Kaytlyn Cooksey 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 wiling 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

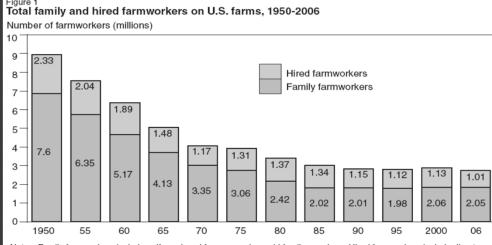
H2-A Requirements cont.

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

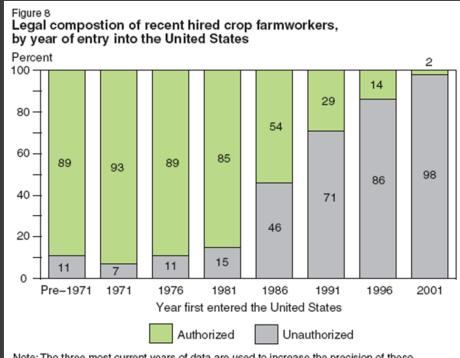
 1.01 million hired farm workers made up one third of 3 million people employed in agriculture in 2006

- Family member workers decreased
- Ired farm worker numbers increased

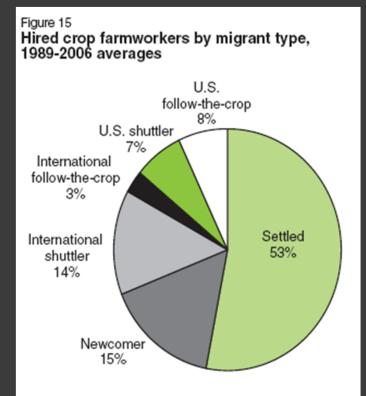


Notes: Family farmworkers include self-employed farmers and unpaid family members. Hired farmworkers include direct hires and agricultural service workers who are often hired through labor contractors. The 2006 family farmworkers figure of 2.05 million is estimated from a simple linear extrapolation from the last available annual figures for self-employed and nonpaid family farmworkers collected by NASS from 2000 to 2002. Source: Farm Labor Survey, National Agricultural Statistics Service, USDA.

Over half of all hired crop farm workers lack legal authorization



Note: The three most current years of data are used to increase the precision of these estimates by reflecting the most recently surveyed hired crop farmworkers. Source: ERS analysis of National Agricultural Workers Survey data, 2004-2006.



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

Source: ERS analysis of National Agricultural Workers Survey data, 1989-2006.

 Settled farm workers tend to earn more and have "safer" conditions

• Demographics

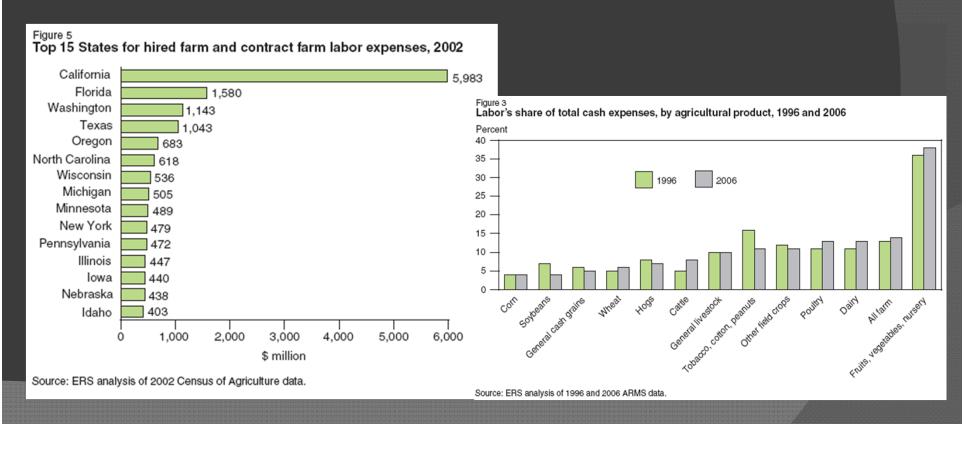
Table 7

Select demographic, employment, and health characteristics of hired crop farmworkers, by migrant status, 1989-2006 averages

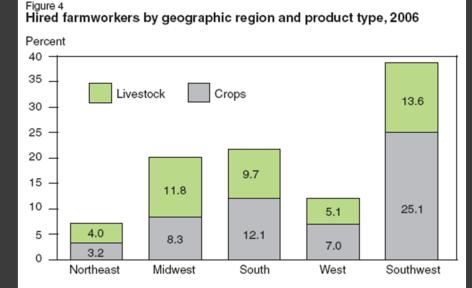
| | Migrants | Nonmigrants |
|--|----------|-------------|
| Demographic characteristics | | |
| Median age | 27 | 32 |
| Percent female | 14.0 | 29.3 |
| Percent married | 52.3 | 57.1 |
| Percent Hispanic | 95.3 | 68.1 |
| Number children 17 and | | |
| younger doing farmwork | 0.57 | 0.17 |
| Employment characteristics | | |
| Median years of education | 6 | 9 |
| Median years of U.S. experience | 3 | 8 |
| Percent with no knowledge of English | 66.9 | 33.1 |
| Percent unauthorized | 66.2 | 27.1 |
| Percent employed by labor contractors | 25.9 | 14.2 |
| Mean wage | \$6.05 | \$6.55 |
| Median wage | \$5.55 | \$6.00 |
| Median number of weeks worked previous year | 19.6 | 38.9 |
| Health characteristics | | |
| Percent with health insurance | 9.1 | 35.3 |
| Percent who have used health services in | | |
| past 2 years | 29.1 | 60.9 |
| Percent reporting health condition in past 2 years | 9.7 | 19.8 |
| | | |

Source: ERS analysis of National Agricultural Workers Survey data, 1989-2006.

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



Southwest Region employs majority



Notes: 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.

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?



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 \$1billion in losses to California Agriculture this year."
- Migrant labor is, and always will be, demanded in the agriculture production industry.

Resources

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QUESTIONS?