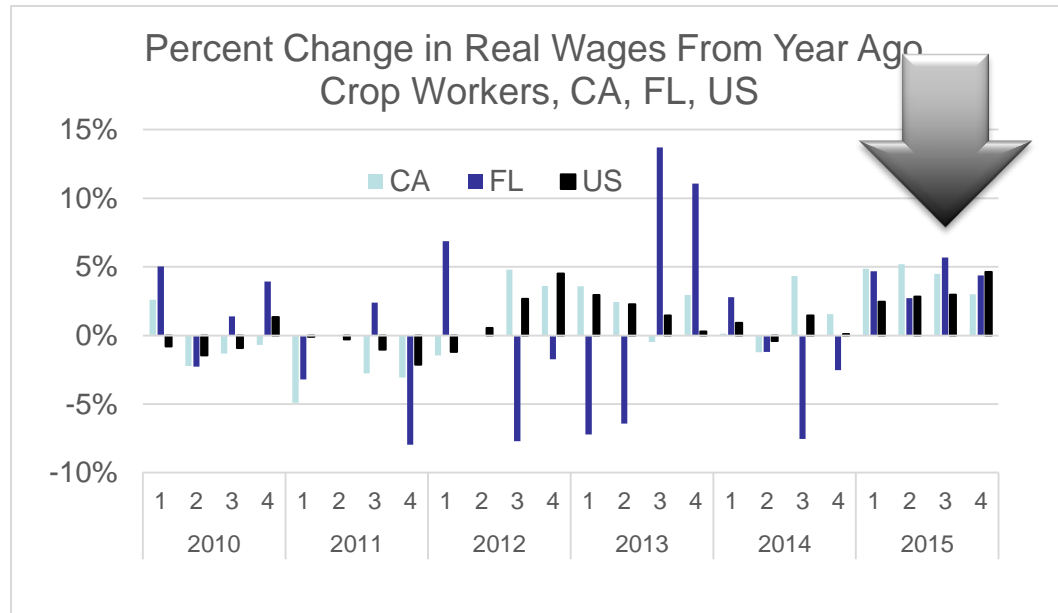
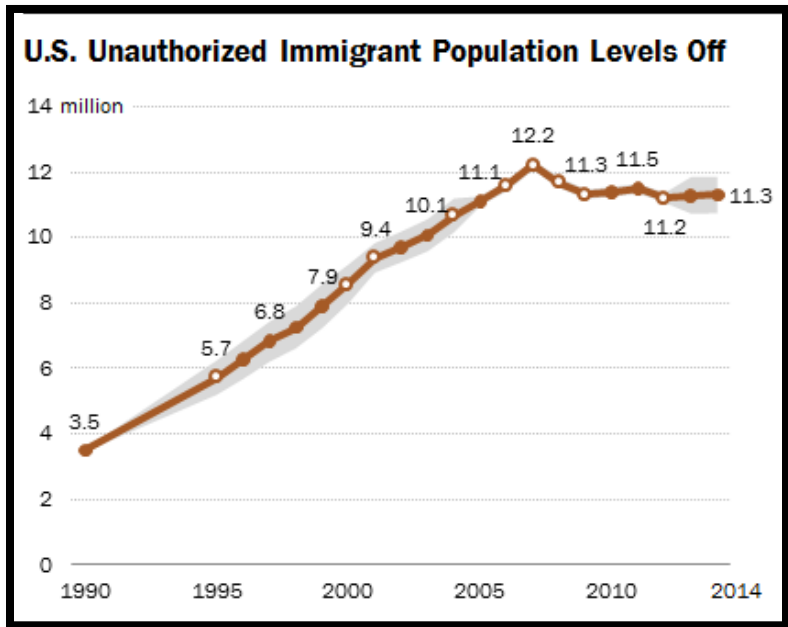


Immigration & Farm Labor

Philip Martin: plmartin@ucdavis.edu



Highlights

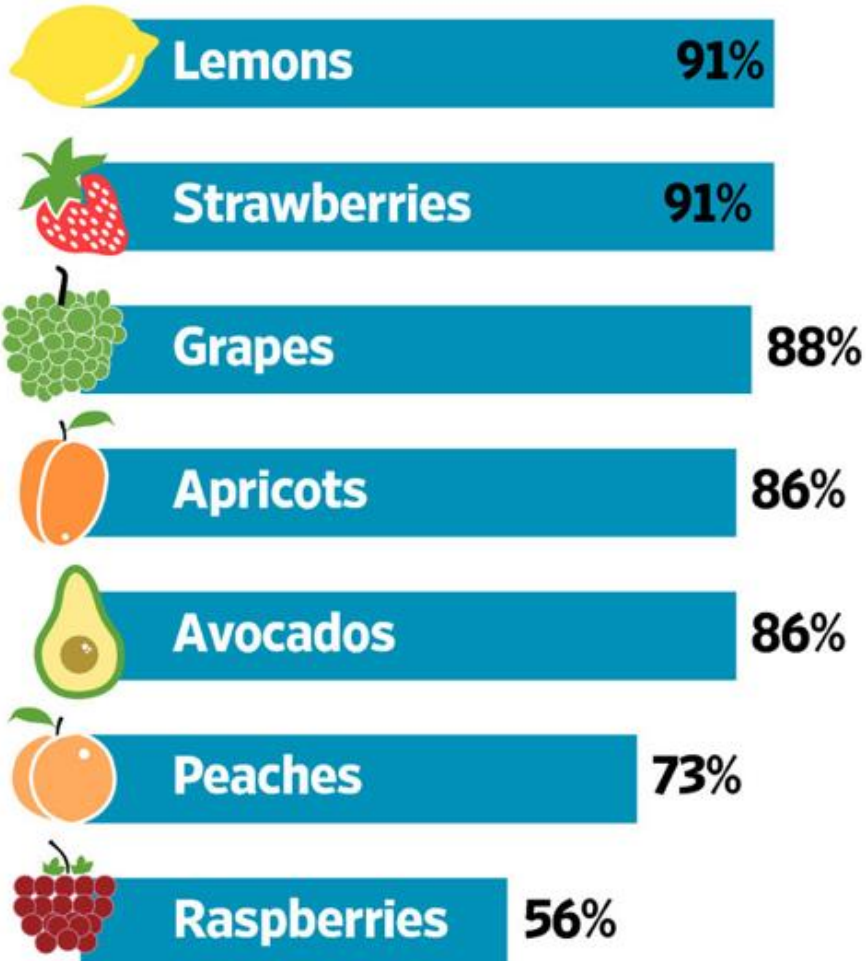
- **Hired workers** do most of the work in FVH commodities (fruits, veggies, & nurseries)
- **Hired farm workers** = Mexican-born (70%); **not** authorized to work in the US (45%); settled & aging
- **Employer responses to fewer newcomers**
 - **Satisfy current workers:** bonuses, super training—growers think inelastic supply, so wage increases do not help
 - **Stretch current workers:** mechanical aids, change production practices to make work easier; older & women
 - **Substitution:** labor-saving mechanization
 - **Supplement:** young H-2A workers provide fresh blood, but (1) recruit US, (2) provide housing, (3) pay AEW (>\$12 CA)
 - **Uncertainty:** no one knows best combination

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

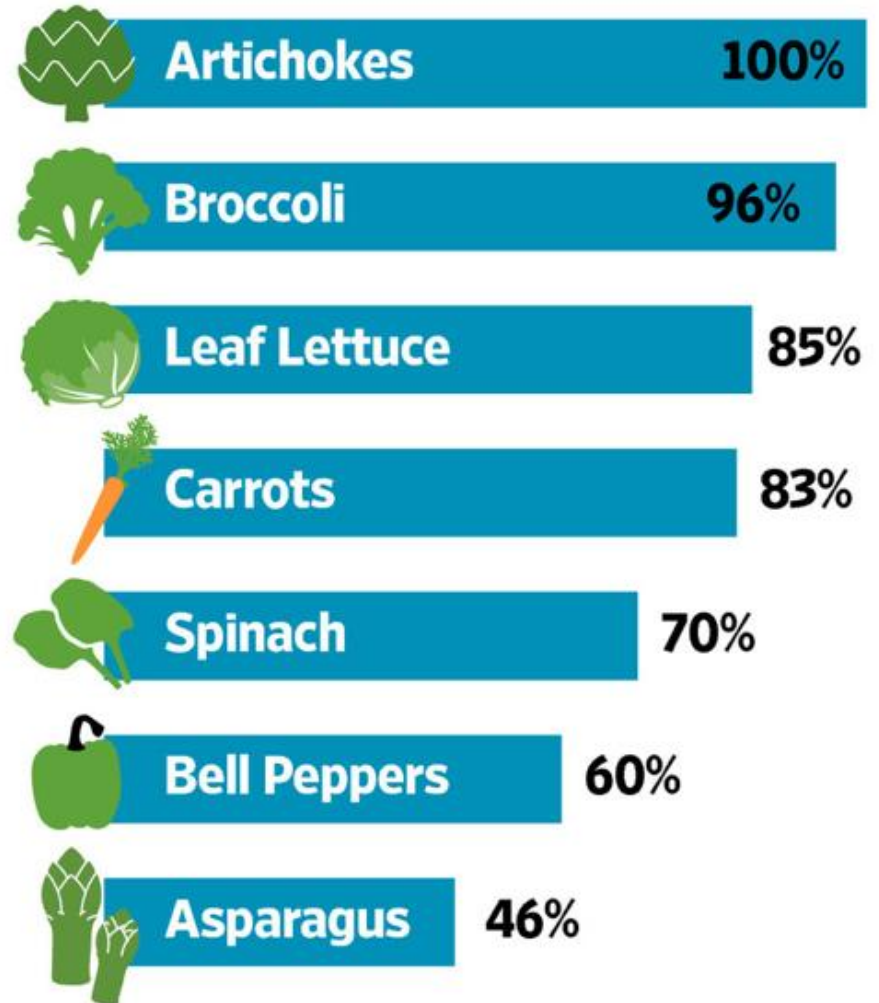
- **Farm sales** = CA \$43 bil (2012); IA = \$31 bil
 - CA = 12% of US \$395 billion in farm sales
 - US farm sales: 54% crops, 46% livestock
CA farm sales: 70% crops, 30% livestock
 - CA \$26 bil of \$30 bil crop sales or 87% =
FVH commodities
- **FVH: labor's share:** 30% of prod costs
- **Seasonality:** Ave CA farm employ 414,000 (2014). Peak 471,000 Aug; low 344,000 Jan. Peak-trough ratio = 1.4, & up as geography down; 100 to 1 on a farm (standby workers).

CA Shares of US FVH Production

Fruits

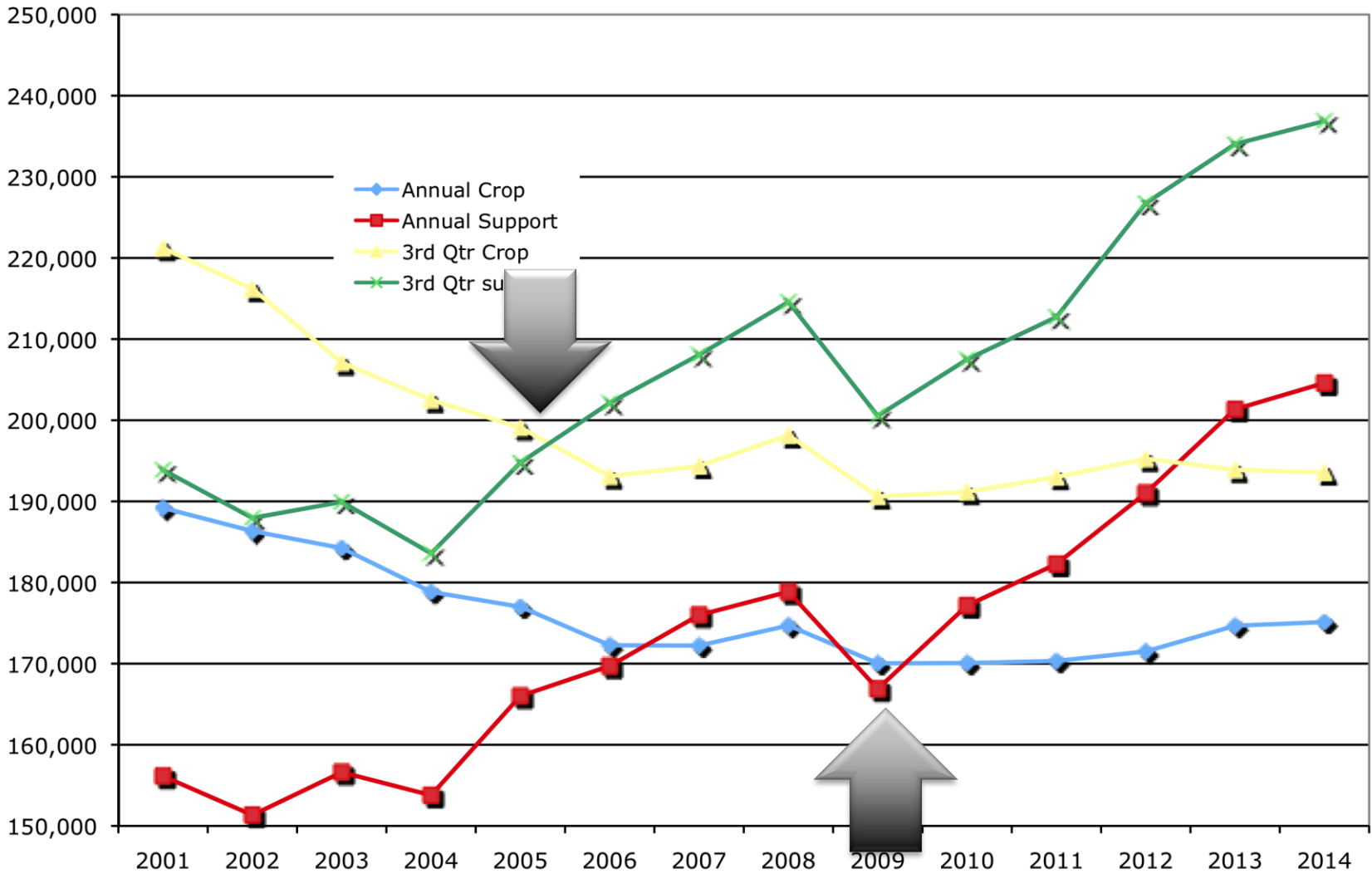


Vegetables



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

Average Annual & 3rd Quarter Employment, 2001-14

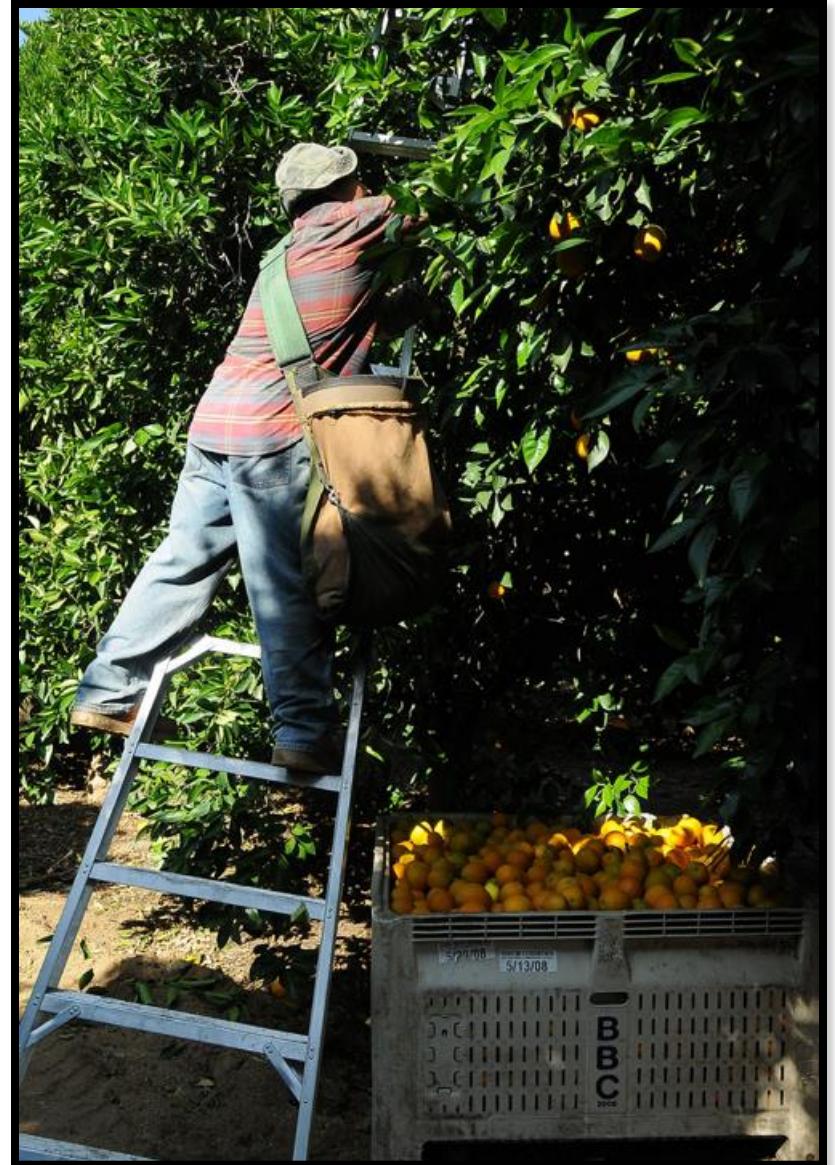




**3,000 US FLCs;
1,200 in CA
FLCs: Increase
efficiency of
worker-job
matching or risk
absorbers?**



Common crop support: harvesting tree fruits



CA strawberries: 90% of US 3 billion pounds 40,000 acres, 60,000 to 70,000 workers



Vegetables: both direct-hire & workers via crop support firms





**Nursery & dairy
Big 5 of 15: crop
support, FVH, &
dairy = 95% of CA
ag employment &
wages**

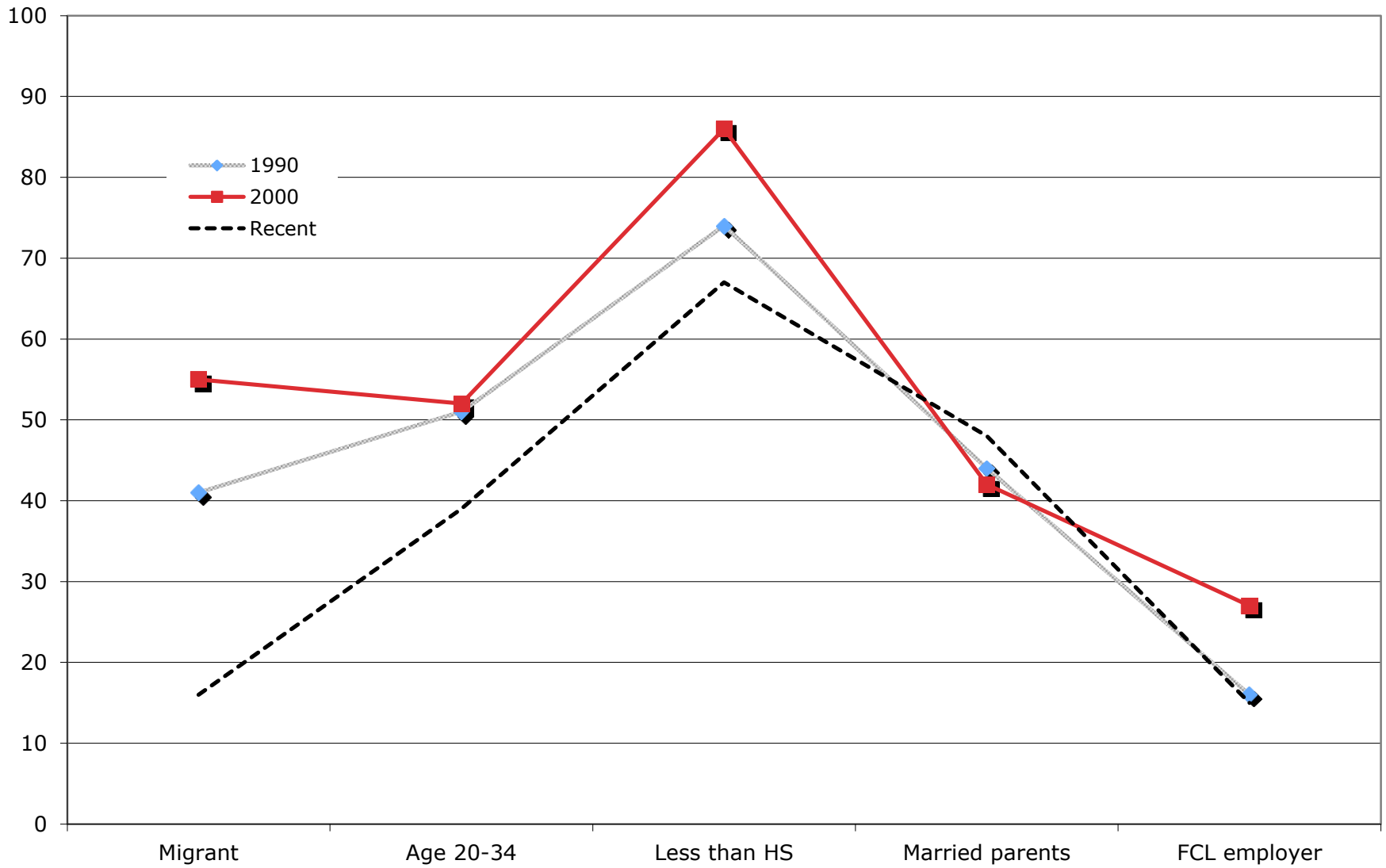


CA Hired Crop Workers

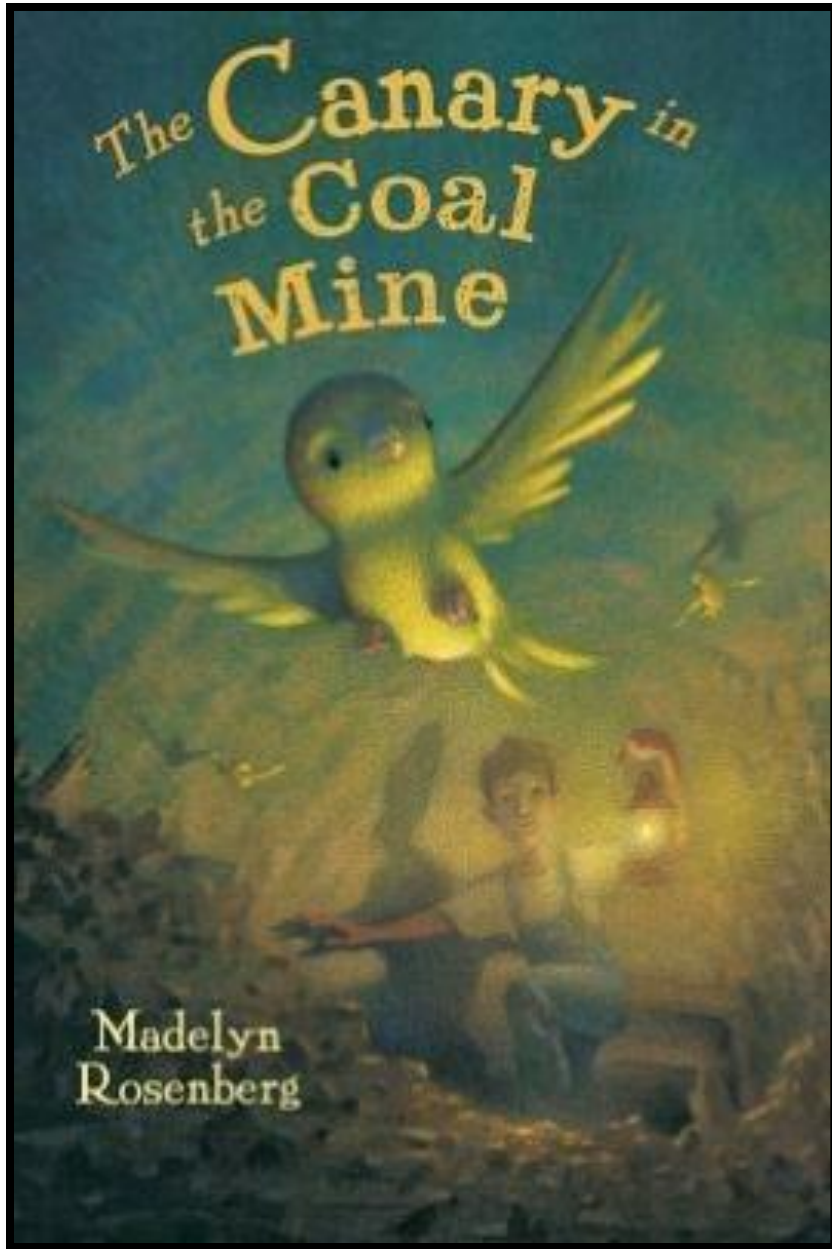
- **Men born in Mexico: 90%; 60% unauthorized.**
V-shape legal status
 - **Fewer newcomers** (workers in US less than 1 year). From 20% to 2% today. Result: average age (38) & weeks of farm work (35) up
 - 50% of all crop workers, & **2/3 of foreign-born farm workers**, are **unauthorized**. CA has > % unauthorized because more CA farm workers are foreign born
- **Employ and earns: more weeks, higher wages**
 - Average \$9.31/ hour across US; \$9.22 in CA in 2012
 - 35 weeks of farm work + 7 weeks of nonfarm work: 42 weeks, or close to 48 weeks full-time work
 - Annual earnings average \$15,000-\$17,000/ year
- **Farm work like nonfarm work: live off the farm, commute to work, have 1 farm employer/year**

Inverted V: Migrancy, youth, low education, FLC peak in 2000

US crop worker characteristics, 1990, 2000, recent (share of workers)



Agriculture: first to feel effects of fewer newcomers




Employers: 4-S responses

- **Satisfy** current farm workers with bonuses, benefits, & better supervisors. *If supply of workers in US = inelastic, wage increases do not add to supply*
- **Stretch** with mechanical aids that increase productivity: conveyor belts in fields, dwarf trees. *How much to invest, how fast to deploy?*
- **Substitute**: labor-saving mechanization. *Will wages keep rising to justify long-term investments? Involve seed companies with long horizons?*
- **Supplement** the labor force with H-2As. *Will expanded H-2 show that current program is OK or will Congress enact a no-recruitment & no-housing guest worker program?*

Satisfy: bonuses, benefits, supervisor training & respect

Most farmers: satisfy will not ENLARGE ag workforce

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 Dates



Farm Labor Supervisor Training Program (FLS)



UF 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 _____

FLS

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

Stretch: mechanical aids to raise worker productivity



Bell peppers: with and without conveyor belt



Thinning and harvesting apples from platforms

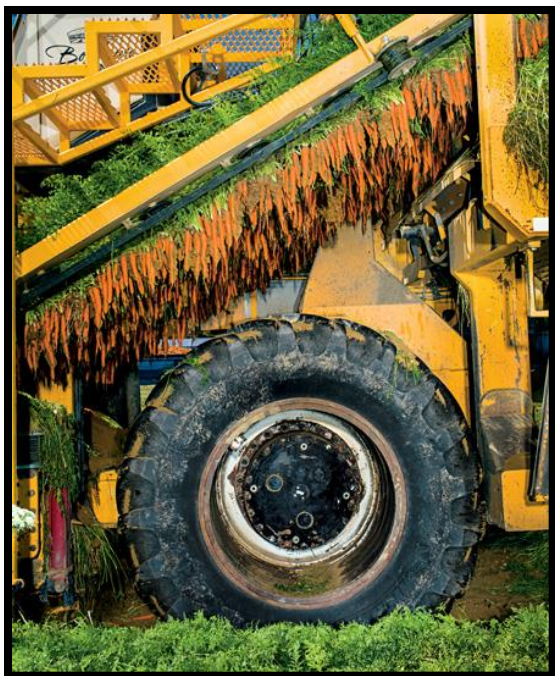
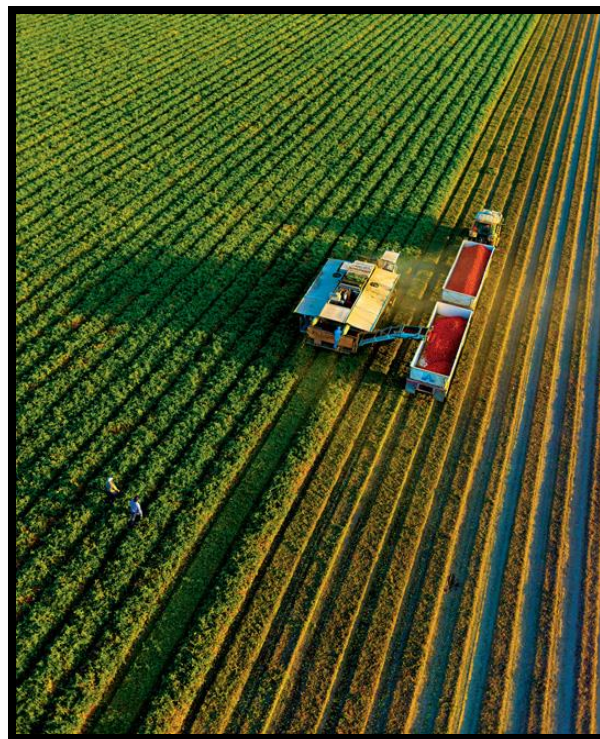


Workers share piece rate wages when picking on platforms.

Sweet tango apples
Dwarf trees & no ladders



Substitute: mechanize olives, carrots, nursery



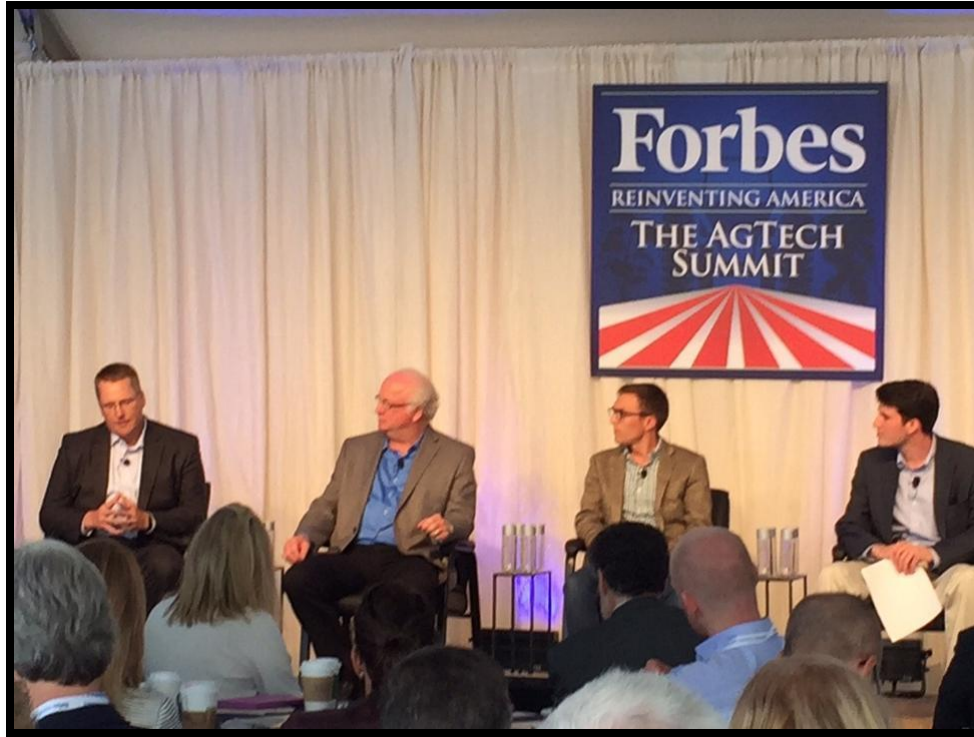
Defense vs Ag: Performance & Costs



Mechanization



Forbes: drew 425 participants to Salinas: LettuceBot



Supplement with H-2As: 75,000 FY07, 140,000 FY15. CA&WA

OFFICE OF FOREIGN LABOR CERTIFICATION

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

Applications Received

YTD	Q1	Q2	Q3	Q4
7,562	1,570	3,359	1,824	809

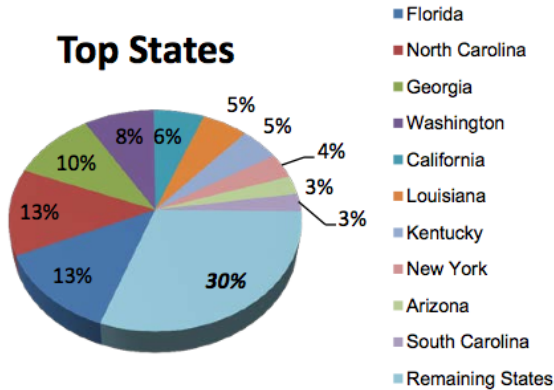
Applications Processed

Determination	YTD	Q1	Q2	Q3	Q4
Total Determinations	7,568	1,022	3,407	2,124	1,015
- Certified	7,195	954	3,298	2,011	932
- Denied	210	38	57	64	51
- Withdrawn	163	30	52	49	32
Positions Requested	145,874	22,639	45,480	49,020	28,735
Positions Certified	139,832	21,720	43,740	47,092	27,280

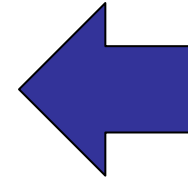
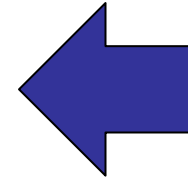
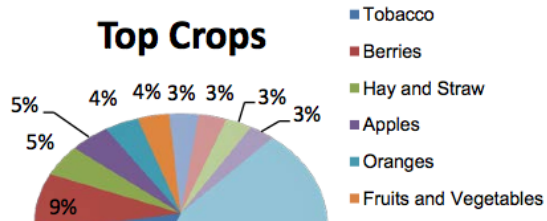
Selected Statistics by Worker Positions Certified

Top 10 States	Florida	17,942
	North Carolina	17,696
	Georgia	14,393
	Washington	11,844
	California	8,591
	Louisiana	7,787
	Kentucky	6,722
	New York	5,039
	Arizona	3,763
	South Carolina	3,594
Top 10 Employers	North Carolina Growers Association, Inc. (NCGA)	11,767
	Washington Farm Labor Assn.	7,895
	Fresh Harvest, Inc.	3,176
	Zirkle Fruit Company	2,889
	Rodrigo Gutierrez-Tapia	2,308
	Virginia Agricultural Growers Assn., Inc. (VAGA)	1,626
	R & R Harvesting, Inc.	1,578
	Peri & Sons Farms, Inc.	1,565
	H-2A Complete II, Inc.	1,533
	Sierra Cascade Nursery, Inc.	1,305
Top 10 Crops/Occupations	Tobacco ³	23,291
	Berries ⁴	12,358
	Hay and Straw ⁵	6,763
	Apples ⁶	6,641
	Oranges ⁷	5,733
	Fruits and Vegetables ⁸	5,421
	Nursery and Greenhouse Workers	4,997

Top States



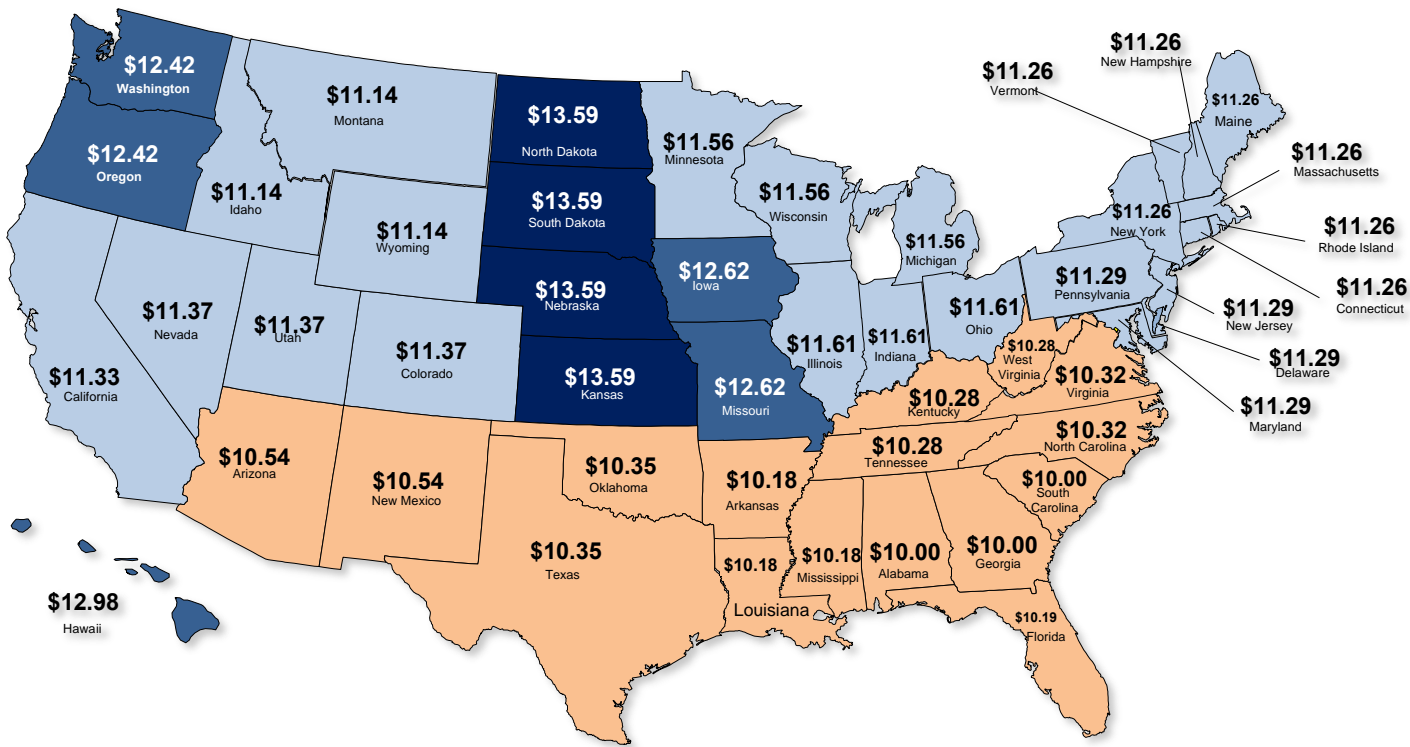
Top Crops



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

H-2As concentrated in brown states with lowest AEWRs

FY 2015 Adverse Effect Wage Rates



CA H-2As: 3,000 in 2012, 8,600 in 2015

- **CA:** many vegetable firms operate year-round. Leafy green vegetables in Yuma, SJV, & Salinas
 - Border labor force is legal
 - Bring border H-2As to Salinas: move from motels to FW housing? (T&A: \$8 million to house 800 workers in Spreckels, \$10,000 per bed)
 - Old: largest CA H-2A user: Sierra-Cascade strawberry nursery (1,300 H-2As in Tulelake; WWII Japanese intern)
- **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
- **Some shippers:** increase imports, esp of Mexican berries

T&A 800 beds in Spreckels: return to on-farm housing?



**T&A: 800
employees at
145-unit apt in
Yuma, AZ
since 2007**

CONSUMER



SEARCH

TRADE

Summary

- Average farm employment up as expansion offsets mechanization. Berries up as raisins mechanize
- Farm workers: fewer new entrants & aging, settled farm workforce with US-born children
- Employer responses to fewer newcomers
 - **Satisfy**: 40/ 40 rule: keep current workers longer
 - **Stretch**: labor-stretching mechanical aids
 - **Substitute**: labor-saving mechanization
 - **Supplement**: H-2A workers; try to change rules to reduce requirements on employers via recruitment, housing, & AEWB
- Which of the 4 S' s takes priority? What variance by commodity and area?