

## **Growth of permanent wage employment in family farms**

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In many developed countries, the decline of wage employment in agriculture has been reversed: the share of wage employment out of the total agricultural labour force, which had been decreasing steadily for decades, has been increasing for the last ten years. We present an analysis of the factors that influence households' decisions about whether to work on the family farm or to work outside, and about the use of wage labour. Studying how the effects of these factors have varied between 1988 and 2000 enables us to highlight the different mechanisms that have led to an increase in permanent wage employment during that period. In particular, we show that in 1988 family labour and permanent wage labour were perfect substitutes, but that in 2000, they were only partial substitutes.

Key words: Agricultural employees, farms, family labour.

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