MIGRANT LABOR IN PRODUCTION AGRICULTURE
Overview

- Borders tightening
- Random government inspections
- Process takes time, effort, and creates hassle for most, it’s a process that production agriculturists are willing to take long before considering the alternative – no migrant labor at all.
Problem

- Lack of technology to “replace” labor
- Unemployed citizens will not settle
- More government restrictions on labor
  - Difficult for producers
  - Creates hassle to employers
Question

- Is the process of certifying/authorizing migrant laborers worth the time and effort put forth by producers?

- Or is having no migrant labor at all a better solution to the problem?
Labor vs. Capital

- Labor intensive focuses primarily on production by hand/man labor
- Capital intensive focuses primarily on production with technological advancements
Labor vs. Capital

Labor Intensive
- Fruits, vegetables, nuts
  - Watermelon, grapes, pumpkins, oranges, etc.
- Some livestock and dairy productions

Capital Intensive
- Grains
  - Wheat, corn, soybeans, sunflowers, etc.
- Hay
Labor defined:

- An expenditure of physical or mental effort especially when difficult or compulsory
  - Human activity that provides the good or services in an economy
  - The services preformed by workers for wages as distinguished from those rendered by entrepreneurs for profits
Fact

- Hired farm workers make up one-third of workforce
  - Over half of these are illegal and not authorized

- Consequences:
  - $$$$  
  - Loss of labor
  - Decreased production
Authorizing Immigrants

- Different types of permits available
  - Permanent worker permits
  - Temporary worker permits
Permanent Worker Authorization

- Must be a full time job opportunity
- Job must be available to U.S. citizens
- Requirements must not be tailored to foreign workers
- Employer must pay at least minimum wage
Temporary Worker Authorization

- H2-A permit
- According to the Department of Labor
  - “…there are not sufficient workers who are able, willing, qualified, and available…”
  - Temporary or seasonal nature
H2-A Requirements

- Must try to find U.S. workers
  - Advertising and recruiting
- Pay must equal to that which U.S. workers would receive
- Provide
  - Housing
  - Meals or kitchen facilities
  - Transportation
H2-A Requirements cont.

- Provide
  - Workers compensation insurance
  - Tools and supplies
  - Accurate records
- Employment must be guaranteed for at least three-fourths of the workdays in the contract period
- Fee
Research

- 1.01 million hired farm workers made up one third of 3 million people employed in agriculture in 2006
- Family member workers decreased
- Hired farm worker numbers increased
Research

- Over half of all hired crop farm workers lack legal authorization
Research

- Settled farm workers tend to earn more and have “safer” conditions.

Figure 15
Hired crop farmworkers by migrant type, 1989-2006 averages

Notes: The National Agricultural Workers Survey does not survey hired livestock workers.
## Demographics

<table>
<thead>
<tr>
<th>Demographic characteristics</th>
<th>Migrants</th>
<th>Nonmigrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median age</td>
<td>27</td>
<td>32</td>
</tr>
<tr>
<td>Percent female</td>
<td>14.0</td>
<td>29.3</td>
</tr>
<tr>
<td>Percent married</td>
<td>52.3</td>
<td>57.1</td>
</tr>
<tr>
<td>Percent Hispanic</td>
<td>95.3</td>
<td>68.1</td>
</tr>
<tr>
<td>Number children 17 and younger doing farmwork</td>
<td>0.57</td>
<td>0.17</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment characteristics</th>
<th>Migrants</th>
<th>Nonmigrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median years of education</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>Median years of U.S. experience</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>Percent with no knowledge of English</td>
<td>66.9</td>
<td>33.1</td>
</tr>
<tr>
<td>Percent unauthorized</td>
<td>66.2</td>
<td>27.1</td>
</tr>
<tr>
<td>Percent employed by labor contractors</td>
<td>25.9</td>
<td>14.2</td>
</tr>
<tr>
<td>Mean wage</td>
<td>$6.05</td>
<td>$6.55</td>
</tr>
<tr>
<td>Median wage</td>
<td>$5.55</td>
<td>$6.00</td>
</tr>
<tr>
<td>Median number of weeks worked previous year</td>
<td>19.6</td>
<td>38.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Health characteristics</th>
<th>Migrants</th>
<th>Nonmigrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent with health insurance</td>
<td>9.1</td>
<td>35.3</td>
</tr>
<tr>
<td>Percent who have used health services in past 2 years</td>
<td>29.1</td>
<td>60.9</td>
</tr>
<tr>
<td>Percent reporting health condition in past 2 years</td>
<td>9.7</td>
<td>19.8</td>
</tr>
</tbody>
</table>

Research

- California, Florida, Texas, Washington, Oregon, and North Carolina account for half of all hired farm workers.

Figure 5: Top 15 States for hired farm and contract farm labor expenses, 2002

- California: $1,580 million
- Florida: $1,143 million
- Washington: $1,043 million
- Oregon: $683 million
- North Carolina: $618 million
- Wisconsin: $536 million
- Michigan: $505 million
- Minnesota: $489 million
- New York: $479 million
- Pennsylvania: $472 million
- Illinois: $447 million
- Iowa: $440 million
- Nebraska: $438 million
- Idaho: $403 million

Figure 3: Labor’s share of total cash expenses, by agricultural product, 1996 and 2006

Source: ERS analysis of 2002 Census of Agriculture data.

Source: ERS analysis of 1996 and 2006 ARMS data.
Research

- Southwest Region employs majority

![Chart showing hired farmworkers by geographic region and product type, 2006](chart.png)

*Note: The sum of all figures equals 100 percent. We altered the four standard Census regions (Northeast, Midwest, South, and West) by identifying a 5-state Southwest region, extracted from the West and South regions, that includes Arizona, California, Colorado, New Mexico, and Texas (see Glossary). The percentages of farmworkers in each geographic region from the 2006 CPS Earnings File in this chart match, within 1 percent, the same geographic distribution of farm labor expenses found in the 2002 Census of Agriculture. Source: ERS analysis of annual averages from 2006 Current Population Survey Earnings.*
Research

- The majority of crops grown in California are labor intensive
  - Vegetables
  - Melons
  - Fruits
  - Nuts
Methods

- Analysis of legalizing migrant labor versus no migrant labor at all
- Simple supply and demand
Results

- Legalization process
  - Time consuming
  - Hassle
  - Numerous requirements
  - Precise records
Results

- No migrant labor
  - Increased demand for workers
  - Decreased production
  - More imports of foreign goods
Results

- Migrant labor is a demand in the agriculture industry
- Decrease in supply of labor will lead to an increase in demand for labor
- American citizens who are unemployed are able, available, and qualified, but NOT many willing.
Question

- Is the process of authorizing migrant labor to work in the United States superior to having no migrant labor at all?

- YES
Conclusions

- Best said
  - “Some growers are planting fewer acres than normal as they scramble to save the season. [The trade association Western Growers] is worried that the lack of workers – mostly immigrants from Mexico and Central America – could cause $1 billion in losses to California Agriculture this year.”

- Migrant labor is, and always will be, demanded in the agriculture production industry.
Resources


QUESTIONS?