



Testimony Submitted on behalf of Cargill, Inc.

Public Hearing on the workforce shortage facing businesses in the Commonwealth

Before the: Pennsylvania House Commerce Committee

Presented by:

**Aaron Humes
General Manager
Cargill Case Ready Facility
2700 Yetter Court
Camp Hill, Pennsylvania**

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Chairman Brad Roae, Chairman John Galloway and members of the House Commerce Committee, thank you for this opportunity to have a dialog on the workforce shortage facing the business community in Pennsylvania. My name is Aaron Humes and I serve as General Manager of the Cargill Case Ready Facility in Camp Hill, Pennsylvania, which is one of Cargill's 14 diverse facilities throughout the Commonwealth. Every week, the Camp Hill plant produces nearly 2 million pounds of beef and pork products that your constituents purchase at local grocery stores throughout the region. This plant is critically important to serving Cargill's retail customers in Pennsylvania.

It has never been more challenging to attract and retain talent. Today, we have nearly **500 full-time positions** that we are struggling to fill in the State of Pennsylvania – including **79 open positions in Camp Hill**.

These are full-time positions with competitive pay and benefits including:

- Medical, Dental, Vision, and Prescription Drug Insurance
- Health and Wellness Incentives
- Paid Vacation and Holidays
- 401(k) with Cargill matching contributions
- Flexible Spending Accounts (FSAs)
- Short-Term Disability and Life Insurance
- Employee Assistance Program (EAP)
- Tuition Reimbursement
- Generous signing bonuses
- Referral Bonuses
- Employee Discounts

Cargill has updated its compensation to reflect the current workforce shortage. In Camp Hill, the starting **base hourly wage has increased from \$13.50 to \$17.00 per hour**. Maintenance workers are in extremely high demand, with the starting wage for **maintenance staff at \$25-36 per hour**. We are also incentivizing attendance – employees are eligible for **an additional \$2 per hour if they work the full five-day work week**.

It is also important to note that Cargill strives to be a “People First” organization, giving employees opportunities for advancement and growth at every level. We make every effort to promote from within our current workforce to attract *and retain* top talent to better service our customers.

Despite our multitude of recruiting efforts, including sign-on bonuses and referral bonuses, there are not enough available workers to meet our needs. Over the last year, Cargill has been forced to supplement the workforce in Camp Hill through a contract service provided by a third party. We are bringing temporary contract employees into the area to maintain operations and avoid supply disruptions for our customers. We pay these employees competitive hourly wages, **AND** we cover the cost of food and lodging while they work for Cargill. These 79 current contractual temporary employees layer an additional \$270K in labor costs each week. These added costs are unsustainable and only add to the costs of production. Unfortunately, this high-cost solution is not unique to Cargill. Every link of the global food and agriculture supply chain is facing added costs of production that ultimately lead to higher prices for consumers.

Cargill is working at the local level to find creative solutions to attract and retain talent at our facilities. In Camp Hill, we’ve recently started working with local organizations and community leaders to address our shared goal of long-term sustainable job growth in the area. We are

partnering with diverse stakeholders including the Cumberland Area Economic Development Corporation, the West Shore Chamber of Commerce, the Lower Allen Township civic leaders as well as the Local 4H and Harrisburg Boys and Girls Clubs. We are making long-term investments to generate excitement for job opportunities in the community.

Cargill is also committed to keeping our employees safe, feeding the world, and ensuring farmers and ranchers have access to markets. Doing all three simultaneously requires tremendous care. We stand behind the actions we have taken over the last year and are exploring new and creative partnerships to attract and retain talented employees. Cargill has a 155-year history of nourishing the world in a safe, responsible, and sustainable way, and our people will continue to carry out that essential work safely. For that, we are unfailingly grateful.

It is impossible to talk about Cargill's workforce, without talking about our ongoing efforts to promote and maintain a safe work environment throughout the pandemic. Cargill has partnered with health experts to implement new protocols to protect our employees from the community-wide impacts of the virus. Over the last year, standards have evolved, and we are continuously learning about new ways to protect employees. Cargill has worked with the World Health Organization, Centers for Disease Control and Prevention, OSHA, and other national, state, and local health officials, to proactively deploy the latest available safety protocols appropriate for the contexts in which we operate.

In addition to protocols already in place, Cargill implemented the following actions:

- Developed screening questions that are asked prior to entering Cargill's protein plants, which include questions on any illness-related symptoms, recent travel out of the state, and any close contact with someone who has COVID-19
- Initiated temperature screening for employees at arrival and before returning to work after lunch break
- Prohibited all unnecessary visitors to the facility
- In addition to already high sanitation standards, we increased sanitizing throughout the day in all common areas and office spaces, including additional sanitizing each night
- Increased available space in the break room by utilizing meeting rooms, installing dividers throughout the breakrooms, and expanding break areas to tents
- Installed protective barriers on the production floor between employees where possible
- Provided full face shields for any job where the protective barrier is not possible due to job movement
- Provided and mandated the use of masks for employees and contractors at the plant.

We have taken further steps to respond to the community-wide impacts of the virus. These include:

- Reduced the likelihood of carpooling to reduce potential transmission between employees in transit, by providing buses with protective barriers between the seats
- Limited vehicles to two people per car from accessing protein plants

- Provided buses with protective barriers between the seats to alleviate the need for carpooling from multiple areas
- Continued to focus on education and awareness of social distancing inside and outside of work, including not sharing food during meal

Again, thank you for the opportunity to discuss the current workforce shortage in Pennsylvania. Cargill is grateful for your leadership and partnership in finding a solution that enables sustained economic growth in the communities where we operate. Please consider Cargill and the Pennsylvania Chamber a resource as you evaluate policy changes that would impact the labor market.

About Cargill - Founded in 1865, Cargill's 160,000 employees across 70 countries work to achieve our purpose of nourishing the world in a safe, responsible, and sustainable way. Every day, we connect farmers with markets, customers with ingredients, and people and animals with the food they need to thrive.

Cargill in Pennsylvania - We have deep ties to Pennsylvania communities with approximately 3,200 professionals employed in 14 diverse businesses across the State. In addition to the Camp Hill Case Ready facility, we have animal nutrition facilities in Chambersburg, Gettysburg, Lebanon, Martinsburg, Mount Joy, Shippensburg, and Winfield. Cargill's Cocoa and Chocolate facilities are located in Hazle Township, Lititz and Mount Joy. Cargill's largest facility in the state is a beef processing plant in Wyalusing that provides 1,200 jobs to the local economy.