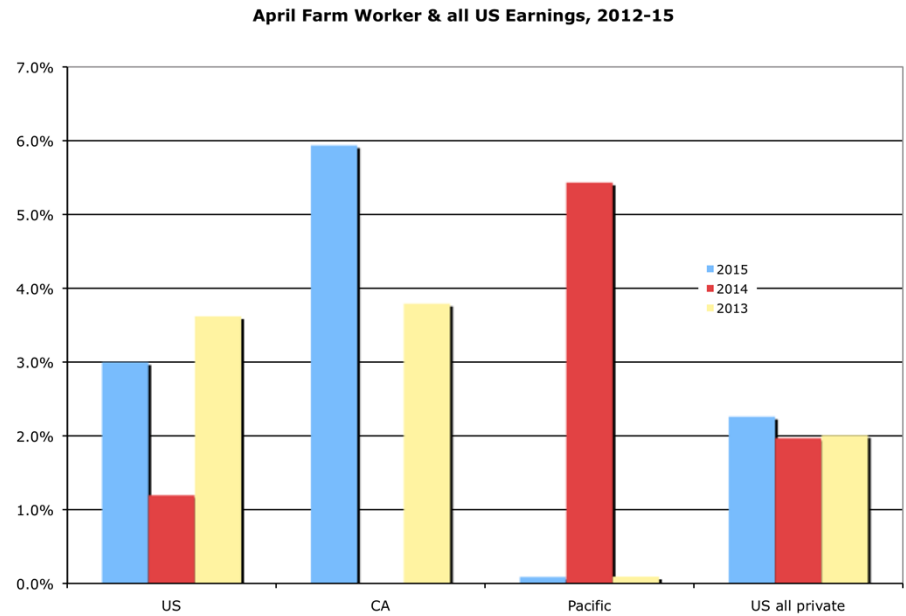
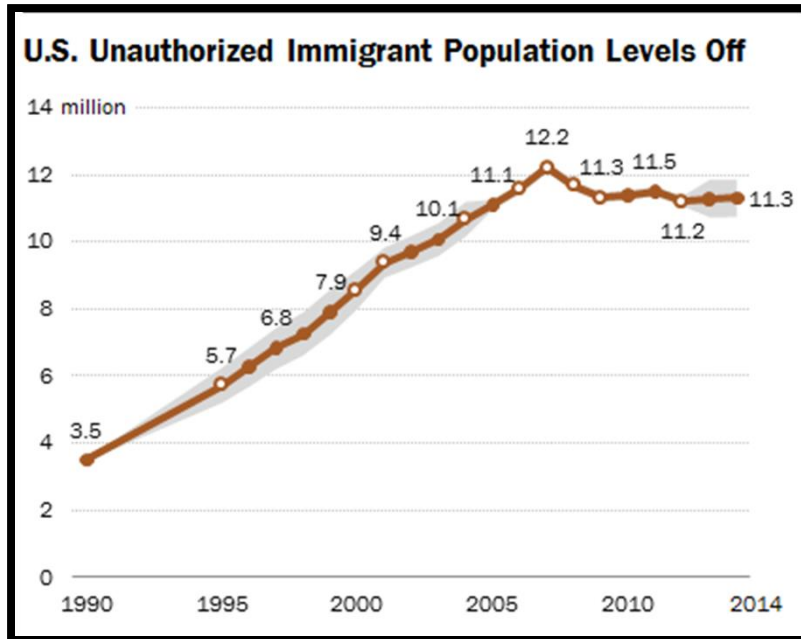


# Farm Labor: 2015

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# Highlights

- É **Average employ, unique workers, peak/trough**
- É **Ave ag employ:** US 1.2 million; CA 400,000
- É **CA: 2 farm workers for each FTE ag job**, so 400,000 FTE jobs = 800,000 California workers. Same 2 workers per FTE job across US?
- É **Employer 4 S responses to tight labor**
  - ó **Satisfy:** wages, super trainingô growers think not much
  - ó **Stretch:** mechanical aids, change production practices
  - ó **Substitute:** labor-saving mechanization
  - ó **Supplement:** H-2A workers, but housing
  - ó Most employers do all 4ô no one knows best combination

**FVH ag = 3 S' s: Sales, Labor's Share, Seasonality**

É **Farm sales** = CA \$43 bil (2012); IA = \$31 bil

ó CA = 12% of US \$395 billion in farm sales  
because of FVH commodities

ó US 54% crops, 46% livestock; CA 70% crops,  
30% livestock

ó CA \$26 bil of \$30 bil crop sales or 87% =  
FVH commodities

É **FVH: labor's share** = 20-30% of prod costs

É **Seasonality**: Ave emp 414,000 (2014) Peak  
471,000 Aug; low 344,000 Jan. Ratio = 1.4

# 3 C' s of Farm Labor

É **Concentration:** US: < 44,000 farms paid 75% of total COA farm labor expenses; CA: <7,500 farms paid 90% of farm labor expenses.

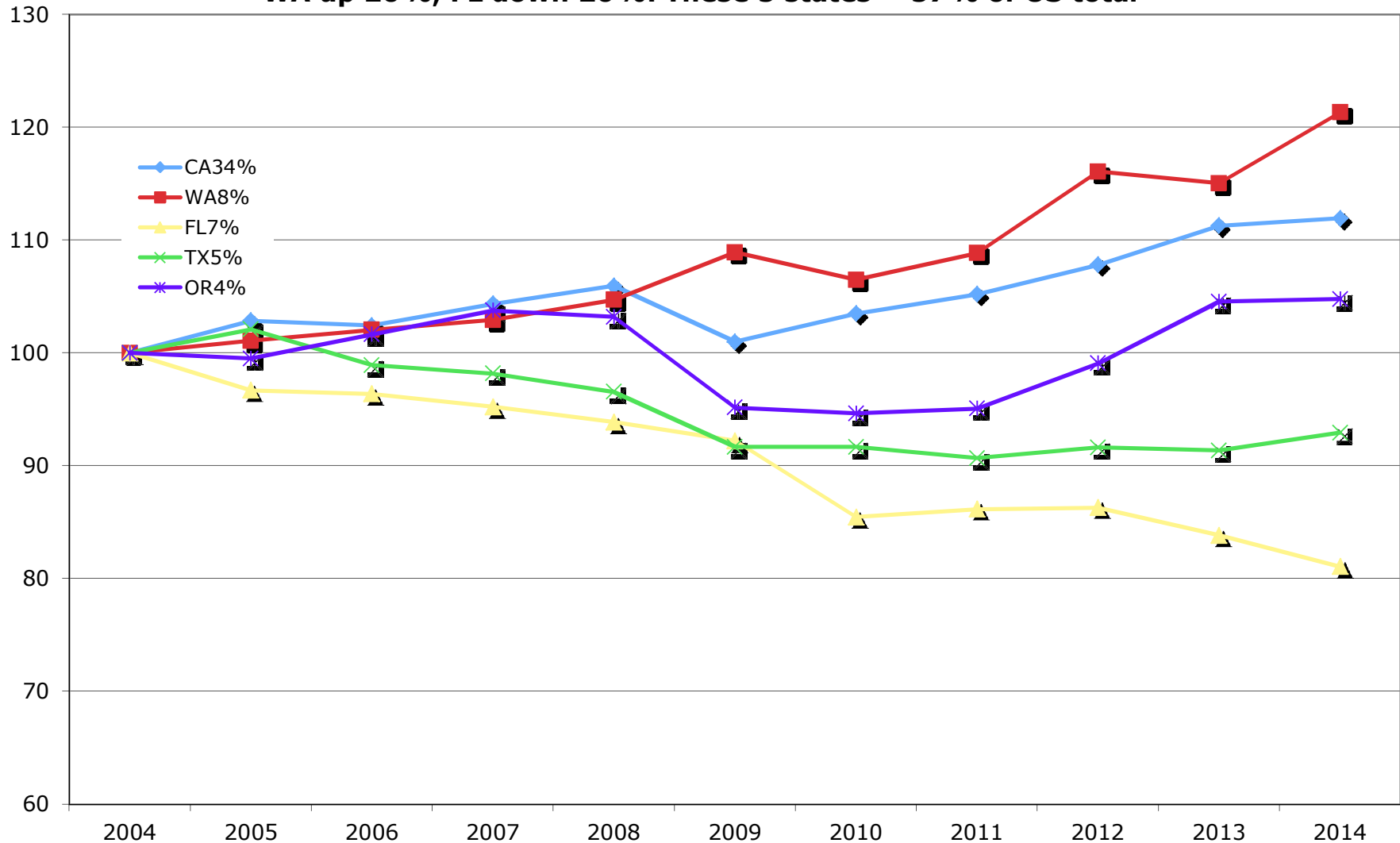
É **Contractors:** intermediaries who recruit & deploy crews. Win-win specialization OR risk-absorbers?

É **Conflict: Exit versus voice:** easier to exit a “bad” job (ag & fast food) than to organize & voice demands to change wages and conditions

ó Exits of “best” workers = hard to sustain unions in ag, fast food & other high turnover industries

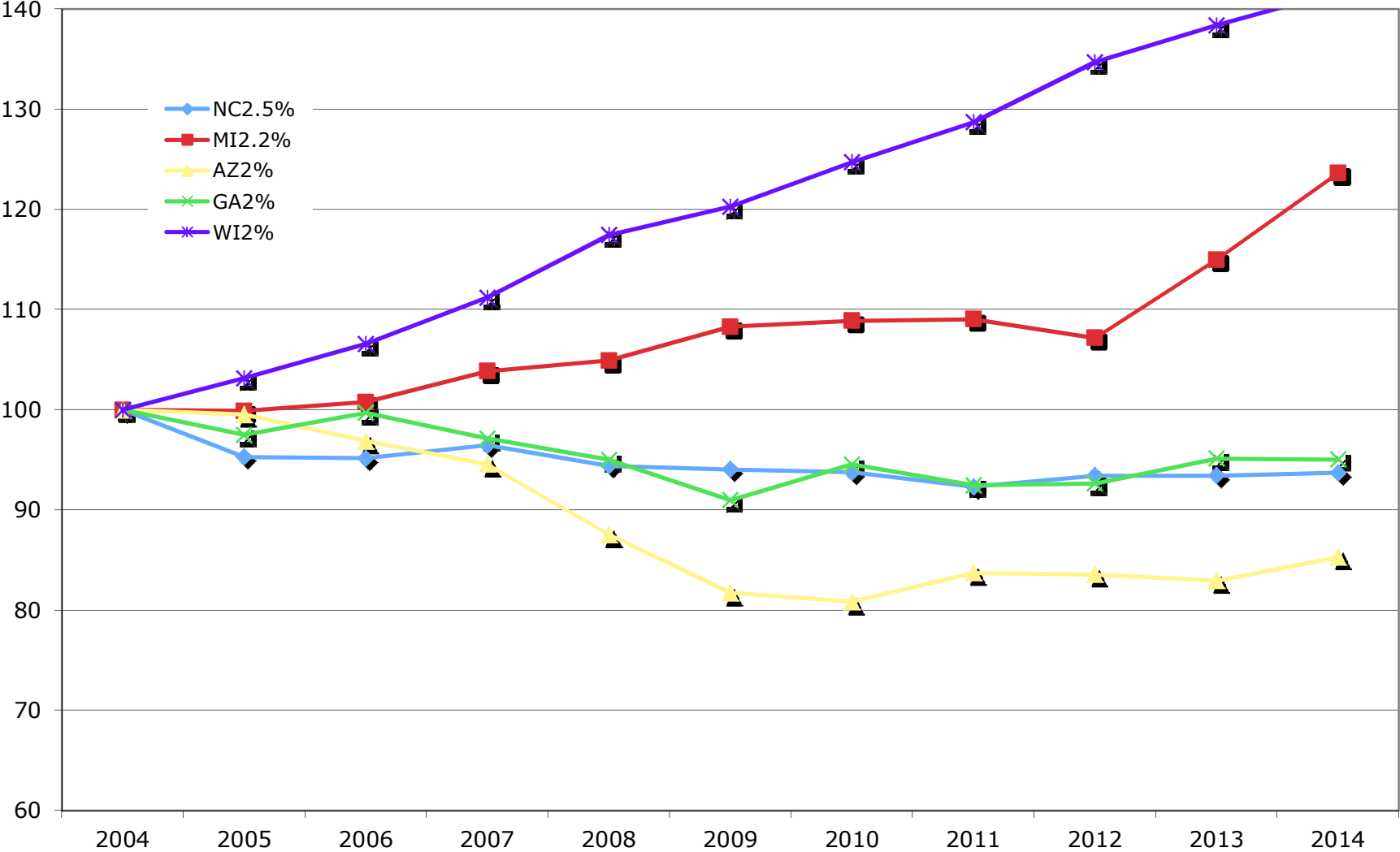
# UI ag employ 2004-14 up 6%: Top 5 = 57% of US ag emp

Average annual employment, 2004-14 (2004 = 100). Label has state's share of US average of 1.2 million FTE ag jobs in 2014; each 1% = 12,000 jobs.  
WA up 20%, FL down 20%. These 5 states = 57% of US total



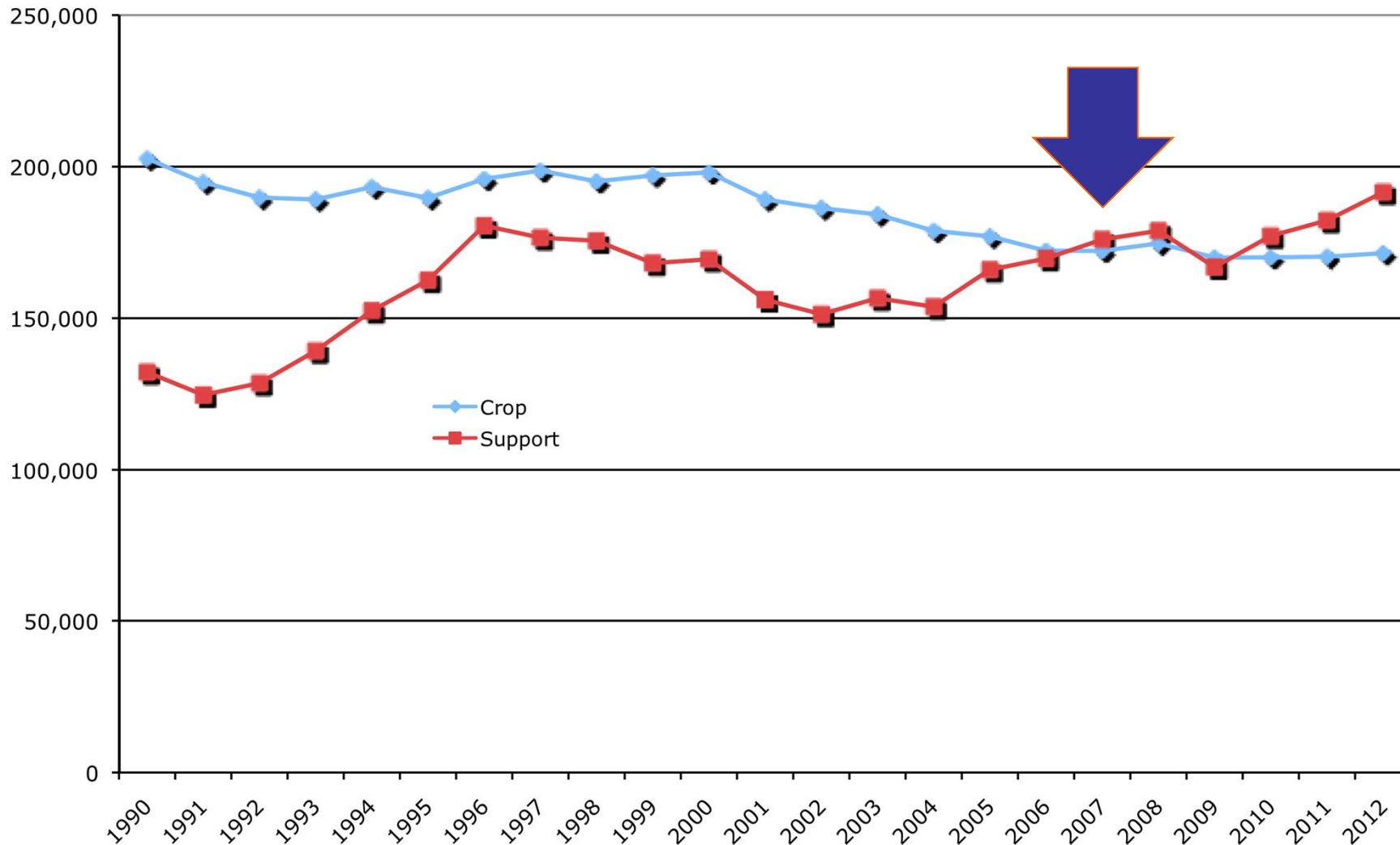
# Next 5 states each have >2% of total ag employment

Average Annual Ag Employment, 2004-14 (2004 =100). 5 states have 11% of US FTE ag employment of 1.2 million in 2014. WI up 40%, MI up 25%; AZ down 15%, GA & NC down 5%. Next: NY, PA, ID just under 2%. IA =1.5%



# CA since 2007: more workers brought to farms by crop support (FLCs) than hired directly. Gap is widening

CA: Average Crop & Crop Support Employment, 1993-2012





**Crop support:  
\$4.5 billion or  
43% of \$10.5  
billion in CA ag  
wages paid in  
2012 (QCEW);  
55% of crop  
support wages  
paid by FLCs**







**Fruit: \$2.5 billion or  
24% of California  
ag wages paid in  
2012**





**Vegetables: \$1 billion or 10% of ag wages paid**







**Nursery: \$800 million or 8%**  
**Dairy: \$600 million or 6%**  
**Big 5 = 95% of CA ag wages**



# Hired Crop Workers

## É **Young, male & born in Mexico, but changing**

- ó Fewer newcomers (workers in US less than 1 year). From 20% in 2000 to 2% today. Result: average age (37) & weeks of farm work (35) up
- ó 50% of all crop workers, & **2/3 of foreign born farm workers**, are unauthorized. CA has > % unauthorized because more CA farm workers are foreign born, 98%, versus rest of US, 58%

## É **Employ and earns: more weeks, higher wages**

- ó Average \$9.31/hour across US; \$9.22 in CA in 2012
- ó 35 weeks of farm work + 7 weeks of nonfarm work: 42 weeks, or close to 48 weeks full-time
- ó Annual earnings average \$15,000-\$17,000/year

## É **Farm work more like nonfarm work: live off the farm, commute to work, have 1 farm employer**

# Employers 2015: 4 S' s

- É **Satisfy** current farm workers with higher wages, improved benefits and better trained supervisors. *Attract new workers or shift workers between farms?*
- É **Stretch** the current labor force with mechanical aids that increase productivity: conveyor belts in fields, dwarf trees. *How fast to deploy?*
- É **Substitute**: labor-saving mechanization in raisins, olives, pre-harvest thinning and weeding, new seeds: high-stalk broccoli. *Will wages keep rising to justify long-term investments?*
- É **Supplement** the labor force with H-2As. *Why invest in housing if Congress may enact a no-housing program?*



**Satisfy: wages, benefits, supervisor training & respect**  
**Most farmers: satisfy will not ENLARGE labor force**

**Sexual Harassment Training for Supervisors**



**SEXUAL HARASSMENT TRAINING for Agricultural SUPERVISORS**

**FELS**  
Farm Employees Labor Service

Employers with 50 or more employees are now required to provide their supervisors with sexual harassment training. The training must be at least two hours of classroom or other effective interactive training.

**Locations and Times**



**Farm Labor Supervisor Training Program (FLS)**

**UNIVERSITY of FLORIDA**  
IFAS Extension

**Farm Labor Supervisor Training Program**

**Certificate of FARM LABOR MANAGEMENT**

Awarded to  
**Jose Smith**

For successful completion of required coursework and testing in the Farm Labor Supervisor Training Program

Date \_\_\_\_\_



Fritz M. Roka  
FLS Program Director  
University of Florida-IFAS



# Stretch: mechanical aids to raise worker productivity





# Substitute: mechaniza in olives, carrots, tomatoes, nursery





# Supplement with H-2As: 75,000 FY07, 130,000 FY15. CA&WA

## OFFICE OF FOREIGN LABOR CERTIFICATION

H-2A Temporary Agricultural Labor Certification Program - Selected Statistics, FY 2015 YTD

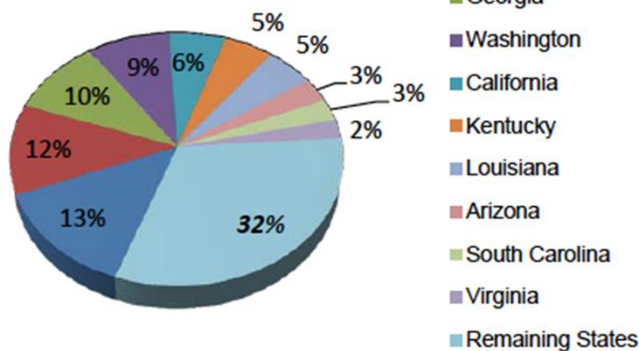
### Applications Received

YTD	Q1	Q2	Q3	Q4
6,752	1,570	3,359	1,823	

### Applications Processed

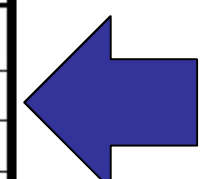
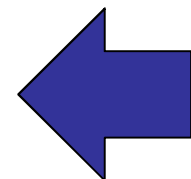
Determination	YTD	Q1	Q2	Q3	Q4
<b>Total Determinations</b>	6,559	1,022	3,404	2,133	
- Certified	6,269	955	3,299	2,015	
- Denied	159	38	57	64	
- Withdrawn	131	29	48	54	
<b>Positions Requested</b>	117,432	22,938	45,313	49,181	
<b>Positions Certified</b>	112,851	22,020	43,638	47,193	
<b>Processed Timely<sup>1</sup></b>	97.2%	98.3%	96.5%	96.2%	

### Top States



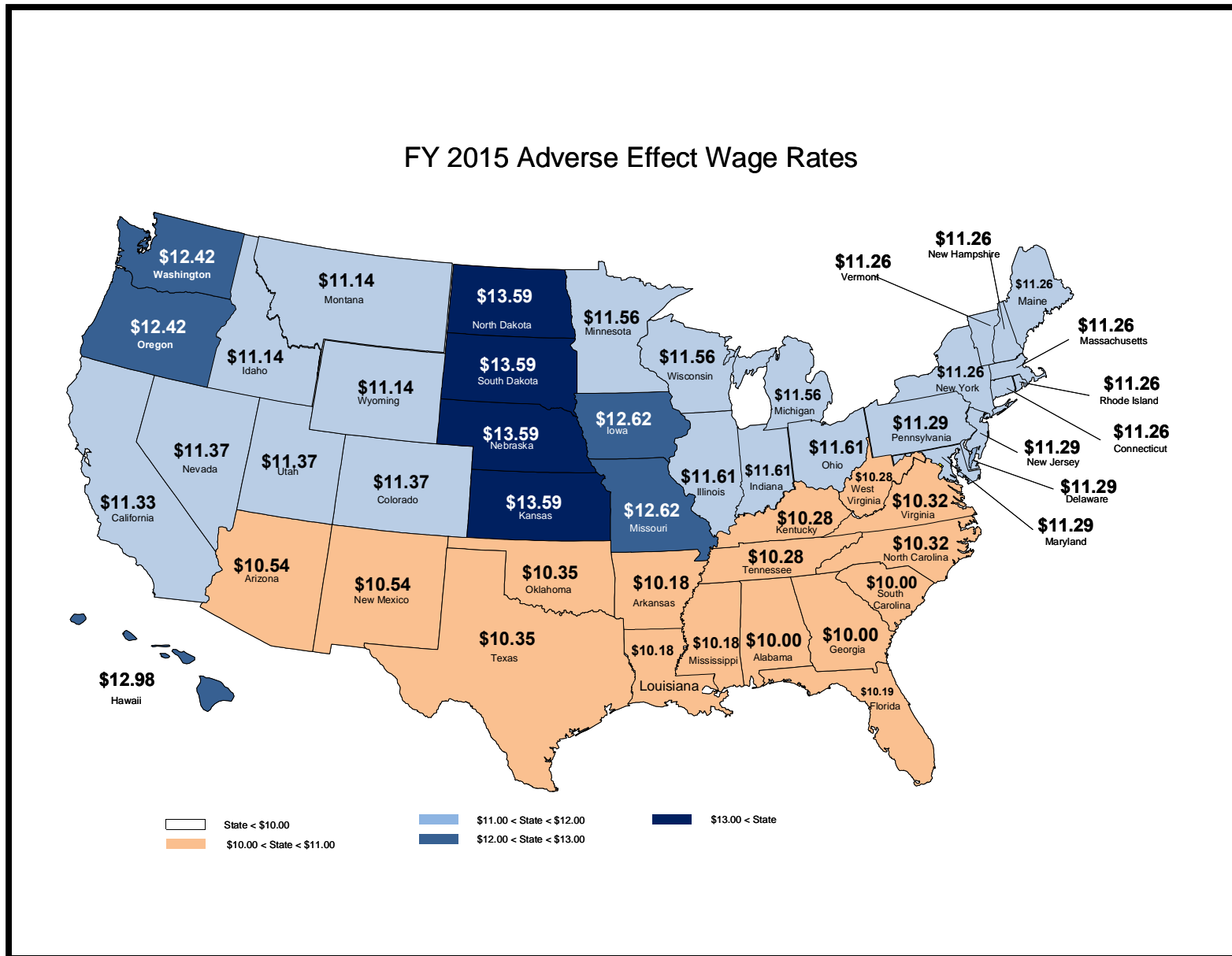
### Selected Statistics by Worker Positions Certified

Top 10 States	North Carolina	15,138
	Florida	13,057
	Georgia	11,089
	Washington	9,907
	California	6,858
	Kentucky	5,879
	Louisiana	5,862
	Arizona	3,437
	South Carolina	3,150
	Virginia	2,740
Top 10 Employers	North Carolina Growers Association, Inc. (NCGA)	10,191
	Washington Farm Labor Assn.	6,317
	Fresh Harvest, Inc.	2,990
	Zirkle Fruit Company	2,889
	Rodrigo Gutierrez-Tapia	1,968
	Virginia Agricultural Growers Assn., Inc. (VAGA)	1,626
	R & R Harvesting, Inc.	1,528
	Peri & Sons Farms, Inc.	1,360
	Foothill Packing, Inc.	1,175
	Del Monte Fresh Production, Inc.	997
	Tobacco <sup>3</sup>	13,082
	Berries <sup>4</sup>	10,643
	Hay and Straw <sup>5</sup>	6,722



# AEWRs 2015: \$10.32 in NC, \$12.42 in WA, \$11.33 in CA

## H-2As concentrated in brown states with lowest AEWRs



## **WA H-2As: 4,400 in 2012; 9,000 in 2014**

- É **H-2A program:** employers must (1) try to recruit US workers, (2) provide housing, (3) pay AEWR
- É **WFLA:** employer association = co-employer of H-2As.  
Shift H-2As between employers
  - ó WA: direct hires, easier to build & operate housing
  - ó Saddle labor demand: June-July peak for cherries & Sept-Oct apples; average farm employment of 88,000, or ¼ average of California
- É **2014 Apples:** 140 million 40-lb boxes (130 mil in 2012). Pickers average 6,000 pounds or 150 boxes/day for 65 days. Perhaps 20,000 to 25,000, & H-2A = up to half of apple pickers (*not all apple pickers are H-2A, but almost all H-2As pick apples*)
- É Spring 2015: destroy \$100 million worth of apples

# CA H-2As: 3,000 in 2012, 6,000 in 2014

É **CA:** many vegetable firms operate year-round. Leafy green vegetables in Yuma, SJV, & Salinas

- ó Border labor force is legal

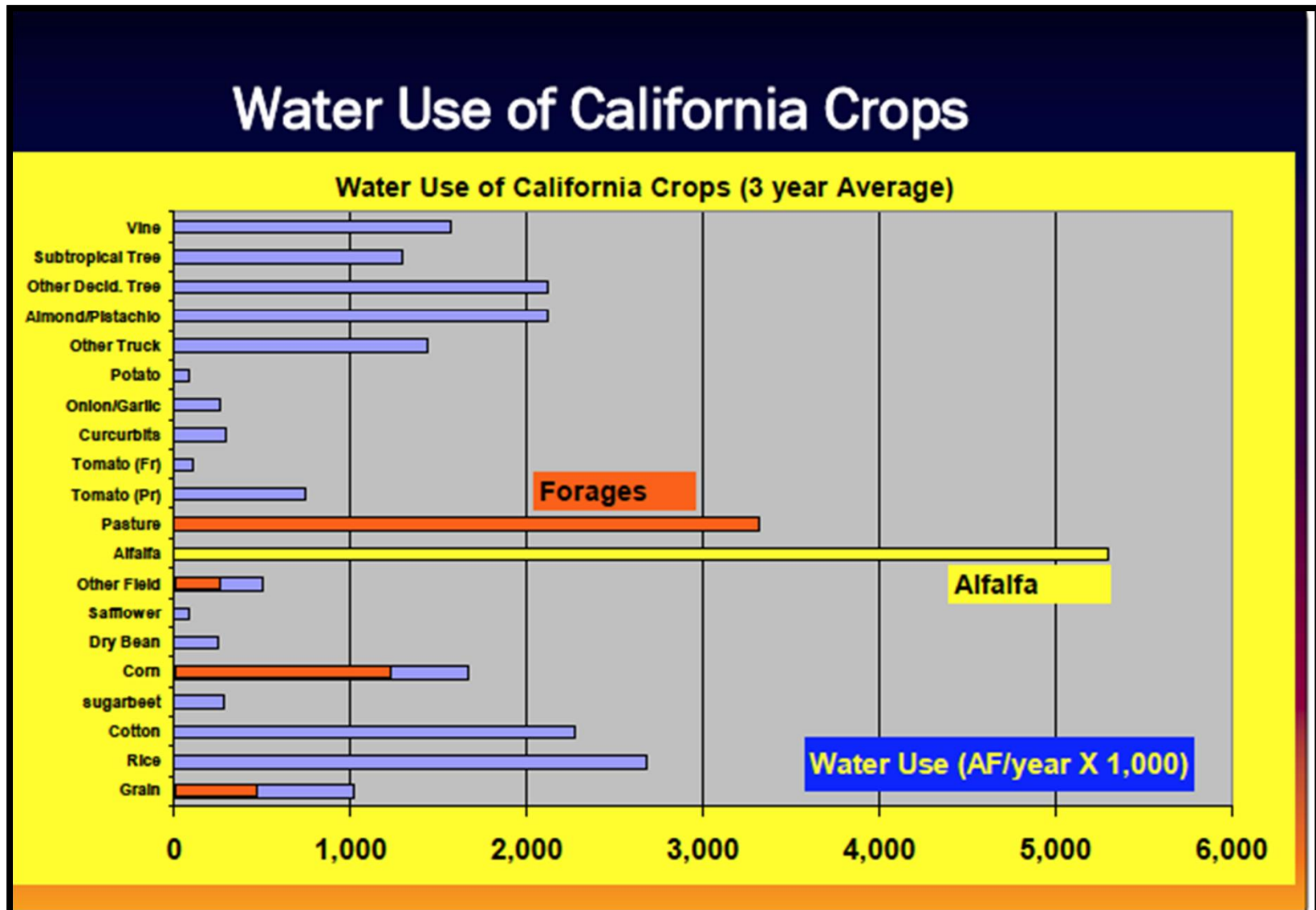
- ó Bring H-2As to Salinas: move from motels to FW housing? (T&A: \$8 million for housing for 800 workers in Spreckels, \$10,000 per bed)

- ó Largest CA H-2A user: Sierra-Cascade strawberry nursery (1,300 H-2As in Tulelake)

É **H-2A expansion:** led by coastal vegetable growers, not SJV fruit industry. Half of CA farm labor is in SJV, where fruit industry is concentrated, & there is less grower-shipper integration

É **Some shippers:** increase imports, esp of Mexican berries

**Big 4: alfalfa 5, pasture 3, rice & cotton, 2.5 each = 13 million acre feet or 40% of total 32-33 million acre feet used in ag**



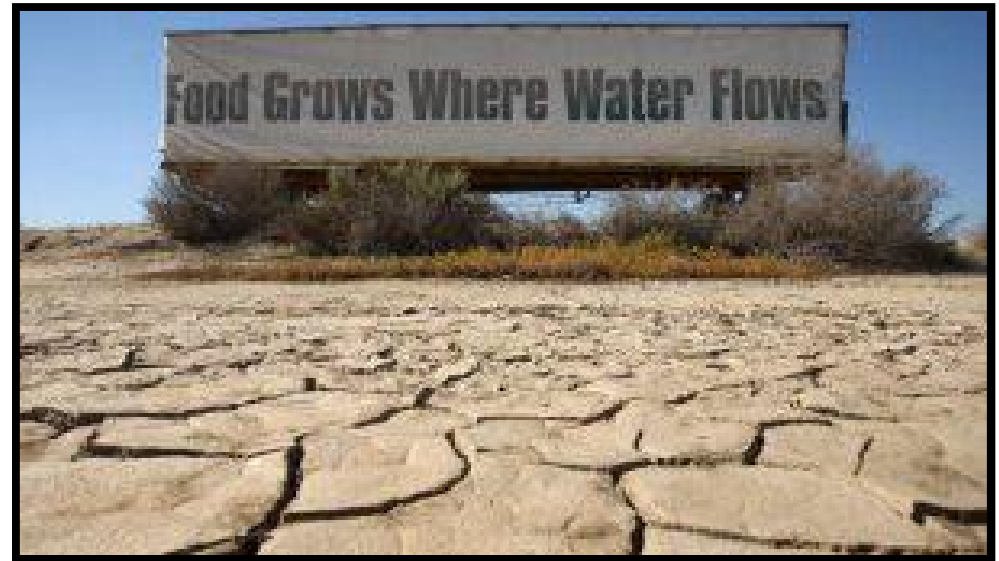


**Pasture: more water than tree fruits and vegetables combined**

***Why Intensive Grazing  
on Irrigated Pastures?***



# Drought: makes bad situation in farm worker cities worse



**“normal”  
unemployment rate in  
Mendota & Firebaugh =  
35%; with drought 40%**

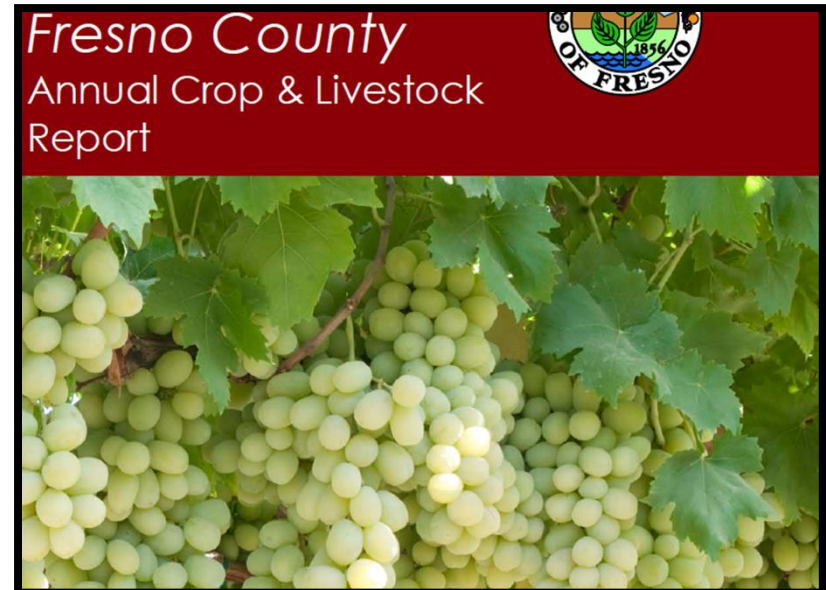




**Big 4 CA ag counties had \$27 billion in farm sales in 2014  
Tulare \$8 bil, Kern \$7.5 bil, Fresno \$7 bil, Monterey \$4.5 bil**

## **Tulare County ag sales top \$8 billion**

**Kern County's crop value hits a record \$7.5 billion**





# Summary 1

- É Average farm employment up as expansion offsets mechanization. Berries up as raisins mechanize
- É Farm workers: fewer new entrants & aging, settled farm workforce
- É Employer responses to fewer newcomers
  - ó **Satisfy**: stay longer
  - ó **Stretch**: labor-stretching mechanical aids
  - ó **Substitute**: labor-saving mechanization
  - ó **Supplement**: H-2A workers; try to change rules
- É Drought 2015: ag water use down
  - ó from 33 mil acre feet to 30 million acre feet, down 10%
  - ó irrigated acreage down 7%, ag job *growth* slows

# Summary 2

- É Farming for workers versus farming for yield
  - ó Re-organize work to attract & keep workers versus maximize production & assume seasonal workers will be available
  - ó Change crop characteristics to make farm work easier, talk-stalk broccoli, Frescada lettuce, brilliant White Cauliflower
- É H-2A = "loyal workers." H-2As do not switch employers to earn 5 cents more. E-Z H-2A could "lock-in" labor supply at cost of transport, housing etc
- É Which of the 4 S' s takes priority? What variance by commodity and area?