## **Inappropriate Wage Reduces the Supply of Local Eastern Shore Crab Pickers** Byron A. Ellis, Ph.D. – May 28, 2018



The crab industry claimed that Trump's immigration policies caused a shortage of H-2B crab pickers from Mexico on Maryland's Eastern Shore. The Eastern Shore of Maryland is the region east of the Chesapeake Bay and home to many of Maryland's crab companies.

According to Rathod and Lockie's (2010) article, entitled "<u>Picked Apart: The Hidden Struggles of Migrant Worker Women in the Maryland Crab Industry</u>," many women migrant workers reside during crab picking season on Hooper's Island, a remote chain of islands fronting the Chesapeake Bay.

Whenever there is a labor shortage in a specific industry, many economists look at employees' compensation in that industry. If crab pickers' piecemeal wages were reasonable, local laborers would seek employment. However, Rathod and Lockie (2010) found that "Crab picking is tedious, laborintensive work." Furthermore, they noted that it is relatively low-paying and public transportation to the job is lacking.

Harry Phillips, the owner of Russell Hall Seafood, told <u>NPR's Michelle Martin</u> that pickers get paid by the pound, \$3.25 per pound. He stated, "Some of these *girls* pick 40, 50 pounds of crab meat a day." And, he also claimed, "That's pretty good money."

Maryland's minimum wage is \$9.25 per hour or \$74.00 per day. Thus, local pickers would need to pick about 23 pounds of crab meat per day to earn Maryland's minimum wage. Moreover, if they are isolated, as the Mexican immigrants, and paying for housing, knives, gloves, and other basic tools, as well as, safety equipment, subjected to erratic work hours (Rathod & Lockie, 2010), they would need to pick far more than 23 pounds of crab meat per day to earn Maryland's minimum wage.

Rathod and Lockie (2010), in their interviews with immigrant workers, noted, "...a legitimate fear of employer retaliation. One woman recounted how she was not rehired after she spoke with her employer regarding how her taxes were handled." Additionally, working conditions and fluency in communication for migrant workers are less than desirable; Mexican workers communicate through hand gestures (Rathod & Lockie).

It is easy to conclude that the Maryland crab industry would have difficulties attracting local workers, because of the wages they pay to H-2B workers, as well as the working conditions.

Maryland Department of Labor, Licensing & Regulation documents the unemployment on Maryland's Eastern Shore by Counties and as of March 2018 it was Caroline (4.8%), Cecil (5.2%), Dorchester (6.4%), Kent (5.3%), Queen Anne's (4.0%), Somerset (8.2%), Talbot (4.7%), Wicomico (6.4%), and Worcester (10.9%). There is no general labor shortage on the Eastern Shore.

In 1938, the unemployment in Crisfield, MD, was estimated at 90 percent (Simpson, 2012). Simpson noted that the town's packing companies cut the amount the piecemeal rate paid to black crab pickers

from 35 cents per gallon to 25 cents per gallon and that two days later 600 predominantly black female crab pickers went on a five-week strike to restore the piecemeal rate.

The problem with the crab industry is not the unavailability of local labor. Rather, it is the working conditions and the deliberate low compensatory scheme, which are disincentives for the available Eastern Shore local laborers.

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