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## **NEWS FROM NEW YORK FARM BUREAU**

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For Immediate Release:  
March 18th, 2015

## **FARMERS REVEAL IMPACT OF PROPOSED MINIMUM WAGE HIKES**

During a conference call today with reporters, farmers spoke out against plans to raise the minimum wage to \$10.50 or higher. It would strain farmer income and place farmers in this state at a further competitive disadvantage.

New York Farm Bureau has compared other minimum wage rates across the country, including those states New York directly competes with in the dairy industry. California is the only large dairy state with a similar minimum wage. California stands at \$9. However, Pennsylvania, Wisconsin and Idaho are all at the federal standard of \$7.25.

But this isn't just about rising wage rates for those earning the minimum. Farmers in New York routinely pay well above current rate. It was revealed during the press conference call, that according to the USDA, farms in New York already pay an average agriculture wage rate of \$12.15. Farmers expressed that upping the New York minimum wage would lift all wages on their farms. They said a worker, who already earns a higher hourly rate based on experience and time on the farm, would also expect a bump in salary to match.

Sandie Prokop, a dairy farmer with Crossbrook Farm in Schoharie County, estimates a \$1.75 wage increase and additional payroll taxes for her six employees would add an additional \$44,354 to her payroll. This is at a time when the income her family's farm receives for milk has dropped dramatically in recent months. Because of dropping milk prices set by the federal milk marketing order, she said her milk income has fallen more than \$40,000 in the first two months of the year and expects the March check to be even lower. Prokop said they have already cut costs where they can and do not know where else to trim should labor costs climb again.

“You can’t give one employee a raise and not another,” said Prokop. “It’s a significant amount of money without any time to prepare. We are price takers and not price makers. We do not have that \$45,000 available. The choices become very dark and very serious for everyone that is milking cows and farming in New York.”

Brian Reeves of Reeves Farms in Baldwinsville, NY runs a vegetable and fruit farm, including a u-pick operation. He also expressed that this hike would drive up wages across the board for his employees. He estimates that a \$10.50 rate and added payroll taxes would cost his farm an additional \$50,000 a year.

“This isn’t a story of “gee, we have minimum wage workers and can’t give them another quarter.” We are already paying well above it. Our entire payroll creeps up when the minimum wage goes up and has a profound impact on your bottom line,” said Reeves. “Where the rub is for me is I compete with Pennsylvania, Wisconsin and Michigan, states that typically have fewer expenses to farm than we do in New York.”

New York Farm Bureau has continually supported keeping the state minimum wage linked with that of the Federal minimum wage, as our farmers are competing in a global marketplace. Farmers can’t pass along the increases to wholesalers, processors and grocery stores because of competition from farms in other states and countries.

“Farmers can’t simply raise our prices because labor prices are going up. This is not a wise strategy to support agriculture or business in the State of New York,” said Dean Norton, New York Farm Bureau President.