

VERMONT FOOD SYSTEM PLAN ISSUE BRIEF



ISSUE:
Labor and Workforce

What's At Stake?

Vermont's farm and food economy gained 742 net new businesses between 2010-2017¹, and economic output expanded 48% from \$7.5 billion to \$11.3 billion between 2007-2017.² Despite this growth, these businesses are affected by the workforce shortage impacting all sectors in Vermont, and many report that a lack of employees with the required skills is holding back their production and planned growth. In order to sustain the expansion of Vermont's agricultural economy, existing workforce solutions must be adapted for the unique needs of farms and food system businesses. Simultaneously, despite the overall workforce shortage in the state, individuals living in Vermont often have difficulty finding careers that provide a livable wage, and need greater access to training and employment resources. Preserving the local food system as a viable economic driver requires workforce solutions that benefit both employees and employers.

NOTE: This brief reflects conditions before the economic crisis brought on by the COVID-19 pandemic.

Current Conditions

Vermont's declining population and low unemployment rate result in heightened competition for available workers, especially those with mid-level management experience or specific high-demand technical skills. At the same time, potential employees may be interested in certain jobs but unable to accept them if the wages are too low relative to Vermont's cost of living and/or their debt burden from student loans.

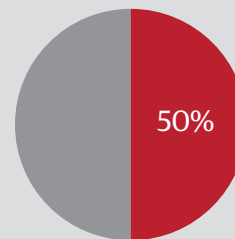
Vermont's workforce shortage severely limits the viability and growth of businesses of all sizes. Many food system businesses report that a lack of employees is holding their businesses back.³ In some cases, businesses are able to find employees, but high turnover rates increase training expenses and reduce productivity.

Food system businesses compete with businesses in other sectors for their workforce needs and are often at a disadvantage. Farms, and many other food system businesses, typically have at least some seasonal positions, which present a disadvantage in attracting employees compared to year-round work. Most farms are located away from population centers, creating a serious barrier for jobseekers who cannot afford their own vehicle, and a deterrent even for those who can. Where public transportation does exist, it is often based on the nine-to-five workday and does not operate during hours appropriate for food system workplaces such as farms, bakeries, and restaurants.

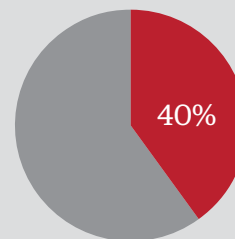
Employers and educators report a mismatch between food system job duties and prevailing cultural beliefs about what makes a good career. Many job seekers are inexperienced or unenthusiastic about the manual labor required on farms and in many other food system

workplaces. There is also a shortage of basic work readiness skills in the Vermont workforce, impacting employers in all sectors. And many food system positions require technical skills that few potential employees possess (e.g., food safety quality assurance) or that potential employees do not associate with food system careers (e.g., commercial driver's license).

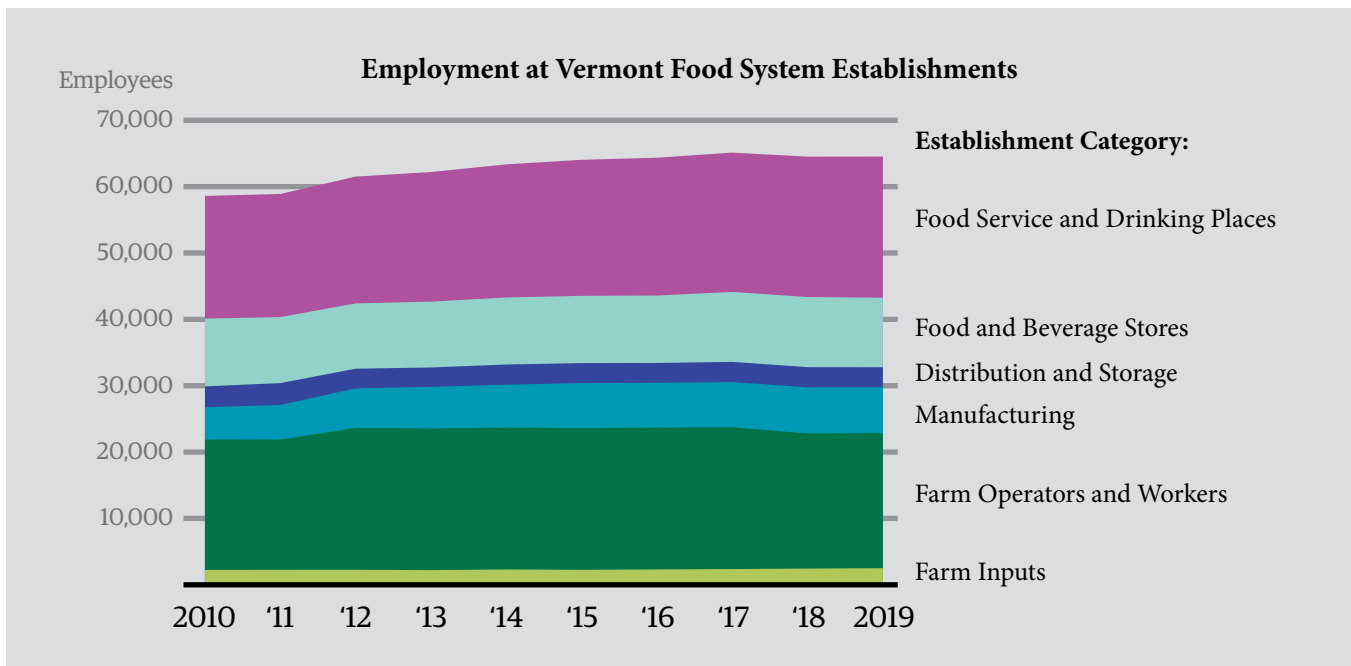
Labor Shortages in the Vermont Food System



50% of food system employers with over 20 full time employees say hiring challenges hold back their businesses (2013).



40% of food system employers with fewer than 20 full time employees say hiring challenges hold back their businesses (2013).



Meeting Employer Needs

Current Conditions

While many businesses are engaged in long-term workforce development efforts, they also need immediate solutions. Short-term approaches include competing against other businesses more effectively, addressing the logistical barriers that prevent potential employees from accepting employment, and accessing a variety of labor pools, including immigrant labor. An estimated 1,000-1,200 immigrants (documented and undocumented) and 425 people on H-2A visas (which can only be issued if the employer is unable to find local workers) currently perform a significant portion of agricultural work in the state, both seasonally and year-round.⁴

Bottlenecks & Gaps

- Food system businesses are often unable to compete against the wages and benefits offered in other sectors.
- Many of the existing logistical solutions available to Vermont employers are difficult or inefficient with a small number of employees (e.g., company vanpools).
- There is increasing in-state and national competition for established H-2A farm workers, who are also aging out of the workforce and not being replaced by younger applicants.
- Workforce-sharing with businesses with opposite seasonality holds promise (e.g., ski resorts), but some seasonal sectors overlap with agricultural needs in the spring and fall (e.g., education).
- Vermont has a large and active workforce-development service provider network, but many of these professionals are not fully aware of the specific concerns and solutions applicable to food system businesses, especially farms.

Opportunities

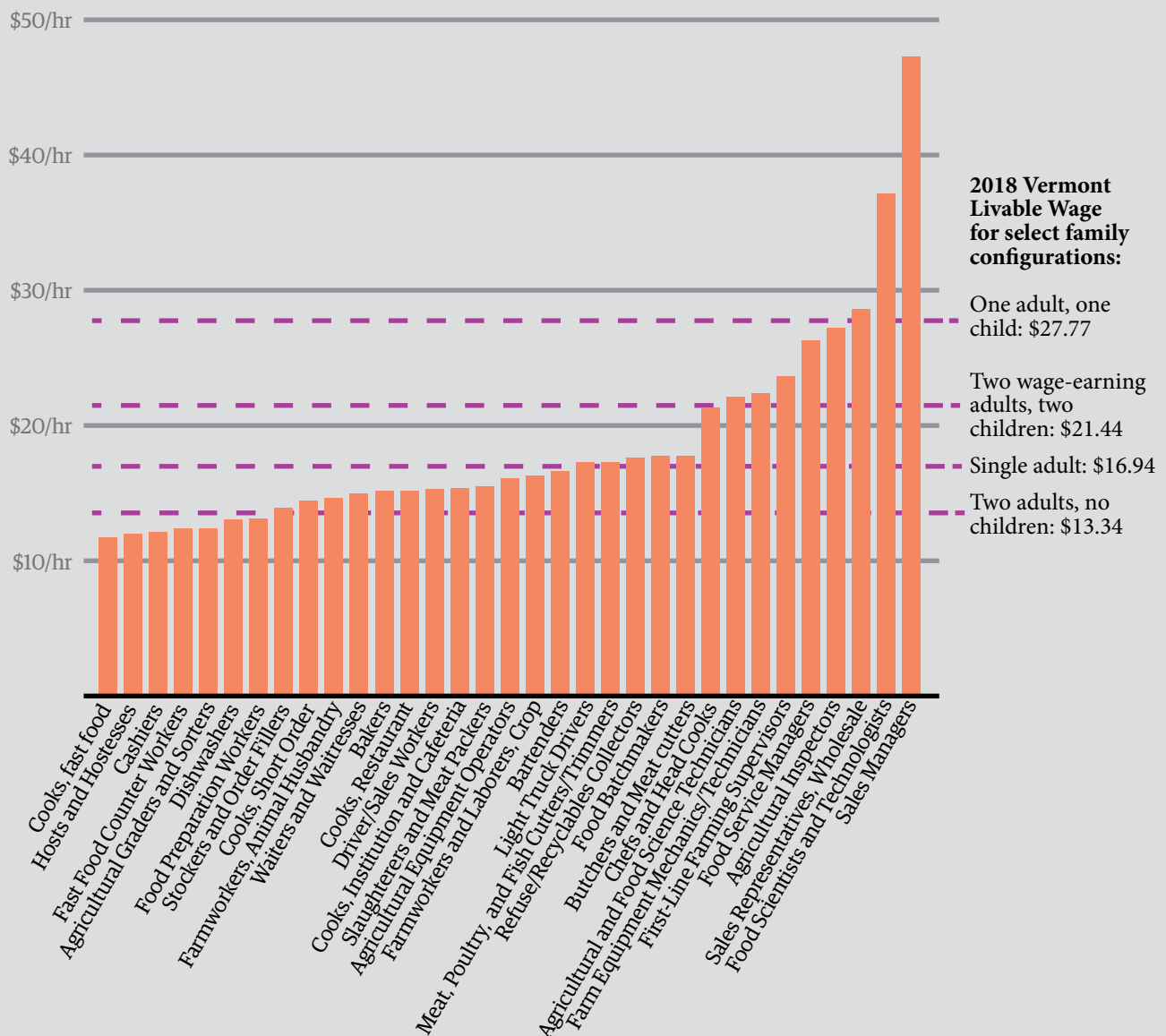
- Food system businesses have a tradition of collaboration, which they are already leveraging to address workforce challenges. Trade associations could play a role in increasing awareness of food system careers as well as implementing logistical solutions.
- Many food system jobs require technical skills that are not food-specific (e.g., HVAC installation). Strategic outreach to workers in related sectors could reach new pools of employees, and it may be feasible to collaborate or seasonally job-share with businesses in other sectors.
- Employers may be able to help when potential employees face logistical barriers to work, for example by providing vanpools or creating work shifts which consider school schedules.
- There are promising state and local efforts to reach marginalized and overlooked local labor pools, including formerly incarcerated Vermont residents, individuals with disabilities, and retirees interested in returning to work.

Wages and Workplace Conditions

Current Conditions

Offering competitive wages, benefits, and/or “quality-of-life benefits” are the most effective ways food sector businesses can attract and retain employees. Like all businesses in a tight labor market, in order to successfully compete for employees they cannot rely on offering the legal minimum wage but must instead offer the “prevailing minimum wage,” matching the wages offered by national chains and by other comparable sectors. As in any sector, intangible workplace conditions like a welcoming atmosphere can be a selling point or a breaking point; employers with poor interpersonal skills may be especially hard-pressed to find employees. Farm and food businesses also operate under specific labor laws which in some ways are beneficial to the business but in other ways restrict their flexibility or negatively impact their employees (see [Poultry brief](#), [Meat Slaughter, Processing, and Products brief](#).)

Median Hourly Wages for Select Food System Careers in Vermont, 2019



Bottlenecks & Gaps

- Low wages and unhealthy or unpleasant workplace conditions are frequently identified as a severe problem in the restaurant industry and in agriculture. These may be especially experienced by disadvantaged groups including racial minorities (see [Racial Equity in the Vermont Food System brief](#)), undocumented immigrants, individuals with disabilities, and women.
- The high costs of housing, transportation, health care, and child care, and the prevalence of student debt, increase the “livable wage” that a potential employee needs to receive. (See [Health Care](#), [Child Care](#) briefs.)
- Many food system businesses have a slim profit margin and cannot raise prices while remaining competitive. This hinders their ability to raise wages and attract employees.
- Enforcing fair labor standards in U.S. agriculture, in particular, is complicated by the exemptions from labor law that farms receive, because undocumented immigrant workers have less social support, resources, and legal recourse than documented workers, and by structural racism.

Opportunities

- There are Vermont businesses which factor the cost of employee turnover into their financial planning and are thus able to provide higher wages and/or benefits (e.g., paid sick days).
- There are Vermont farms which attract and retain workers by offering creative benefits, including free or discounted food, access to training and career development, or allowing employees to have an independent enterprise of their own on the farm property.
- Farm and food business viability assistance could include coaching on ways to increase wages and become much more competitive as an employer. This in turn could lead to less turnover and reduced training costs, providing additional financial benefit to the farm in the long term.
- Voluntary certification programs like Milk with Dignity and the Caring Dairy Program, which provide producers with a premium in exchange for fair labor standards, can help farms provide a fair wage and dignified working conditions.

Pathways for Employees

Current Conditions

Wages and logistics often determine whether a jobseeker can accept a particular job opportunity. However, workforce development begins long before the job offer, when people become aware of particular careers and develop an interest in pursuing them. An interested person must then be able to identify necessary skills for that career—both basic work-readiness skills and specific technical skills—and affordably acquire them.

Vermont organizations offer a growing number of opportunities to learn about food system careers and gain the skills necessary to succeed in them. Programs like 4-H and Future Farmers of America and educational initiatives such as Proficiency Based Learning, Personalized Learning Plans, and Flexible Pathways allow agricultural learning within the traditional high school system. Vermont’s 16 Career and Technical Education (CTE) schools remain one of the best ways for teenagers to access agricultural education. Opportunities after high school are also increasing, both within colleges and continuing education/short courses.

- **61%** of all Vermont K-12 schools have Farm to School curriculum integration and provide hands-on learning activities.
- UVM Extension youth programming reaches over **7,300** youth, including **1,400** youth in Vermont 4-H programs.
- Of Vermont Technical College graduates in Agriculture, Plant and Animal Science, **74%** are employed, and **24%** are enrolled in continuing education.



Bottlenecks & Gaps

- Efforts to increase interest among young people are often hampered by exclusion of agricultural careers from career guidance resources, an educational culture that prioritizes desk careers, and parental concerns about the viability of agricultural careers for their children.
- Many food-system employers are interested in working directly with students (in the classroom or through on-site experiential opportunities) but do not have the time and resources to do so.
- Vermont's educational funding model ties funding to each individual student. This disincentivizes high schools from encouraging their students who might be interested in agricultural education to enroll in a CTE school (see [Agricultural Literacy: K-12 brief](#)).
- Innovative experiential programs may not be accessible to low-income or otherwise disadvantaged young people. For example, participating in worksite placements for credit requires access to transportation, and post-high school opportunities require the financial resources for program fees and living expenses while the student is un- or under-employed.

Opportunities

- Millennials and Generation Z value meaningful work, and many are drawn to agriculture, caring for animals, feeding their neighbors, working outdoors, or some other aspect of food system work.
- There are national models for alternative credentials and programs that allow an employee to earn an income while developing skills, or to engage with higher education in a more flexible way. These models include apprenticeships, "stackable" credentials (credentials that build towards a degree but have value individually and can be completed at a flexible pace), and workplace training programs.
- Many farms and food system businesses work closely with educators in their community to increase agricultural literacy, through Farm to School programming and other efforts which can be expanded.

Recommendations

- Workforce support organizations and trade associations should develop a model for sharing services between food system businesses of different sizes. This could improve the efficacy of short-term strategies for filling immediate labor needs (e.g., transportation assistance and seasonal workforce matching) and provide collective employment benefits (e.g., paid sick leave) as well as shared services (e.g., human resources).
- Develop additional affordable and accessible training programs such as apprenticeships, certificates, stackable credentials, and concurrent degrees. Much of this work can be done by individual educational institutions, for example by Vermont Technical College.
- Train farm and food business advisors to assist their clients with evaluating the cost of turnover and labor shortages and budgeting for the level of compensation needed to attract and retain workers.
- Vermont Agency of Transportation, Regional Planning Commissions, Regional Development Corporations, regional transportation providers, and food system business representatives (e.g., trade associations) should convene annually to identify appropriate solutions for overcoming transportation barriers specific to the food system workforce.
- Farm to Plate Network members, Vermont food system employers, and the Vermont congressional delegation should collaborate to identify adjustments to labor and immigration law that would improve both employers' ability to hire immigrants as well as workplace conditions and wages for those workers.
- Support efforts by Vermont's Career and Technical Education community to redesign the state educational funding model so that CTEs have independent funding streams and budgets and are not in competition with sending schools.



Farm to Plate is Vermont's food system plan being implemented statewide to increase economic development and jobs in the farm and food sector and improve access to healthy local food for all Vermonters.

The Vermont Agency of Agriculture, Food & Markets (VAAFMM) facilitates, supports, and encourages the growth and viability of agriculture in Vermont while protecting the working landscape, human health, animal health, plant health, consumers, and the environment.

This brief was prepared by:

Lead Author: Sarah Danly, VSJF

Contributing Authors: John Mandeville, *Lamoille Economic Development Corporation* | Liz Schlegel, *The Alchemist Foundation* | Mary Peabody, *UVM Extension* | Sherry Lussier, *formerly of Green Mountain Technology and Career Center* | Theresa Snow, *Salvation Farms*.

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