



Ag Workforce Issues

October 23, 2007

The availability of qualified and legal employees is a major area of concern for most industries. The first baby-boomer's are beginning to leave the workforce in increasing numbers, with the beginning of that era reaching benefit retirement age just last week. This generation is followed by generation X also referred to as the baby bust, they were born from the mid 60's to the mid 70's, during this time the population significantly slowed, employees from this generation are just not available because of the sheer number of citizens. Currently generation Y makes up most of the new employees coming into the workforce. This generation was born in 1977 to current and requires a whole different set of needs as employees.

Hatfield Quality Meats is a meat packing plant located in Montgomery County. We have a total employee base of 1658 employees. The demographics of the employee population at Hatfield today is 79% male, 21% female of which 53 % are Hispanic, 31 % Caucasian, 9 % Asian, and 6 % African American with the balance being American Indian and unspecified. I share those numbers to show the changing demographics of the workforce compared to 5-10 years ago. In 2000 the demographics of employees were 81% male, 19% female, of which 32 % were Hispanic, 54 % Caucasian, 10 % Asian, 3 % African American with the balance once again being American Indian and unspecified. This change has created many opportunities for employers along with challenges which were not apparent 5 - 10 years ago.

The employee today typically does not have industry specific skills, due to not growing up in an agriculture environment or working in a family business. In many cases the individual has had limited exposure, if any, to manual labor while growing up. That being said, when we look at recruiting efforts today we realize the pool of candidates is much more homogenous than it was 5-10 years ago. The typical employee we see

today was not raised in the United States and is in their low to mid twenties with limited education and language skills. Therefore, the jobs available to these employees are limited to non skilled operations such as construction, manufacturing, agriculture or service positions. Another challenge is the employee no longer lives in the suburbs surrounding the location of the industry, but rather in the city or a geographical location where other individuals of the same ethnic group have settled. In both cases the employee is facing transportation challenges getting to his/her place of employment.

One of the first challenges we face with this workforce is making sure the individual can legally work in the United States. A voluntary program called the Basic Pilot Program now called e-verify which is overseen by the Immigration and Naturalization Service and the Social Security Administration with the Immigration and Customs Enforcement Division of Homeland Security serving as the policing agency is intended to assist in identifying legal work status of an employment candidate. Hatfield Quality Meats currently participates in this program and has found it to be very beneficial. Recently a federal court decision has granted a preliminary injunction blocking the implementation of the Department of Homeland security rule regarding Social Security no match letters, which was to take effect on September 14, 2007. The court's injunction prevents specific and clear direction on handling Social Security non matches. As a result Hatfield Quality Meats and other employers are interpreting what the best course of action is in situations of a no match rather than being guided by clear rules and procedures. Although this is a federal issue it impacts employers in this state that participate in the program. Therefore, any assistance that the Commonwealth of Pennsylvania can provide in getting this issue resolved in favor of Homeland Security through contacts with Arlan Spector and Bob Casey would be of great benefit to Hatfield.

The current population of employee's tenure with a specific company is about 3-5 years. That being said recognition programs with employees that have been with a company 5-10-15- 20 years etc... is seeing fewer individuals achieving those milestones. The newer workforce does not put the value on long term benefit programs and retirement programs as the generations prior.

What does all this mean and how can you help? Unfortunately, there is not one easy answer to deal with the current labor shortage in Ag related fields and industry in general. What is needed is a combined effort between government, education and industry to deal with such a complex and far reaching issue.

To combat the lack of industry specific knowledge possessed by the employee entering the workforce we need to invest in training all employees on specific skills and in cultural differences between that exist between employees. Support for training initiatives through workforce development funding has been a great asset to companies such as Hatfield. Continued support of such programs as WED Net and Job Ready will continue to aid industry in delivering the appropriate training required. These programs and similar initiatives are needed to

meet the needs of this new generation and the overall workforce in general.

Education is key to turning the tide of the workforce's perception of Ag related careers. Education today does not in many cases focus on preparing the student to enter Agricultural fields or manufacturing in general. Many curriculums have not changed in years; therefore, schools are not painting a realistic picture of the needs and expectations of the workplace. This perception can be remedied by support for new curriculum and programs that focus students on current career opportunities in Ag and manufacturing industries. This curriculum will align the student's knowledge with the knowledge needed in the workforce today.

Supporting partnerships through agencies that bring together government, education and industry will aid in assuring needs are met. Developing structure and support to this partnership will help to assure programs are designed to support skill sets which are needed by industry helping to assure the worker of today can succeed in their position.

The last area of concern I'd like to address today is the transportation of today's workforce to the workplace. Because many of the manufacturing and Ag careers are located in the suburbs or outlying areas and the bulk of the workforce is located in the cities and other geographical areas that are settled by specific ethnic groups there is limited public transportation to jobs. An area of support for the employee and the employer would be adequate transportation to specific job sites to help fill the need of employees, since today's workforce typically lacks reliable transportation.

In conclusion you can see there are many challenges that the current workforce and industry are facing. It will take a collaborative effort to address and move forward with aligning a productive growing workforce with industry needs. Government and industry must collaborate and partner and pass legislative initiatives that support the Commonwealth's Ag and manufacturing industry thereby ensuring continued long term growth.