



Connecticut Farm Bureau Association
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January 31, 2013

Testimony in Opposition to:

Raised Bill No. 387 AN ACT INCREASING THE MINIMUM FAIR WAGE.

Submitted by: Henry N. Talmage, Executive Director, Connecticut Farm Bureau Association

The following testimony is submitted on behalf of the Connecticut Farm Bureau, a statewide nonprofit membership organization of over 5,000 families dedicated to farming and the future of Connecticut agriculture.

Senator Osten, Representative Tercyak and members of the Committee

On behalf of over 5,000 members of The Connecticut Farm Bureau I come before you today to raise our opposition to Raised Bill 387 and specifically the provision to increase in the minimum wage.

Connecticut agriculture is a \$3.5 billion industry comprising over 20,000 jobs to the states economy according to a 2010 University of Connecticut study. I am proud to serve as Co-chair of the Governor's Council for Agricultural Development. There has been significant interest in local foods and farm products and the Council is focusing on the potential for growth in agriculture as a legitimate economic development strategy. Over the past year the council has conducted over 650 hours of in-depth stakeholder interviews, 232 producer surveys and 4 regional listening sessions. During this process we asked participants to list the top 4 opportunities and the top 4 obstacles to the growth of CT agriculture. The number one obstacle was input costs and especially the cost of labor and energy. Farm Credit East (the primary farm lending institution in New England) published a report in 2011 titled *Northeast Agriculture and Farm Labor*. The report showed that CT currently has the third highest farm labor costs per \$100 of farm sales in the nation and has the highest in all of New England and the Northeast. In fact Connecticut's farm labor cost of \$27 per \$100 of sales is three times the national average and more than double that of Vermont.

This legislation would increase the minimum wage by over 20% over two years. All farmers would be impacted and with the increase in specialization and value-added agriculture payroll is often the largest single expense for our growers. Many of our producers compete directly with growers from neighboring Northeast states and other low-cost areas from around the world. Raising the minimum wage would put our producers at an even greater competitive disadvantage. Our producers cannot simply raise prices and hope to be competitive.

In addition to production positions that provide young people and others a place to develop their career path agriculture also provides many other jobs in management, sales, distribution, trucking, equipment sales and service and other support services. The agricultural economy is especially important to our rural communities that often do not have opportunities for employment from other segments of the economy. Agriculture can play an important role in the recovery and creation of many new jobs in the future but we need to nurture that process. We believe that a minimum wage increase as proposed in R.B. No. 387 at this critical time would result in significant job loss from the agricultural segment and we urge defeat of this measure.

Connecticut Farm Bureau Association - *The Voice of Connecticut Agriculture*