Survey of Wage Rates for Hired Farm Labour

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SURVEY OF WAGE RATES FOR HIRED AGRICULTURAL LABOUR

Background

Agriculture Canada approached Statistics Canada in 1991 with a request to provide information on the level and movement of wage rates paid to hired farm labour. The results of a pilot survey in British Columbia in November of 1991 demonstrated that far operators were willing to provide the necessary data. A survey program was set up to collect wage rates from farm operators each quarter beginning in November 1992. This survey is funded by Agriculture Canada. The information being released at this time refers to average annual wage rates for 1997.

Highlights

Average wage rates paid to hired agricultural labour rose 3.5% in 1997 to $ 9.50 per hour. Increases were recorded for most types of labour. The rates increased in all regions of the country except British Columbia and Atlantic Canada.

Concepts and Methods

Objective

The Survey of Wage Rates for Hired Agricultural Labour is designed to provide estimates of average annual wage rates for hired agricultural labour by province/region and by type of work.

Target Population

The target population is all farm operations employing hired agricultural labour. Labour provided by the spouse or children of the farm operator is excluded.

Reference Period

All data in this survey refer to the calendar year 1997.

Sample Design

The survey frame is the 1996 Census of Agriculture, which provided a list of all far operations reporting hired farm labour in 1995. Records from this list were stratified by province, type of farm, and size of farm. A sample of 3000 farms was selected representing approximately 3% of the population.

Data Collection

This survey uses the computer assisted telephone interviewing (CATI) technique. The interviewer conducts a telephone interview with the respondent by asking questions and entering responses according to instuctions on a computer screen. The computer progra edits responses and ensures the completion of all steps in the process. A machine readable file is transferred directly to the survey processing operation.

Sample farm operators are asked to identify the jobs performed by hired labour and report for each job the wage rate, total wages paid and indicate if the job was year-round or seasonal. The interviewer codes each job according to one of six types of work.

Data Processing

The data collection file is reviewed in detail by subject matter experts to ensure that only appropriate information is passed to the calculation operation. The average wage rates are derived by calculating the implied time for each job as the ratio of total wages to the wage rate and summing implied time and total wages over jobs by type of work and province/region. Each average is then the ratio of total wages to total time for that type of work and province/region.

Data Quality

A sample survey such as this one is subject to several types of error.

Coverage Error

Coverage error arises if the survey frame is not identical with the target population. In this case, the 1996 Census of Agriculture is considered an accurate indicator of farms reporting hired farm labour. Its quality will deteriorate with time. During the data collection, none of the sample farms were out of business or had changed operator.

Sampling Error

The selection of a sample to represent the target population introduces sampling error. Sampling error is estimated using the coefficient of variation (CV) of the sample estimate. A CV of less than 10% is considered good; while a CV of over 25% is considered unreliable. A CV between these should be used with caution. The CV's in this survey vary considerably between estimates; and three estimates have CV's of more than 10%. The CV for livestock care in Ontario was just over 10% and the CV’s for supervisers in the Atlantic Region and Saskatchewan were 11% and 12% respectively.

Non-sampling Errors

Non-sampling errors result from non-response, response error and processing error. Non-response occurs when the interviewer is unable to contact the respondent or the respondent refuses to cooperate. There is no action resulting from non-response in this survey. Response error occurs when the repondent provides an incorrect response. Processing error is the result of coding and keying errors by the interviewer. Response and processing error are controlled with the use of edits at the capture and processing stages and a review of each record by a subject matter expert.

Response Rate

The response rate is calculated as the percentage of usable records to the number of sample records still in business with the same operator. The overall response rate is 96%.

CANSIM

The data published in this report are available in machine readable form through CANSIM (Canadian Socio-Economic Information Management System) in Matrix 160.

Additional Information

Additional information regarding the results of this survey may be obtained from Rick Burroughs at (613) 951-2890 or FAX (613) 951-3868 or via the internet at burrric@statcan .ca.