

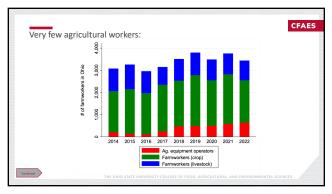


## The post-pandemic labor market

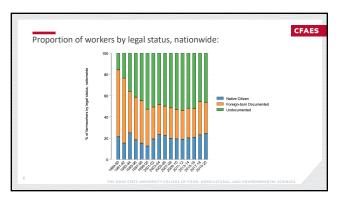
**CFAES** 

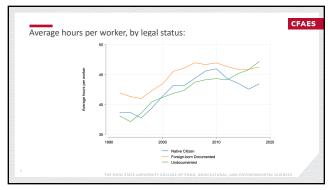
- Post pandemic, workers have a lot more bargaining power and are using that to move between jobs at much higher rates than ever before
- Ag is facing increasing wage competition from its traditional competitors (construction, etc.) but also new competitors (such as food service)
- Labor market exits remain high, exacerbating both of these issues

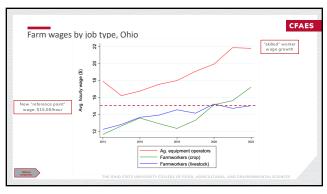
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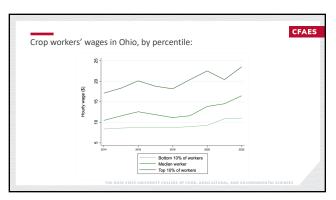


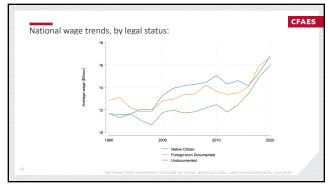
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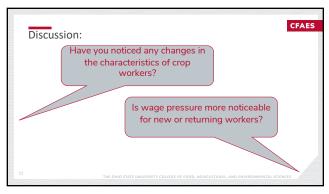


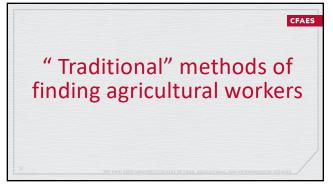












Determine your labor needs

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- Seasonality: importance of thinking ahead!
  - Anticipate your busy times
- How much labor is needed?
  - Think about trade-offs between more workers working fewer hours vs. fewer workers working more hours
- What is needed?
  - Job description should be balanced: accurate representation of work but also sell the job

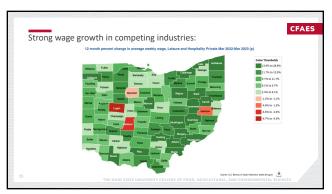
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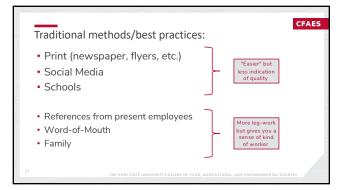
## Wages, wages, wages

- Wage rate remains the most important factor determining whether someone will take a job
   Not the **only** factor, however!
- Need to keep pace with other operators in your area and other industries
  - Pay attention to the AEWR (even if you don't have H-2A workers)
  - It is more costly to train new workers, so there are benefits to rewarding good employees you already have

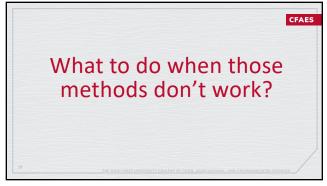
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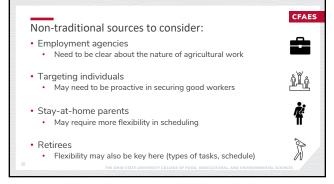


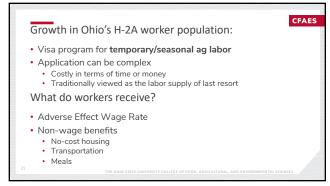


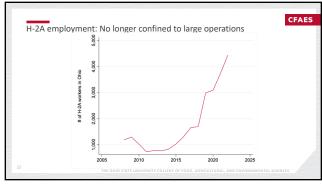


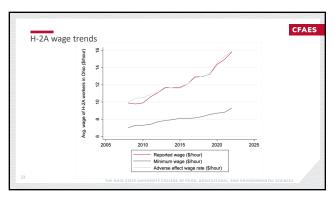










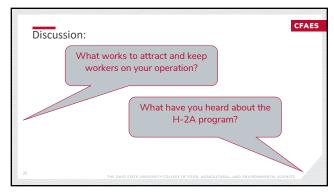


Agricultural labor policy feels like a non-starter

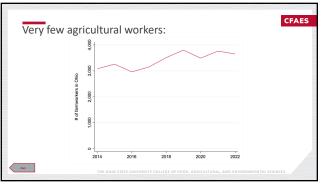
• Farm Bill discussions getting a lot of attention; labor issues not main factor there

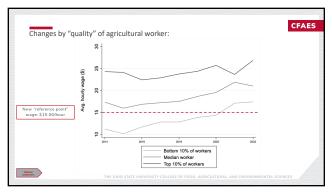
• Higher wage bills contributing to overall uncertainty / production pressure in farm economy, which informs Farm Bill discussions

• Requires bipartisanship, which becomes less likely as the election gets closer











General employment update: introduction

• Period of "balance" after disruptions of the pandemic and early post-pandemic years

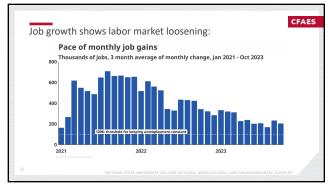
• Headwinds from inflation and tighter monetary policy

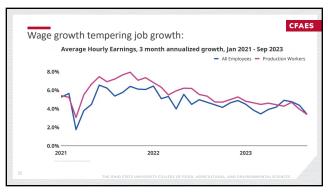
• Sustainable, rather than reckless, growth in key employment figures

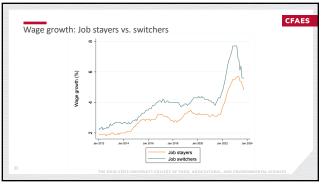
• Evidence that job switching behavior is moderating

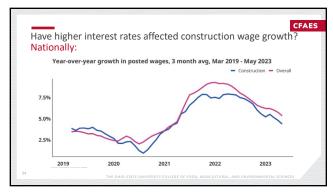
• Nominal wage growth is moderating

• Approaching their pre-pandemic levels

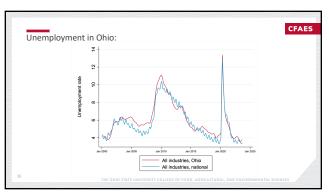


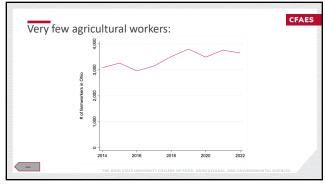


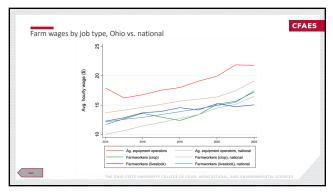


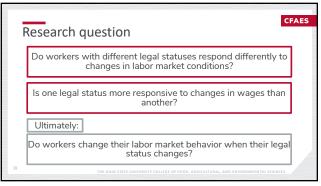


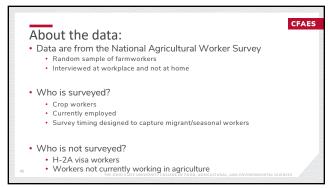


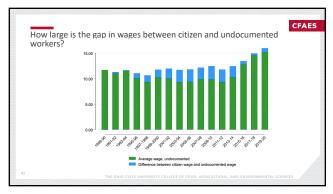




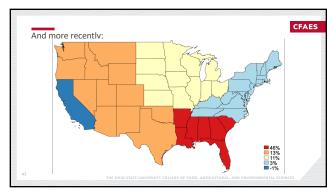


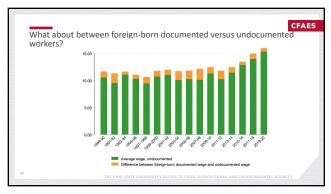




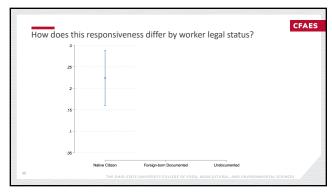


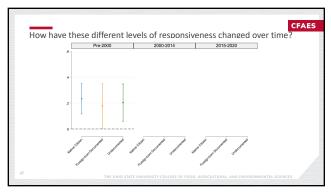






CFAES	
How do we measure how responsive workers are to changes in wages?	
Use elasticities to measure responsiveness	
Labor supply elasticity measures how the number of hours workers     "supply" to the market changes when the wage changes:	
Example:	
Hold other worker characteristics constant (task, demographics, etc.)  THE OHIO STATE UNIVERSITY COLLEGE OF FOOD, AGRICULTURAL, AND ENVERDMENTAL SCIENCES.  THE OHIO STATE UNIVERSITY COLLEGE OF FOOD, AGRICULTURAL, AND ENVERDMENTAL SCIENCES.	





## Policy Implications: • Evidence that policies designed to provide a path to legalization effectively move would increase workers' responsiveness to wages • Such a policy would have limited labor supply impacts in the middle period of our sample • Low labor supply response from immigrant workers in this period • Marked by the largest gaps between citizen and undocumented wages • Given the relative wage levels, possible that such a policy would increase wage bill but may help to attract and retain workers

