

An Uncertain Harvest

Immigration and agriculture

By Eric Tegler

In 2014, America once again, unwillingly, revisited the question of immigration. It is, frankly, a fraught topic, steeped in complexity, special interest, national identity, international relations, stereotypes, and morality. Squarely bordered within the broader issue is the business and culture of agriculture.

Migrant agricultural labor – legal and illegal – stretches well back into American history. However, the origins of the contemporary landscape of migrant agricultural labor date to the 1920s, when illegal immigration was the subject of heated congressional debates. Edward H. Dowell, vice president of the California Federation of Labor, testified before the U.S. Senate Committee on Immigration in February of 1928 about the burden of the unrestricted flow of Mexican agricultural laborers on the state’s taxpayers, prisons, hospitals, and American workers’ wages.

The Emergency Quota Act of 1921 and successive federal legislation reduced legal immigration for foreign nationals except Mexicans and Northern Europeans. Immigration dropped sharply during the Great Depression, but the trend reversed during World War II, when the federal government set up a program (the Bracero Program) to import Mexican laborers to work temporarily in agriculture, primarily in the Southwest. The goal was to import foreign workers during agricultural harvest and then encourage them to go home.

During the Bracero Program (concluded in 1964), a parallel rise in illegal immigration occurred, driven in part by agricultural demand for cheap, unskilled labor. As successive legal immigration legislation, such as the 1965 Immigration Act, was put in place over the years, illegal migration for agricultural work continued apace, a phenomenon reflected in U.S. Department of Agriculture (USDA) and U.S. Department of Labor statistics.

According to the Farm Labor Survey (FLS) of the USDA’s National Agricultural Statistics Service (NASS), the annual average number of people employed as hired farmworkers, including agricultural service workers, decreased slightly from 1,142,000 in 1990 to 1,032,000 in 2007. In the years since it has held steady at just above 1 million. The 2012 total was 1,063,000, of which 576,000 were full-year positions, 199,000 were part-year positions, and an estimated 288,000 were agricultural service workers brought to farms by contractors.

The Department of Labor’s National Agricultural Workers Survey (NAWS) found that the share of hired crop farmworkers

not legally authorized to work in the United States grew from roughly 15 percent in 1989-91 to almost 55 percent in 1999-2001. It has subsequently fluctuated around 50 percent. Since 2001, the share of farmworkers who are citizens has increased from approximately 21 percent to about 33 percent, while the share who hold green cards or other forms of work authorization has fallen from about 25 percent to about 19 percent.

The vast majority of farmworkers (approximately two-thirds) are from Mexico. According to the NAWS, the proportion of hired crop farmworkers born in the United States or Puerto Rico fell from about 40 percent in 1989-91 to a low of approximately 18 percent in 1998-2000, while the share born in Mexico rose from 54 percent to 79 percent over the same period. Since 2000, the U.S. and Puerto Rican share has rebounded and the Mexican share has fallen to about 68 percent.

Contrary to popular perception, the share from Central America and other countries has never exceeded 6 percent. Concurrently, the share of Hispanic, mostly Mexican, workers in the dairy industry has increased significantly, according to the USDA Economic Research Service.

The Great Recession affected farm employment less than non-farm employment, according to the Bureau of Economic Analysis. While employment fell 4.7 percent for the non-farm economy between 2007 and 2009, farm wage and salary employment fell by 1.5 percent. The USDA states that unemployment rates for hired farmworkers, as with other major occupational groups, more than doubled between 2007 and 2010, to 15.9 percent. However, employment levels for hired



Mexican farmworkers who have been accepted for farm labor in the United States through the Bracero Program, circa 1942-1945. The Bracero Program was established by the U.S. government to bring temporary farmworkers from Mexico to the United States.



farmworkers did not decrease over this period. This apparent contradiction may arise due to greater turnover in the farm labor market and a larger number of former farmworkers rejoining the labor force. Overall, the agriculture labor population remains a small proportion of the U.S. labor force. The 2 million-plus individuals who work on farms for wages sometime during a typical year were less than 2 percent of the 156 million U.S. workers with work experience in 2012, according to Philip Martin, Ph.D., chair of the California Comparative Immigration & Integration Program at the University of California-Davis.

Baldemar Velasquez has worked with this “2 percent” his entire life as a crop worker, a noted labor activist, and Farm Labor Organizing Committee (FLOC) founder and president. Born into the migrant labor community in the United States, Velasquez gained respect and notoriety for successfully organizing farmworkers and negotiating collective bargaining deals with manufacturers like Campbell’s Soup Company in the 1980s and 1990s.

More recently, Velasquez and the FLOC negotiated a three-way collective bargaining agreement between North Carolina-based Mt. Olive Pickle Company, the North Carolina Growers Association, and H-2A Guest Program workers in North Carolina. The agreement is particularly notable in a state where unionization efforts of any kind are rare, much less one that organizes foreign workers.

“We were duplicating previous supply-chain agreements we had signed with manufacturers in Ohio, cutting a deal that works for everybody – manufacturers, suppliers, and workers,” Velasquez said. “Mt. Olive was a champion of the guest worker program, recognizing that most of the agricultural workers in

Migrant workers delicately lift and separate the greens from large sweet potatoes at Kirby Farms in Mechanicsville, Virginia, on Sept. 20, 2013. The majority of hired farmworkers in the United States are from Mexico.

the area were undocumented and the need for documenting workers. Most of their suppliers were members of the North Carolina Growers Association, which specialized in [administering] undocumented workers. Because of all of these forces, Mt. Olive ended up brokering a meeting and signing a collective agreement.”

North Carolina has one of the highest percentages of H-2A workers in the United States and the North Carolina Growers Association is the largest user of H-2A workers in the country. Undocumented workers like those in the H-2A program are not guaranteed the labor rights of U.S. citizens, so private agreements must be struck to confer similar rights unless prevailing laws require equal treatment. In some states like California, equal treatment is required and some labor laws, workers’ compensation for example, make no distinction between legal and illegal workers.

President Barack Obama’s executive order on deportation puts the FLOC’s North Carolina agreement in a potentially different light. More broadly, it is still being assessed by the agricultural industry. Its constitutionality and implementation are open questions, as are its details.

Could it promote stability and open the door to large-scale unionization? Groups like the powerful Western Growers Association are uncertain. While it might create a more



Farmworkers Jesus Zuniga, center, and Tranquilino Ruiz, who holds a United Farm Workers flag, watch President Barack Obama's speech on immigration on television at a Fresno, California, community center on Nov. 20, 2014. The fate of Obama's executive order – and its potential effects – on immigration are uncertain.

stable workforce, the association is not clear on whether the action would mean more or less enforcement/compliance by U.S. Immigration and Customs Enforcement (ICE) and what reporting/documentation issues might arise.

"It turns out to be quite complicated for how this might shake down for agriculture," said Thomas Hertz, Ph.D., an economist in the Rural Economy Branch of the Resource and Rural Economics Division of the USDA's Economic Research Service. "That could be why the Western Growers Association hasn't come out strongly [on the issue] one way or another."

Whether the president's executive order goes forward as envisioned or not, the guest workers organized by the FLOC in North Carolina increasingly fit into an agricultural production model that is becoming more integrated by the year. Martin affirms that farm employment is increasingly concentrated, increasingly full-time, and a potentially larger share is covered by unemployment insurance (UI).

The farm labor workforce is trending older and is polarized into high- and low-skilled workers. Changes in crop production driven by consumer demand are accelerating the adoption of technology and a preference for guest worker arrangements.

"Farm employment is concentrated on a relatively few large farms," Martin acknowledged.

Martin points out that, specifically, the largest 10 percent of farm employers hire 60 to 80 percent of U.S. farmworkers. The 2012 Census of Agriculture (COA) reported that 7 percent of U.S. farms, about 41,000, hired 10 or more workers and accounted for almost 60 percent of all workers hired directly by farmers. It's logical to assume that the concentration of farm work may give growers increasing market power with respect to labor, but that it may also create conditions more favorable to potential unionization.

Full-time equivalent jobs are also increasing. Martin points to data that show 566,000 U.S. farms reported \$27 billion in expenses for hired farm labor in COA 2012, and 217,000 farms reported \$6.5 billion in contract labor expenses, making total expenditures on farm labor \$33.5 billion. Based on calculations using the average hourly earnings of U.S. farmworkers in 2012, Martin added:

"The estimated number of hours worked by hired farmworkers is almost 2.9 billion, making the number of full-time equivalent (2,000 hours) farmworker jobs 1.4 million in 2012, up 17 percent from 1.2 million in 2007."

Similar calculations using state-level data suggest 3.1 billion hours worked in 2012, up 11 percent from 2.8 billion in 2007.

USDA data showing that almost all new entrants to the farm workforce have been unauthorized Mexicans over the past two decades is amplified regionally, according to Hertz.

"If you look at new workers, in California fruit and vegetables, new-hires might be 70-80 percent unauthorized. It's partly a question of where you're looking."

Despite new arrivals from Mexico, the average age of crop workers rose to 37 in 2011-12. An overall slowdown in new entrants is cited as a factor by Martin. Velasquez points to consistent turnover among crop workers. After gaining experience, younger workers often leave agriculture to seek other employment.

The polarization of agricultural labor skills – with a large population of unskilled laborers on the bottom (according to NAWS, crop workers had an average eight years schooling in 2011-12) and many university-educated professionals with accounting and managerial jobs at the top – may encourage turnover as well.

Changes in labor demand patterns may be affecting hired farmworker demographics as well. The NAWS shows that more workers are settled in one location and that crop workers are doing more farm work, an average 35 weeks in 2011-12. According to Martin and the USDA, they're also becoming more similar to non-farmworkers, commuting from nonfarm housing to jobs with one farm employer. The USDA calls these workers "shuttlers," distinct from traditional migrant workers who "followed the crop" in the past. Those workers, the USDA says, are now a relative rarity.

According to Martin, the average hourly earnings of U.S. farmworkers in 2012 was \$11.52 an hour. The USDA's Farm Labor Survey breaks that figure down further, showing the real average hourly earnings of non-supervisory farm laborers fluctuating between \$10.50 and \$10.80 since 2007 (in constant inflation-adjusted dollars, at 2012 prices). Real farmworker wages have risen at 0.8 percent per year

since 1990. Despite the slow wage growth, farm labor average hourly earnings exceeded the highest minimum wages in the United States in 2014.

Technology and alternative labor arrangements are gradually working their way into the farm labor market. A relatively recent expansion in demand for labor-intensive berries and other crops has stimulated additional demand for workers in some regions. Coupled with fewer new agricultural laborers, Martin said the demand is prompting efforts to mechanize, to develop mechanical aids that make farm work easier, and to hire more guest workers via the H-2A program.

Though overall demand for labor has risen, there have recently been offsetting factors from crop choices to drought, particularly in California, Hertz explained.

"Crops which are out of fashion, like peaches for canning, have impact on labor demand. There are parts of California where they have all the labor that they need given drought conditions and other factors. However, there are other parts like Northern California where the cost of housing is so expensive that they can't get workers up there. The wine country in Sonoma and environs has been having trouble attracting labor. Regional cost of living is a real issue for agricultural workers."

A FAIR DAY'S PAY AND AN EXECUTIVE ORDER

The contours of agricultural labor described above may slowly be changing. But as the title of this piece suggests, in both cases, the "harvest" is uncertain.

Given the rare collective bargaining agreement that the FLOC struck in North Carolina in 2008, we asked Velasquez if unionization might stabilize the local labor force and give rise to other macro-economic benefits, thereby signaling a trend.

"It doesn't matter whether workers are H-2A, legal, or undocumented," Velasquez said. "There's a lot of turnover in the industry. There are cases where legal/illegal workers work for the same farmer for quite a number of years. But in many cases, it's a very mobile, elusive labor supply that can be here today, gone tomorrow."

Conceding that turnover is higher among undocumented workers, the FLOC's president opined that, "A guest worker will probably give a grower more dependability because their visa is tied to the employer." But he noted that since H-2A workers who leave their employers technically become undocumented, the program effectively limits mobility, making guest workers a captive labor force.

The FLOC's long-held goal is essentially to unionize agricultural workers, but also to promote stability and the idea of farm labor as a professional, market-driven pursuit.

"Our job in organizing these folks is to create stability and a professional workforce," Velasquez explained. "Somebody's got to finish and harvest the crops. Workers need a fair day's pay for a fair day's work. We're not talking about handouts and welfare programs, we're talking proper remuneration for back-breaking work which is not appreciated in this country or by the agricultural industry."

What effect the president's executive action might have on efforts to unionize agricultural labor as well as a variety of other issues is, as we've noted, being debated within and without the agriculture industry. Many have expressed uncertainty about the action's potential impact on migrant workers.

Velasquez has no such doubt: "It won't have an impact. I can say that flatly."

The 1986 amnesty granted by President Ronald Reagan in the Immigration Reform and Control Act, like previous reforms, did not generate momentum for collective bargaining, Velasquez said. He contends that the existing industry supply chain design prohibits collective bargaining possibilities and that, even if legislation passed, employers would have to act to permit unionization.

"I told immigration advocates in the 1980s the issue in agriculture is the exploitation and marginalization of the supply chain driven by manufacturers and large retailers."

Nor would the executive action likely stem the tide of immigration, according to the FLOC founder.

"This won't solve the U.S.-Mexico immigration problem. They refuse to look at the labor supply like a market like they do with everything else in our trade agreements with Mexico and Central America."

Velasquez argues that trade agreements like the North American Free Trade Agreement (NAFTA) not only separated the labor market from overall free-market supply-demand forces, they have displaced Mexican farmers, who have been unable to effectively compete with highly subsidized, technologically advanced American producers.

"The more products you began to eliminate tariffs on, the more migration began to increase. In terms of corn alone, you displaced 2 to 3 million corn farmers and their families in Mexico. What do you think they're going to do?"

While some displacement may have occurred, the role of Mexico itself – where collective bargaining and workers' rights conditions in agriculture lag far behind the United States – cannot be dismissed. "Frankly, overall it's a very dim picture when it comes to labor rights in Mexico," Velasquez said.

If a freer market for migrant agricultural labor were designed, would it touch off higher labor costs? Velasquez believes that if it did, American consumers might be willing to pay the price, citing increased demand from consumers for products certified for humane treatment of animals and low environmental impact. It's an assumption that would have to be tested. The issue of increasing mechanization and its effect on labor won't require assumptions, Velasquez said.

"That's going to happen regardless of the cost of labor because manufacturers are continually looking for ways to make production more high tech. That will happen whether there are unions or not, whether there are high wage earners or not. Frankly, in agriculture, some of the jobs that we do are jobs that machines ought to be doing."

Technology is yet another factor, along with economics, national sovereignty, societal corruption, education, and more, in what for agricultural workers looks to be an uncertain harvest for years to come. ■