

ERS Peer Review Plan

Preliminary Title: What Does the Census of Agriculture Tell Us About Farm Labor Expenses?

Type of Report (ERR, EIB, EB) EB

Agency: Economic Research Service [X] Influential Scientific Information
USDA [] Highly Influential Scientific Assessment

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Subject of Review: USDA's Census of Agriculture, conducted every five years, collects data on farm labor expenses, with details for both contract and hired labor by agricultural sector, location, and farm size (as measured by sales). These data reveal that total farm labor expenses, total production expenses, and total sales of agricultural products all increased in real terms (i.e., inflation adjusted) with each Census from 1997 to 2022. Two measures of labor intensity, the ratio of labor expenses to total production expenses (labor-to-total-expenses) and the ratio of labor expenses to total agricultural sales (labor-to-sales), showed no clear upward or downward trend at the national level. However, consistent with the recent tightening of farm labor markets, between 2012 and 2022, the labor-to total-expenses ratio increased overall and in virtually all sectors, particularly those where the ratio was initially high. The increase in the labor-to-sales ratio was more muted nationally, but the change in this ratio varied more across sectors. The increase in the labor-to-sales ratio was particularly large (more than five percentage points) for tobacco and fruit and tree nuts. Otherwise, the distribution of labor expenses by sector, State, and farm size changed relatively little over the past several Censuses.

Purpose of Review: The purpose of the review is to ensure the high-quality of the economic analysis, transparent explanation of methods, objective interpretation of results, and effective communication to the intended audience.

Type of Review: [] Panel Review [X] Individual Reviewers
[] Alternative Process (Briefly Explain):

Timing of Review (Est.): Start: 2/7/2025 Completed: ----

Number of Reviewers: [] 3 or fewer [X] 4 to 10 [] More than 10

Primary Disciplines/Types of Expertise Needed for Review: Economists

Reviewers selected by: [X] Agency [] Designated Outside Organization

