An Overview of Farm Labor in the United States

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This paper is based on a NARDEP policy brief (Martin and Jackson-Smith, April 2013).

SUMMARY

Hired workers comprise 33 percent of people employed on farms but do an estimated 60 percent of the work performed on US farms. Most hired farm workers were born abroad, usually in Mexico, and most are believed not to be authorized to work in the US. Changes in Mexico-US migration flows and more restrictive immigration laws and policies have increased the vulnerability of US agriculture to labor supply shocks, which could increase costs and threaten the ability of some farmers to harvest labor-intensive crops.

FARM EMPLOYMENT AND FARM WORKERS

Three major types of workers provide labor for US farms: farm operators, unpaid family workers, and hired workers. Numerically, hired workers are estimated to make up one-third of the total farm workforce, up from 25 percent in the 1950s (Figure 1; Kandel, 2008). The total number of people working in the farm sector dropped by roughly 70 percent between 1950-1990, but has stayed roughly the same since that time. While farmers and their family members are numerically still the most common source of farm labor in the US (two thirds of all workers), the proportion of hired workers providing labor has increased throughout that period.

More importantly, while farmers and unpaid family members historically provided most of the total labor hours on US farms, today hired workers account for an estimated 60 percent of average full-time equivalent employment on farms, and their share is steadily increasing (Henderson, 2012:66; Sommers and Franklin, 2012:14). This is because hired workers typically devote more hours per year to their work than do unpaid farm family members.

The use of hired farm workers is concentrated by commodity, geography, and farm size. In 2007, about 22 percent of US farms hired a worker, and farm employers spent almost $22 billion on farm wages and salaries (USDA-NASS, 2009). Most hired labor expenses were paid by large farm employers producing fruit, vegetable, and horticultural commodities in California, Florida, Texas, and Washington (Martin, 2009). The top five percent of US farms generate 74 percent of total farm sales and are responsible for nearly 80 percent of total farm labor expenses. (See Figure 2.)

Between 60 and 80 percent of hired farm workers are employed on crop farms (Kandel, 2008). We know most about workers on crop farms because the US Department of Labor's National Agricultural Workers Survey (NAWS) interviews 2,000 crop workers a year (but not workers employed on livestock farms or H-2A guest workers employed on crop farms).[1] In recent years, 70 percent of hired crop workers interviewed by the NAWS were born in Mexico, three-fourths were male, and half were unauthorized. Half of hired crop workers were under 35, two-thirds had less than 10 years schooling, and two-thirds spoke little or no English (Rural Migration News).

SOCIOECONOMIC STATUS OF HIRED FARMWORKERS

Hired farmworkers are near the bottom of the US job ladder. In 2010, the average earnings of crop workers were about $9 an hour, and median weekly earnings were only 60 percent of those of workers in comparable private-sector nonfarm jobs. Since hired crop workers work an average of just under 200 days per year, many are underemployed or unemployed for significant periods, reducing annual earnings.

Farm employment often includes exposure to pesticides, poor sanitary conditions, long working hours, and other health risks, but only 18 percent of crop workers have health insurance benefits. Not coincidentally, farm worker households also have twice the poverty rate of nonfarm

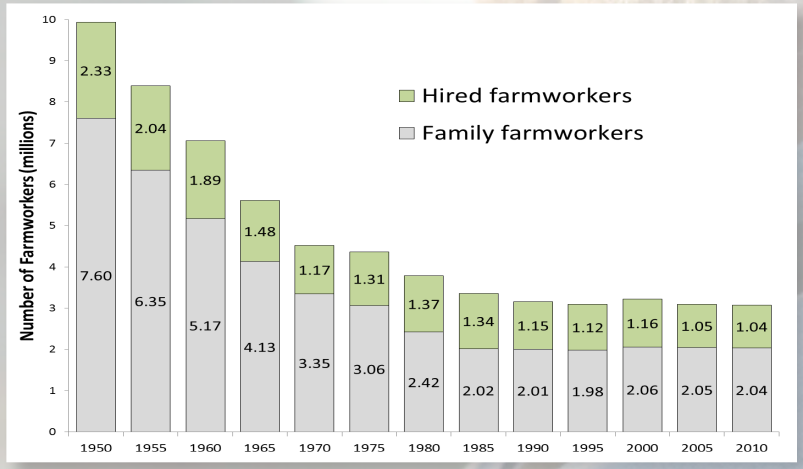

FIGURE 1: TOTAL FAMILY AND HIRED FARMWORKERS ON U.S. FARMS, 1950-2010.
Notes: Adapted from chart published in Kandel (2008) constructed using data from the USDA National Agricultural Statistics Service Farm Labor Surveys. Family farm workers include self-employed farmers and unpaid family members. Hired farmworkers include direct hires and agricultural service workers (who are often hired through labor contractors). Data collection on family farmworkers was discontinued in 2001, so estimates for 2005 and 2010 are based on linear projections NASS surveys 2000-2002.

[1]The NAWS was launched in 1989 to help assess the extent of farm labor shortages in the wake of IRCA in 1986 (www.doleta.gov/agworker/naws.cfm).

households and housing conditions among farm workers and their families (particularly for migrant workers) are often substandard. Rural communities with significant farm worker populations often struggle to provide adequate education and social services to address the needs of these residents.

Between 2007 and 2009, the NAWS found that almost 30 percent of crop workers were born in the US and 70 percent were born abroad, almost always in Mexico. Foreign-born and US-born workers were similar in many respects. Their average age was 36-37, and three-fourths were male, and 23 percent of foreign-born and US-born workers had household incomes below the poverty line (Rural Migration News). Foreign-born differ from US-born crop workers in legal status, education, and English. For example, 55 percent of foreign-born workers were unauthorized, only 13 percent completed high school, and only three percent spoke English well. Foreign-born crop workers were more likely to be hired by contractors and other intermediaries (17 versus two percent), more likely to be working in FVH crops, and more likely to be filling harvest jobs. Average wages for foreign-born crop workers are lower than those paid to US-born workers.

Although some farmers have increased worker wages and improved working conditions in recent years to retain hired workers, most have not raised worker compensation because of perceptions it would reduce their ability to compete in a global marketplace.

WHY ARE MANY FARM WORKERS UNAUTHORIZED?

The composition of the current hired farm workforce reflects changes in farm structure, farm technology, and past immigration policies. Mechanization and productivity increases have allowed the size of the overall farm workforce to decline even as total farm output continues to increase (Gardner, 2002). As US food production consolidated, family labor became insufficient (Kandel, 2008). Since farm work is more physically demanding and less well compensated than nonfarm jobs requiring similar skills, it is increasingly difficult to attract domestic workers willing to take farm jobs. This is one reason why farm employers have increasingly relied on foreign workers.

Immigration reforms enacted in 1986 aimed to give the US a legal farm work force. Prior to the mid-1980s, the best evidence was that a quarter of farm workers in states such as California were unauthorized (Martin et al., 1985). The Immigration Reform and Control Act of 1986 imposed sanctions on employers who knowingly hired unauthorized workers and legalized 2.7 million unauthorized foreigners, including over 1.1 million farm workers (known as Special Agricultural Workers or SAWs). Immigration reform briefly gave agriculture a mostly legal workforce (Martin, 1994). Less than 10 percent of hired crop workers were unauthorized in 1989.

However, as the US economy improved, most of the now-legal immigrant farm workers shifted to better

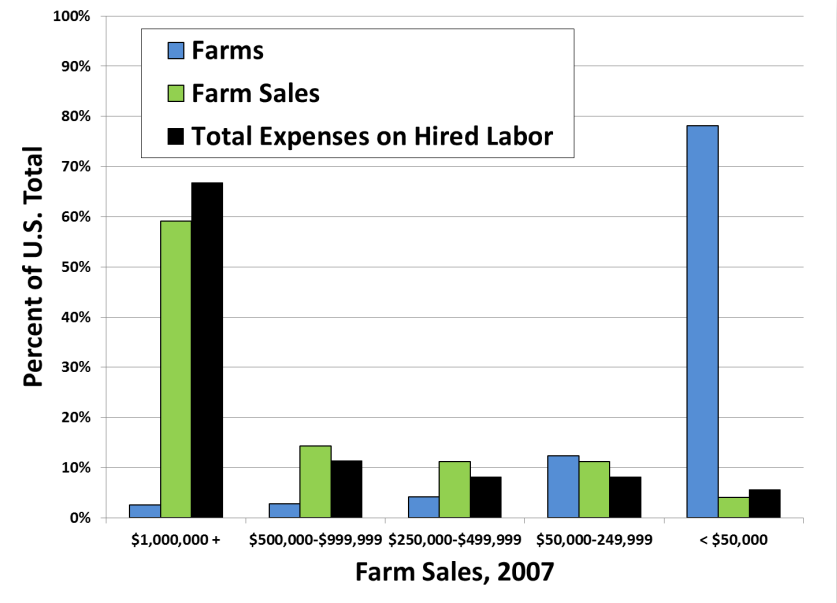

FIGURE 2: RELATIVE USE OF HIRED WORKERS BY FARM SIZE, 2007.
Source: 2007 US Census of Agriculture.

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paying nonfarm jobs and were replaced by newly arrived unauthorized workers. Increased border security in the 1990s and 2000s made it more difficult and dangerous to cross the US-Mexico border, but did not reduce the flow of new unauthorized immigrants and created disincentives for unauthorized workers to return to their home country (Massey and Pren, 2012). With farm employers able to secure workers through traditional channels (both legal and unauthorized), utilization of the legal H-2A guest worker program remained low (Martin, 1994 and 2013).

CONCLUSIONS

Most large commercial farms in the US have become highly dependent on foreign-born (and often unauthorized) workers to care for their livestock and harvest their crops. The availability of a workforce willing to work for relatively low wages and benefits helps keep domestic food prices low and may help some farmers to remain competitive in increasingly global farm commodity markets.

However, the US farm sector is vulnerable to changes in migration policies that might raise farm labor costs. Given the growing level of dependence on foreign born (and often unauthorized) workers on the most commercially-important farms in US agriculture, efforts to slow unauthorized migration from Mexico and to make it harder for farmers to hire unauthorized workers have created significant concerns about the ability of farmers to access enough workers to sustain their operations. The current upswing in manufacturing employment in Mexico, along with rapidly declining family sizes, may also reduce availability of Mexican workers in the US (The Economist, 2012).

Most policy choices involve tradeoffs between competing goods, such as providing farm employers with the workers they need to remain competitive while simultaneously ensuring the well-being of foreign and US workers. Comprehensive immigration reform proposals that deal with farm labor will need to balance three major goals: (1) providing farm employers with sufficient legal workers on terms that keeps US agriculture competitive, (2) providing protections for current and future hired farm workers to ensure they receive adequate wages and safe working conditions, and (3) increasing opportunities for foreign-born farm workers to return with savings to their countries of origin or to stay in the US and move up in the US labor market. Outside of the immigration debate, US policy could work to encourage development of new technologies to reduce use of manual labor in agricultural production. Technical investments could help the sector adjust if the current downturn in Mexican interest in working across the border continues.