



Minimum Wage Increase: Effect On Agriculture

Agricultural Employer 1 Dairy Farm, Capital Region

375 Cows
Contributes \$2.2M to Local Economy

6 Employees Wage Increase: \$38,220
Employer Payroll Tax Increase: \$6,134

Additional Cost: \$44,354

Agricultural Employer 2 Dairy Farm, North Country

2,500 Cows
Contributes \$10M to Local Economy

41 Employees Wage Increase: \$182,000
Employer Payroll Tax Increase: \$25,923

Additional Cost: \$207,923

Agricultural Employer 3 Vegetable Grower, Central NY

300 Acres of Production
Contributes \$2M to Local Economy

15 Employees Wage Increase: \$7,100
Employer Payroll Tax Increase: \$986
H2A Employee Wage Increase*: \$40,000

Additional Cost: \$49,936

Agricultural Employer 4 Landscape & Nursery, Long Island

625 Acres of Production
Contributes \$1.4M to Local Economy

60 Employees Wage Increase: \$179,638
Employer Payroll Tax Increase: \$21,108

Additional Cost: \$200,745

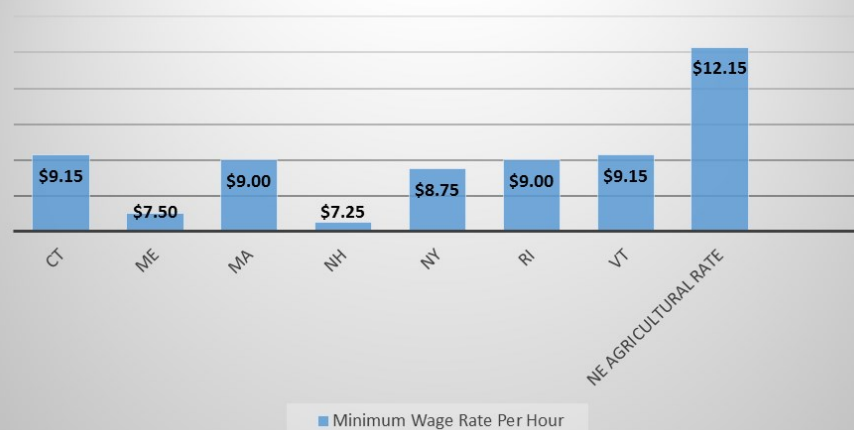
- These employers based their costs on the \$10.50 Minimum Wage Increase Proposal from the current \$8.75. All employers have included their current employees, regardless of wage, in accruing the \$1.75 pay raise.
- Employer payroll taxes include workers compensation insurance, FICA, unemployment insurance and Medicare.

**Farms with seasonal labor needs can also use the Federal H2A Visa Program to access needed employees. The program has strict guidelines, including the required use of an Adverse Effect Wage Rate (AEWR) that is currently set at \$11.26/hour in New York. This wage must be paid to all employees—both H2A and domestic—if the farm uses this program. As the minimum wage level has increased in the state the past 3 years, the AEWR has mirrored that increase as well.*

PRICES FOR AGRICULTURAL PRODUCTS ARE SET AT THE NATIONAL LEVEL

Farmers cannot simply raise prices as labor costs continue to increase—NY agriculture must remain competitive in the global marketplace. In fact, NY agriculture has yet to see the full impact of the last minimum wage increase, as the \$9.00/hour wage has not yet taken effect.

Minimum Wage Rate Per Hour in Northeast



U.S. Top Dairy States & Wage Rates

