

The Importance of Immigration to the Pennsylvania Dairy Industry

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The Importance of the Pennsylvania Dairy Industry

Agriculture has been and continues to be Pennsylvania's number one industry. According to data from the Pennsylvania Center of Dairy Excellence, dairy makes up 42% of Pennsylvania's agricultural industry. The dairy industry is home to 560,000 dairy cows on 9,000 dairy businesses that create 40,000 jobs and produces annual sales valued at \$1.5 billion. The impact of Pennsylvania's dairy industry is felt beyond the farm gate. Research estimates that roughly 85% of a dairy farm's income is spent locally and that each farm dollar spent "recycles" 2.5 times in the local community. This local multiplier effect generates income and jobs that are felt well beyond the farm. Beyond the economic benefits, dairies also create and maintain open space for recreation, aesthetics, and wildlife that all add to the well being of the Commonwealth.

A Changing and Troubled Industry

Dairy is changing rapidly, nationally and at the state level. Consolidation is happening at an alarming rate. Even the traditional Pennsylvania dairies with 50 cows have to find ways to grow and adapt. This is happening for many reasons. Prices paid at the farm gate have not kept up with increased costs of business. When you are faced with increased costs, the only way to offset those cost is to increase production, either by increasing output from the same number of income producing units (in this case cows) or to add more income producing units. In the case of the dairy industry production has been on a steady increase. That alone has not offset the higher costs so we have seen an increase in cow numbers. In Pennsylvania we have seen dairies add a few cows to thousands of cows. Either way, these dairies need labor to do the work.

Dairy is a very labor intensive industry. It requires, in many cases, 24 hour a day staffing, 365 days a year. Cows need to be milked, fed and cared for each day. Crops need to be planted, harvested and stored. Calves need to be born, fed and cared for. It is an industry where success depends on things being done in a very timely manner. If the cows are not milked the same time every day or the crop isn't harvested at the right time, your business suffers. For most dairies, one full-time laborer can only handle on average 40-50 cows. Any herd with more animals than that must depend on some sort of extra labor. If that labor is not provided by family it must come from external hired help. This can mean that even a dairy with as few as 50 cows requires some sort of hired staff. Of course the larger the dairy, the more outside help is required.

Hiring employees is a challenge for any dairy. As mentioned, it is time consuming and not an 8 hour a day, 5 day a week job. It requires people to work all hours of the day, weekends and holidays. The work is often dirty and physically demanding. The increasing gap in prices farmers have to pay for inputs and the prices they get paid for their products does not allow many dairy businesses to go out and pay top dollar for labor. In many cases they can only afford unskilled labor. In Pennsylvania and other states it is very difficult for the dairy industry to compete with other industries for labor. In most cases it is less about money and more about finding someone willing to work long hours, with cows and on weekends and holidays. Why would people work on a dairy with cows, in inclement weather, around dust and manure on weekends and holidays when they can go to the local manufacturing plant and stand on the line and work 8 hours a day for 5 days a week? This is a real problem in Pennsylvania and other states with thriving economies. Many counties in Pennsylvania are running 3-4%

unemployment rates. The pool of available labor is low, and the pool that is available does not want the type of jobs that dairies can provide.

What Immigration Means to Dairy

As a result of these issues many dairies have turned to immigrant (mostly Hispanic) labor to staff their businesses. Some dairies have been utilizing Hispanic labor for years, but over the past 5 years, there has been an increase in the number of immigrant workers on dairies. This is due to many reasons. In most areas, a few dairies (mostly larger) started employing Hispanic labor. They had such good results and good experiences that many smaller dairies facing the same labor problems began to employ a few Hispanic laborers as well. In Pennsylvania, large and small dairies rely on the Hispanic workforce. All types of dairies are using Hispanic laborers. Even Mennonite dairymen are employing Hispanics as well. Dairy producers have found the Hispanic workforce to be reliable and hard working. Working long hours and weekends and holidays are no problem. Many dairies have found Hispanic laborers to be reliable, good with animals, willing to learn and appreciative of employment.

Most Hispanics that come to work on a dairy are inexperienced. They learn fast and quickly become trained professionals. Most Hispanics work in entry level jobs such as milking cows. While it is an entry level job, it takes someone who is well trained and motivated to do the job right. Most dairies spend a great deal of time and money on proper training. Some Hispanics who have worked on a dairy for some time and have proven to be leaders move into middle management positions where they manage crews of people, feed cows, give shots to cows, breed cows and check cows for pregnancy. They quickly become an integral part of the operation.

One misconception about the Hispanic workforce is that it is an inexpensive form of labor. If immigrants are not paid something comparable to the prevailing wage of the area they will go to another job. Most Hispanics on dairies in Pennsylvania start at \$9-\$10 per hour with some being paid \$14-\$15 per hour. Most work 50-70 hours per week. Working those hours with those kinds of wages, most will make \$35,000-\$50,000 per year. In some instances, Hispanics who have moved into middle management positions can make \$60,000+ per year. These wages are comparable, if not above, other local wages in other industries. This fact proves the point that it is not about money but more about finding people who want to do the job and are reliable to work the hours and in the conditions that are found on most Pennsylvania dairies.

One thing that is rarely mentioned is the human side of the relationship between Pennsylvania dairies and their Hispanic workers. Many Pennsylvania dairy families see their employees as part of the family. Pennsylvania dairymen have allowed their employees into their lives and homes. Many producers have Hispanic employees that they hired as young kids and have seen them grow and work to support a wife and family. They are respected and truly cherished by their employers. Many dairy employers are just happy to find people who are willing to do the work and appreciate the work. This has made their lives better and their businesses more viable.

What Can Pennsylvania Do on Immigration Reform?

As you can see, the long term effects that immigration has on the Pennsylvania dairy industry is huge. The recent resurgence in immigration reform has sparked a nerve in the country that has not been seen in a long time. The thought of removing a work force that has truly been a blessing to the Pennsylvania dairy industry scares most dairymen to death. When you get around and talk to dairymen, large and small, it is one of the foremost concerns of the day. We find it overwhelming with the prospect of trying to find people to do the work that must be done each day on Pennsylvania dairies. One day without that labor force would be devastating. Many dairymen have said it would simply "shut them down." It would throw their lives and businesses in chaos. It would break up families and farms that have been in a family for generations would be lost. This would all have negative repercussions to the Pennsylvania economy.

Pennsylvania dairymen want what everyone else on this state and country want. Some of these wants include:

- Secure borders -- after 9/11 no one can argue with that. We need to protect our borders to protect our country.
- Tracking of people within the country- We do not want undocumented people to wander about the country. Again it is a matter of national security. You need to be able to track who is in the country. It is impossible to track an individual for taxes or healthcare if we do not know who they are or where they are.
- Everyone to pay their fair share- It is reasonable to want everyone to pay their fair share of taxes and healthcare. Most Hispanics in dairy pay taxes and social security but there needs to be healthcare reform to make things fair.
- Consequences for illegal residents- This is the subject on which people have different views. Some view it as amnesty, but anything that is associated with a penalty (great or small) is not amnesty. Most dairymen would agree that paying some sort of penalty is reasonable but sending them back is not. This will only paralyze the economy and tear families apart.

For immigration reform to work for Pennsylvania dairy producers we need a guest worker program that is:

- **Fast and efficient:** It must be as simple as possible. When we have animals to care for and crops to harvest in a timely manner we can't wait months to go through the process.
- **Simplified:** Documentation and records need to be simple if they are to be followed correctly. One of the problems now is that you have so many different forms of identification that makes it impossible to tell what is real and what is not. Employers can not be the police force.
- **Economical:** Most everyone realize there will be a cost associated with any program. The costs need to be in line and not make it a burden on the employer or the employee.
- **Reasonable in Length:** We spend a great deal of time on training. We often start people at certain jobs and some have the ambition to do more. As they learn, they can grow into other jobs. This all takes time and any immigration bill needs to allow for this.