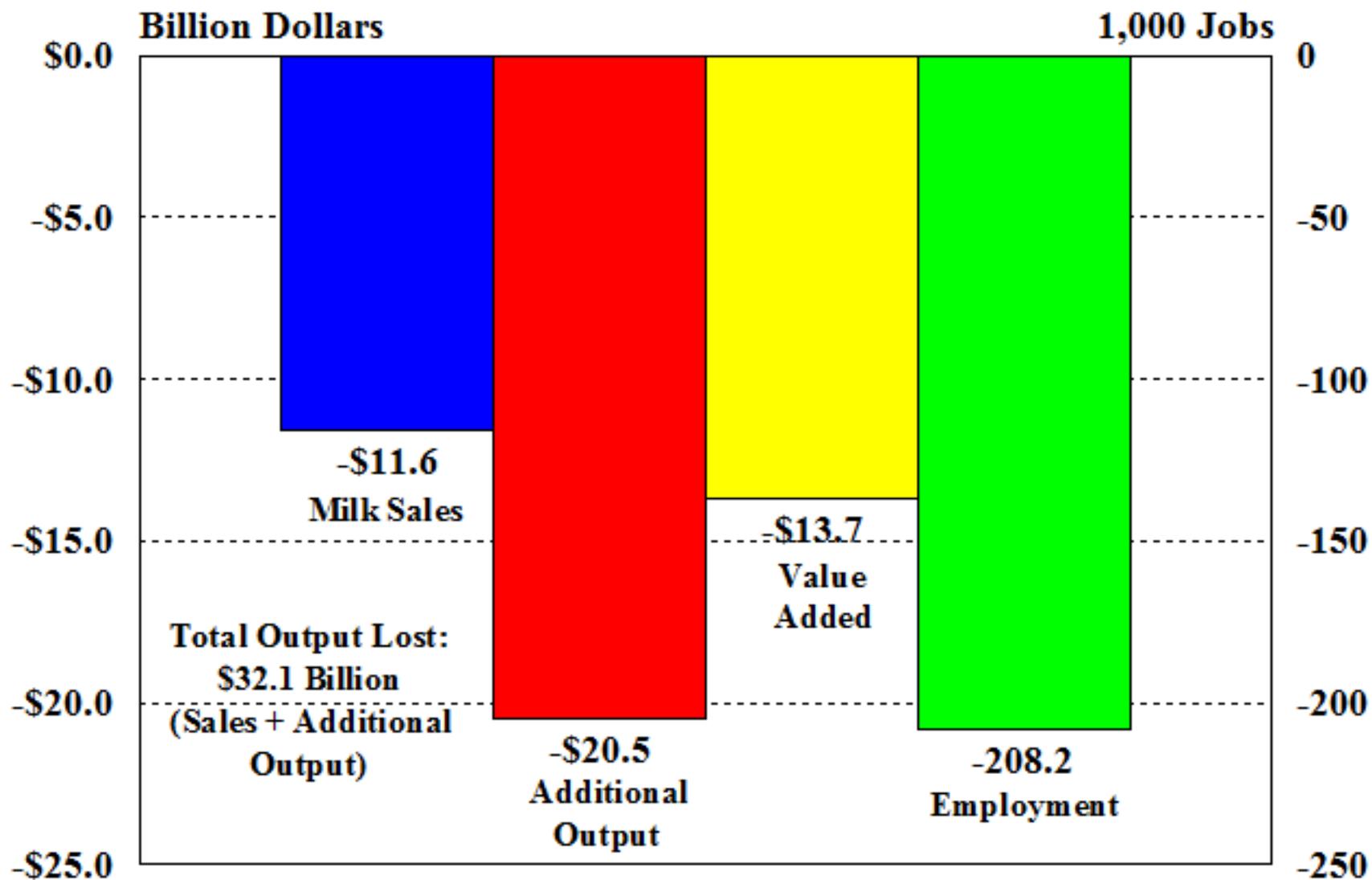
Source: National Dairy Labor Survey and IMPLAN

Economic Impacts of 50% Immigrant Labor Loss



Source: National Dairy Labor Survey and IMPLAN

Economic Impacts of 100% Immigrant Labor Loss



Source: National Dairy Labor Survey and IMPLAN

Implications

- ✓ **U.S. Dairies are Highly Dependent on Immigrant Labor for Milk Production**
- ✓ **Dairy Farm Salary and Compensation are Consistent with Other Ag Sectors**
 - **Farms with Immigrant Labor Pay a Higher Wage than Farms without Immigrant Labor**
- ✓ **U.S. Dairy Farmers Have Tepid Confidence in the Documents of their Immigrant Employees and More than Half are Highly Concerned about ICE Raids**
- ✓ **A Significant Loss of Immigrant Labor Would Lower Milk Production, Increase the Price to Consumers, and Cost the Economy Billions of Dollars in Output and Thousands of Jobs**

THANK YOU!!!

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