



U.S. Apple Growers Could Lose \$572.2 Million if the Farm Labor Supply Continues to Decline

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Domestic Apple Industry at Risk

Labor costs represent 62 percent of the cost of apple production. A reliable and skilled labor force is needed to prune, thin and train trees and harvest the apple crop.

The labor intensive nature of apple production requires a large, reliable and skilled workforce.

In the months following the 9/11 attacks, the federal government took steps to secure the border.

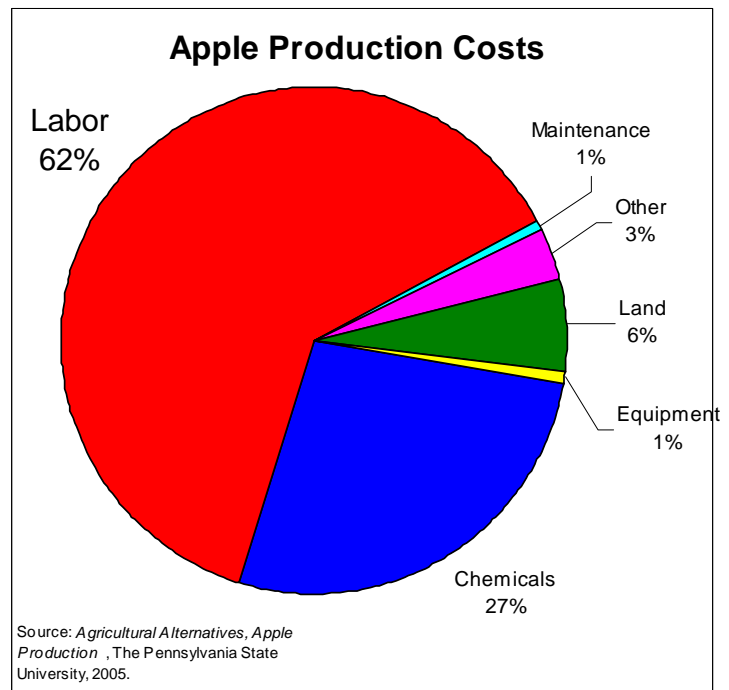
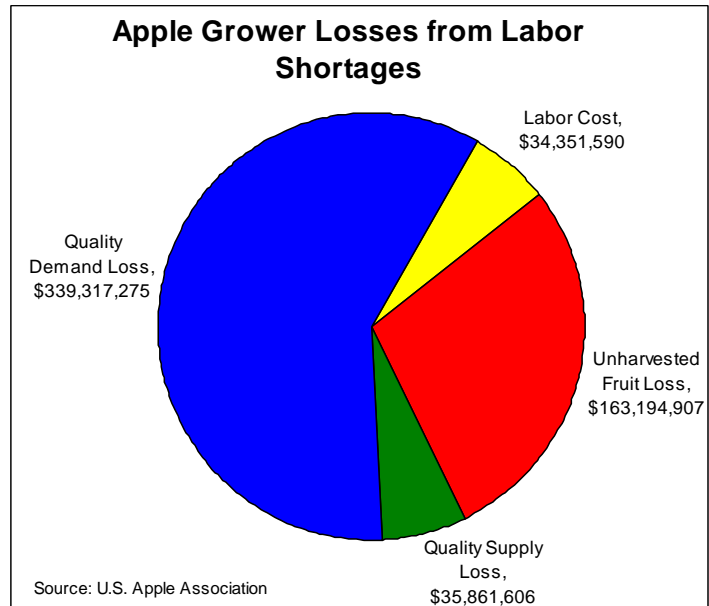
More barriers to immigration and tighter border security have reduced the migrant labor supply to a point that now threatens the economic viability of the U.S. apple industry.

Apple growers need a solution to this problem or the industry will lose its competitiveness and the domestic market will fall prey to imports from apple producing competitors around the world.

The Economic Impact of a Farm Worker Shortage

Growers were unable to harvest some orchards in 2006, as the result of a farm worker shortage. While some orchards were not harvested at all, growers endured additional losses when they had to pay as much a 25 percent more for farm labor and when apples were harvested when they were too ripe. The inability of growers to harvest during critical periods results in quality losses when growers must sell apples at lower prices and when consumers buy fewer apples.

The U.S. Apple Association (USApple) estimates that apple growers will incur additional costs totaling \$572.7 million if the farm labor crisis is not resolved.



703 442-8850
800 781-4443
fax 703 790-0845

Web site www.usapple.org

8233 Old Courthouse Road, Suite 200 ★ Vienna, VA 22182-3816 USA