

IMMIGRATION AND FARM LABOR IN THE U.S.

By Philip Martin (University of California Davis) and Douglas Jackson-Smith (Utah State University)

SUMMARY

Hired workers comprise 33 percent of people employed on farms but do an estimated 60 percent of the work performed on U.S. farms. Most hired farm workers were born abroad, usually in Mexico, and most are believed not to be authorized to work in the U.S. Changes in Mexico-US migration flows and more restrictive immigration laws and policies have increased the vulnerability of U.S. agriculture to labor supply shocks, which could increase costs and threaten the ability of some farmers to harvest labor-intensive crops. Congress is considering major changes in immigration policies. Farm employers want access to a reliable supply of legal foreign workers, while worker advocates want to protect the well-being and improve working conditions for both U.S. and immigrant farm workers.

FARM EMPLOYMENT AND FARM WORKERS

Three major types of workers provide labor for U.S. farms: farm operators, unpaid family workers, and hired workers. Numerically, hired workers are estimated to make up one-third of the total farm workforce, up from 25 percent in the 1950s (Kandel, 2008). Historically, farmers and unpaid family members did most work on U.S. farms, but today hired workers account for 60 percent of average FTE-equivalent employment on farms, and their share is steadily increasing (Henderson 2012:66; Sommers and Franklin, 2012:14).

The use of hired farm workers is concentrated by commodity, geography, and farm size. In 2007, about 22 percent of U.S. farms hired a worker, and farm

employers spent almost \$22 billion on farm wages and salaries (USDA-NASS, 2009). Most of these labor expenses were paid by large farm employers producing fruit, vegetable, and horticultural commodities in California, Florida, Texas, and Washington (Martin, 2009). The top 5 percent of U.S. farms generate 74 percent of total farm sales and are responsible for nearly 80 percent of total farm labor expenses (See Figures 1, 2).

WHY ARE MANY FARM WORKERS UNAUTHORIZED?

The composition of the current hired farm workforce reflects changes in farm structure, farm technology, and past immigration policies. Mechanization and productivity increases have allowed the size of the overall farm workforce to

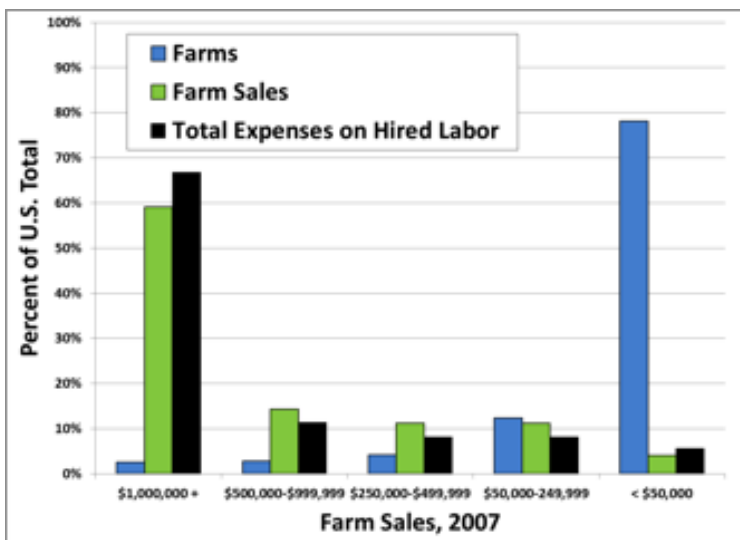


Figure 1: Relative Use of Hired Workers by Farm Size, 2007. Source: USDA – NASS, 2009. (Cited above; authors' analysis of 2007 US Census of Agriculture results).

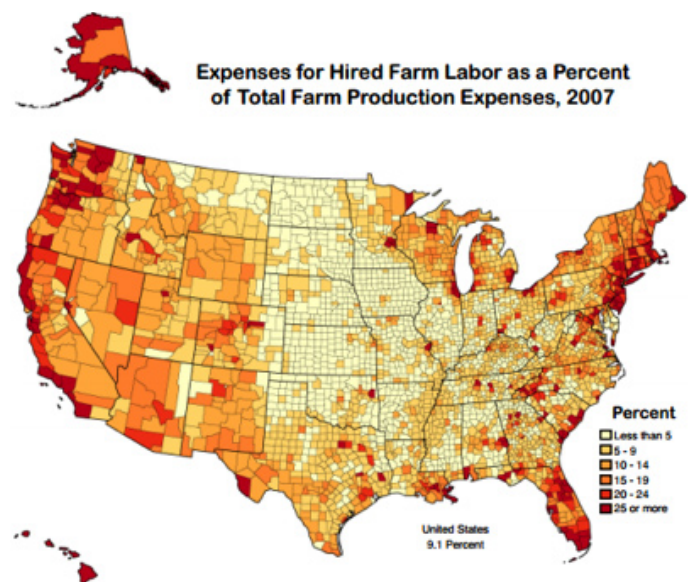


Figure 2: Expenses for Hired Farm Labor as Percent of Total Farm Production Expenses, 2007, by County. Source: USDA NASS Census Highlights Fact Sheet on Farm Labor.

decline even as total farm output continues to increase (Gardner, 2002). As U.S. food production consolidated, family labor became insufficient (Kandel, 2008). Since farm work is more physically demanding and less well compensated than nonfarm jobs requiring similar skills, it is increasingly difficult to attract domestic workers willing to take farm jobs. This is one reason why farm employers have increasingly relied on foreign workers.

Immigration reforms enacted in 1986 aimed to give the U.S. a legal farm work force. Prior to the mid-1980s, the best evidence was that a quarter of farm workers in states such as California were unauthorized (Martin et al., 1985). The Immigration Reform and Control Act of 1986 imposed sanctions on employers who knowingly hired unauthorized workers and legalized 2.7 million unauthorized foreigners, including over 1.1 million farm workers (known as Special Agricultural Workers or SAWs). Immigration reform briefly gave agriculture a mostly legal workforce (Martin, 1994). Less than 10 percent of hired crop workers were unauthorized in 1989 (Figure 3).

However, as the U.S. economy improved, most of the now-legal immigrant farm workers shifted to better paying nonfarm jobs and were replaced by newly arrived unauthorized workers. Increased border security in the 1990s and 2000s made it

more difficult and dangerous to cross the US-Mexico border, but did not reduce the flow of new unauthorized immigrants and created disincentives for unauthorized workers to return to their home country (Massey and Pren, 2012). With farm employers able to secure workers through traditional channels (both legal and unauthorized), utilization of the legal H-2A guest worker program remained low (Martin, 1994, 2013).

SOCIOECONOMIC STATUS OF HIRED FARM WORKERS

Hired farm workers are near the bottom of the U.S. job ladder. In 2010, the average earnings of crop workers were about \$9 an hour, and median weekly earnings were only 60 percent of those of workers in comparable private-sector nonfarm jobs. Since hired crop workers work an average of just under 200 days per year, many are underemployed or unemployed for significant periods, reducing annual earnings. Farm employment often includes exposure to pesticides, poor sanitary conditions, long working hours, and other health risks, but only 18 percent of crop workers have health insurance benefits. Not coincidentally, farm worker households also have twice the poverty rate of nonfarm households and housing conditions among farm workers and their families (particularly for migrant workers) are often substandard. Rural communities with significant farm worker

populations often struggle to provide adequate education and social services to address the needs of these residents.

Between 2007 and 2009, the NAWS found that almost 30 percent of crop workers were born in the U.S. and 70 percent were born abroad, almost always in Mexico. Foreign-born and US-born workers were similar in many respects. Their average age was 36-37, and three-fourths were male, and 23 percent of foreign-born and US-born workers had household incomes below the poverty line (Rural Migration News). Foreign-born differ from US-born crop workers in legal status, education, and English. For example, 55 percent of foreign-born workers were unauthorized, only 13 percent completed high school, and only three percent spoke English well. Foreign-born crop workers were more likely to be hired by contractors and other intermediaries (17 versus 2 percent), more likely to be working in fruit, vegetable, horticulture (FVH) crops, and more likely to be filling harvest jobs. Average wages for foreign-born crop workers are lower than those paid to US-born workers. Although some farmers have increased worker wages and improved working conditions in recent years to retain hired workers, most have not raised worker compensation.

POLICY OPTIONS

Given the growing level of dependence on foreign-born (and often unauthorized) workers on the most commercially-important farms in U.S. agriculture, efforts to slow unauthorized migration from Mexico and to make it harder for farmers to hire unauthorized workers have created significant concerns about the ability of farmers to access enough workers to sustain their operations.

Farm organizations propose a new type of guest worker program as an alternative to the current H2-A program that requires the U.S. Department of Labor to certify that U.S.

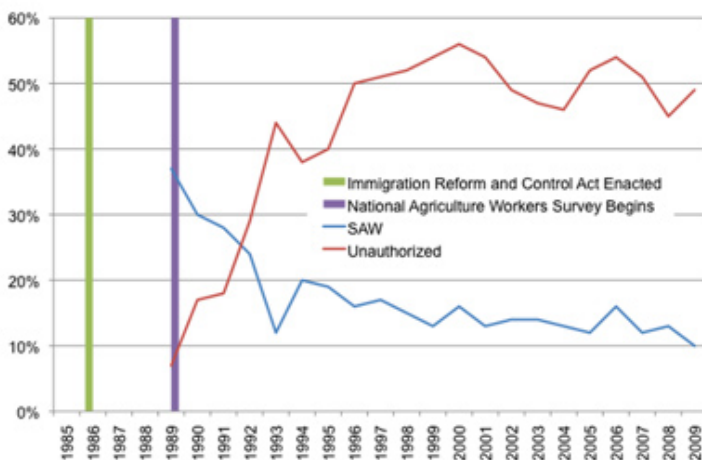


Figure 3. SAWs and Unauthorized Crop Workers, 1989-2009. Source: Martin 2013.

Most large commercial farms in the U.S. have become highly dependent on foreign-born (and often unauthorized) workers to care for their livestock and harvest their crops. The availability of a workforce willing to work for relatively low wages and benefits helps keep domestic food prices low and may help some farmers to remain competitive in increasingly global farm commodity markets.

workers are not available, to provide free housing to guest workers, and to pay above the local minimum wage. Changes sought by farm employers include replacing 'certification' with a process whereby employers could simply 'attest' that they tried and failed to recruit U.S. workers. Second, farm employers would like to offer housing vouchers instead of free housing, which would add \$1 to \$2 an hour to current wages but make it unnecessary for farmers to build or renovate housing. Third, they would like to roll back the required higher-than-minimum Adverse Effect Wage Rate (AEWR) that must be paid to H-2A workers (Martin, 2013).

Worker advocates oppose changes to the H-2A program that could depress wages or reduce legal protections against worker exploitation. A proposal dubbed "AgJOBS" that was considered (but not passed) by Congress several times in the past decade had worker groups relaxing some guest worker program rules in exchange for legalization of currently unauthorized workers. Versions of this AgJOBS compromise are being considered as part of the 2013 comprehensive immigration reform bill. One suggestion is a program under which guest workers would be allowed to move freely between employers (H2-A visa holders are tied to a specific farm), which might serve both to protect workers and favor employers who provide the best working conditions and compensation.

The issue of 'pathways to citizenship' for current and/or future foreign-born farm workers is perhaps the most politically

controversial element. Democrats want an eventual path to U.S. citizenship for unauthorized foreigners, while Republicans argue that unauthorized foreigners who receive probationary status should not become immigrants and citizens until new enforcement measures are in place and current backlogs of foreigners waiting for immigration visas are eliminated. Under some proposals, unauthorized foreigners brought into the U.S. as children, and those employed in agriculture, would have separate and easier paths to legal immigrant status and eventual U.S. citizenship.

CONCLUSIONS

Most large commercial farms in the U.S. have become highly dependent on foreign-born (and often unauthorized) workers to care for their livestock and harvest their crops. The availability of a workforce willing to work for relatively low wages and benefits helps keep domestic food prices low and may help some farmers to remain competitive in increasingly global farm commodity markets. However, the U.S. farm sector is vulnerable to changes in migration policies that might raise farm labor costs. The current upswing in manufacturing employment in Mexico, along with rapidly declining family sizes, may also reduce availability of Mexican workers in the U.S. (The Economist, 2012).

Most policy choices involve tradeoffs between competing goods, such as providing farm employers with the workers they need to remain competitive while simultaneously ensuring the well-being of foreign and U.S.

workers. Comprehensive immigration reform proposals that deal with farm labor will need to balance three major goals:

1. Providing farm employers with sufficient legal workers on terms that keeps U.S. agriculture competitive
2. Providing protections for current and future hired farm workers to ensure they receive adequate wages and safe working conditions
3. Increasing opportunities for foreign-born farm workers to return with savings to their countries of origin or to stay in the U.S. and move up in the U.S. labor market

Outside of the immigration debate, U.S. policy could work to encourage development of new technologies to reduce use of manual labor in agricultural production. Technical investments could help the sector adjust if the current downturn in Mexican interest in working across the border continues.

As Congress debates immigration reforms that affect farm labor, it should be aware of the tradeoffs between competing goals. For example, short-run agricultural competitiveness may be enhanced by lower farm wages, which may attract more vulnerable workers less able to protect themselves and move up the job ladder. On the other hand, higher wages and more benefits for farm workers may make some labor-intensive commodities less competitive and stimulate productivity improvements such as mechanization, which may displace some farm workers and may not be feasible for all current producers.🌱

Since farm work is more physically demanding and less well compensated than nonfarm jobs requiring similar skills, it is increasingly difficult to attract domestic workers willing to take farm jobs. This is one reason why farm employers have increasingly relied on foreign workers.

REFERENCES

Henderson, R. 2012. Industry employment and output projections to 2020. *Monthly Labor Review* 135(1), 65–83. www.bls.gov/opub/mlr/2012/01/.

Martin, Philip. 1994. Good intentions gone awry: IRCA and US agriculture. *The Annals of the Academy of Political and Social Science*, Vol. 534: 44-57. July. http://migration.ucdavis.edu/cf/more.php?id=198_0_2_0 or <http://www.jstor.org/stable/1048497>.

_____. 2003. *Promise Unfulfilled: Unions, Immigration, and Farm Workers*. Ithaca. Cornell University Press. www.cornellpress.cornell.edu/cup_detail.taf?ti_id=4041.

_____. 2009. *Importing Poverty? Immigration and the Changing Face of Rural America*. Yale University Press. <http://yalepress.yale.edu/yupbooks/book.asp?isbn=9780300139174>.

Martin, Philip, 2013. Immigration and Farm Labor: Policy Options and Consequences *American Journal of Agricultural Economics* Vol. 95. No 2. pp470-475. January <http://ajae.oxfordjournals.org/content/95/2/470.full>.

Martin, Philip, Richard Mines and Angela Diaz. 1985. A profile of California farmworkers. *California Agriculture*. May. 16-18. <http://californiaagriculture.ucanr.org/landingpage.cfm?article=ca.v039n05p16&abstract=yes>.

Massey, Douglas S. and Karen A. Pren. 2012. Unintended consequences of US immigration policy: explaining the post-1965 surge from Latin America. *Population and Development Review* 38(1): 1-29.

Rural Migration News, various years. <http://migration.ucdavis.edu/rmn/>.

Sommers, D., & Franklin, J. C. 2012. Overview of projections to 2020. *Monthly Labor Review*, 135(1), 3–20. <http://www.bls.gov/opub/mlr/2012/01/>.

The Economist. 2012. Migration: The Ebbing Mexican Wave. Nov. 24. Accessed at: <http://www.economist.com/news/special-report/21566781-worlds-biggest-migration-has-gone-reverse-ebbing-mexican-wave>.

U.S. Department of Agriculture, National Agricultural Statistics Service. 2009. 2007 Census of Agriculture: United States Summary and State Data. Volume 1, Geographic Area Series, Part 51. AC-07-A-51. http://www.agcensus.usda.gov/Publications/2007/Full_Report/usv1.pdf.

Hired farm workers are near the bottom of the U.S. job ladder. In 2010, the average earnings of crop workers were about \$9 an hour, and median weekly earnings were only 60 percent of those of workers in comparable private-sector nonfarm jobs.