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AGRICULTURAL OUTLOOK

Derek Farnsworth | Associate Professor

Agricultural Labor



Importance of Farm Labor

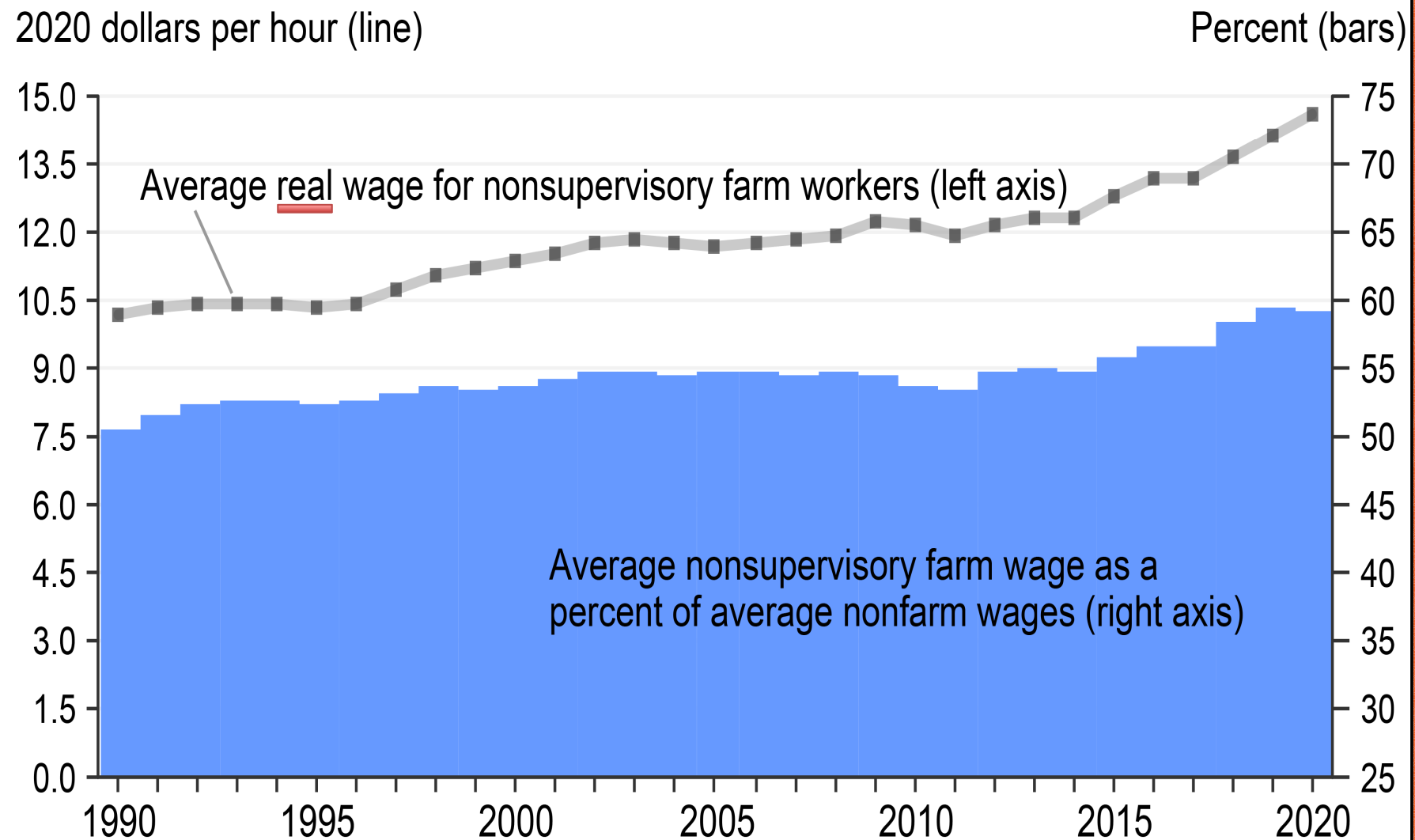
- Farm wages and salaries represent roughly
 - 14% of total cash expenses for all farms
 - 39% of expenses for specialty crops

(Source – ARMS)

- Supply of farm labor shrinking

 Farm wages rise

Real wages for U.S. nonsupervisory farm and nonfarm workers, 1990-2020



USDA-ERS
BLS-OEW

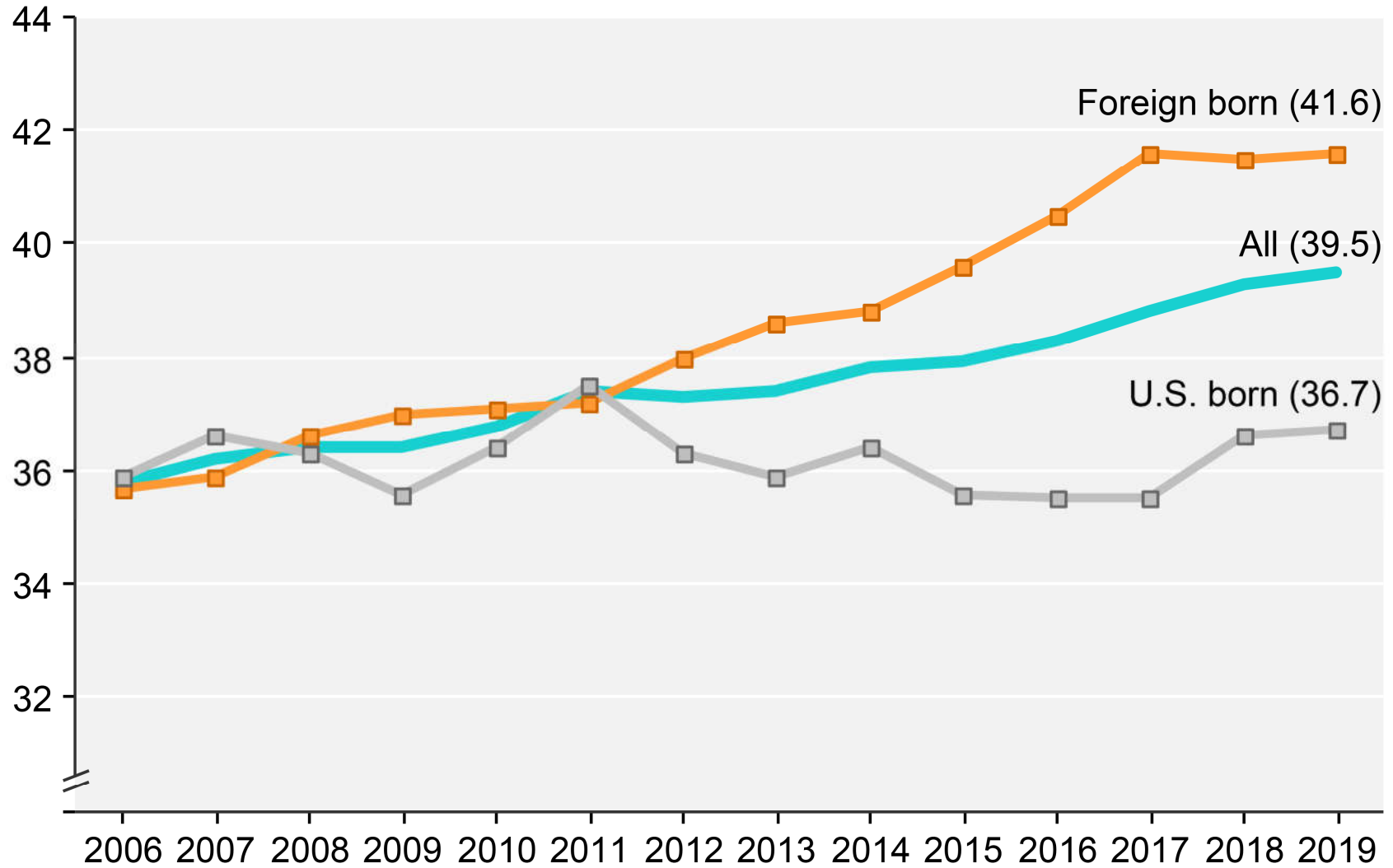
Farmworkers and Laborers, Crop, Nursery, and Greenhouse
2019 - \$13.36 2020 - \$14.49 2021 - \$15.11

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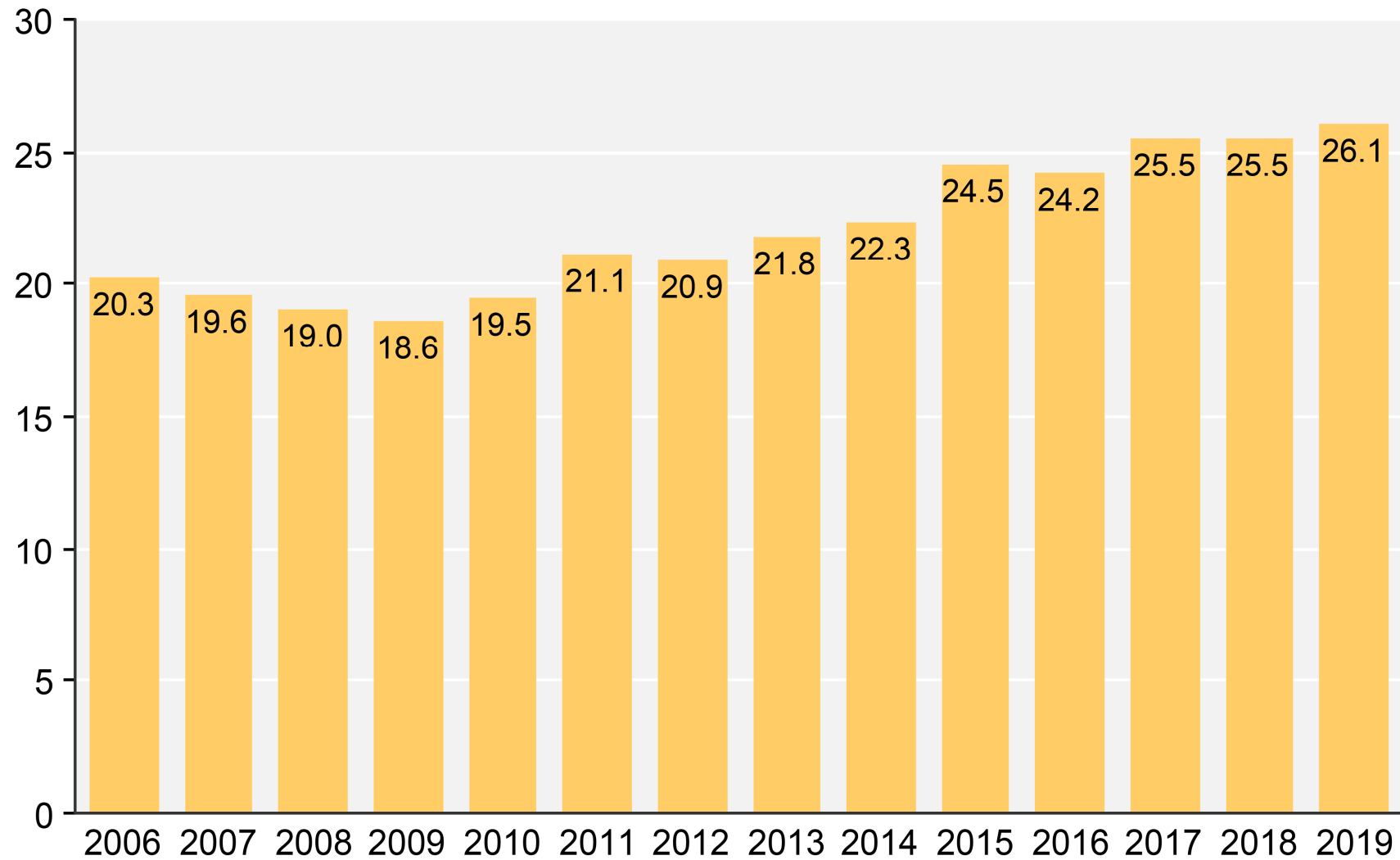
Average age of U.S. farm laborers/graders/sorters by place of birth, 2006-19

Average age (years)



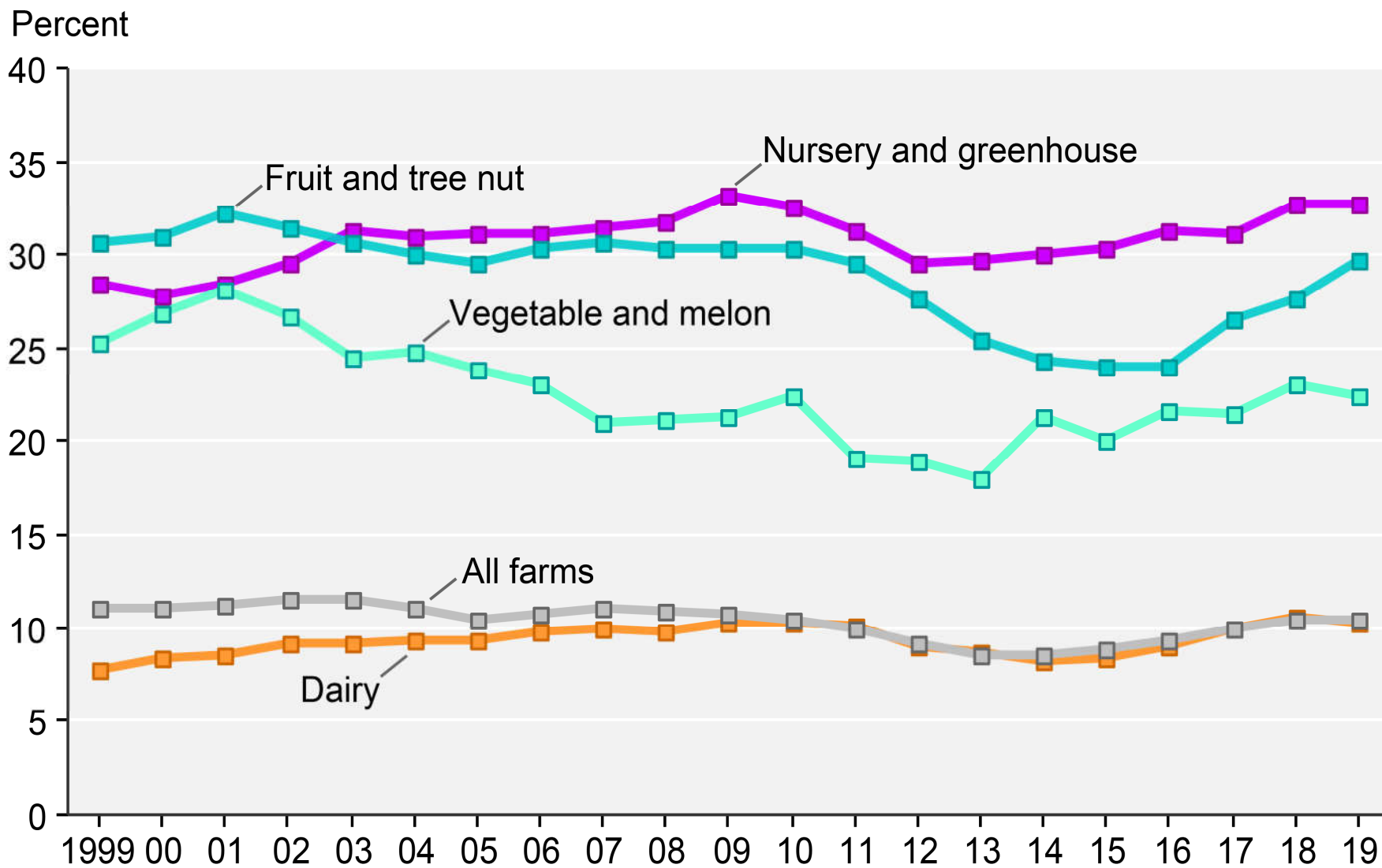
Share of U.S. farm laborers/graders/sorters who are women, 2006-19

Percent



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Labor costs as a share of total gross cash farm income for selected farm specializations, 1999-2019



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Changing Labor Landscape

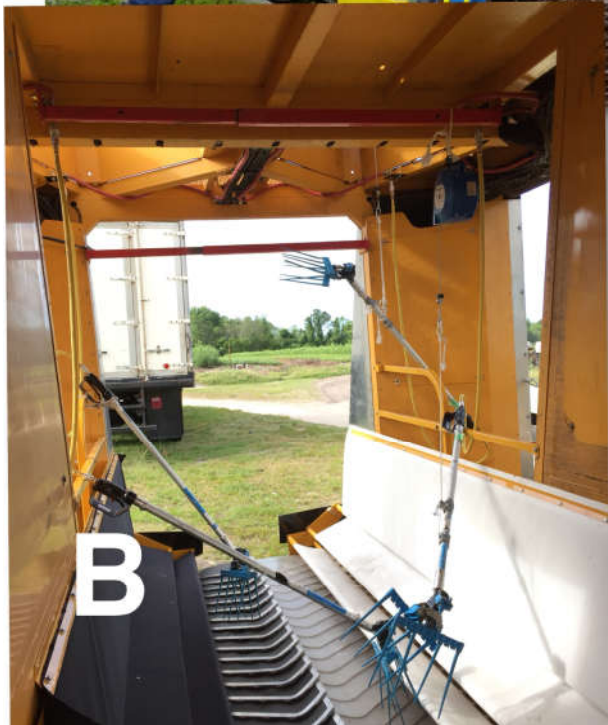
How are ag. producers adapting to the falling supply of ag. labor?

- ➔ Technology
- ➔ **H-2A workers**

Technology



Harvest Croo Robotics



VSC News

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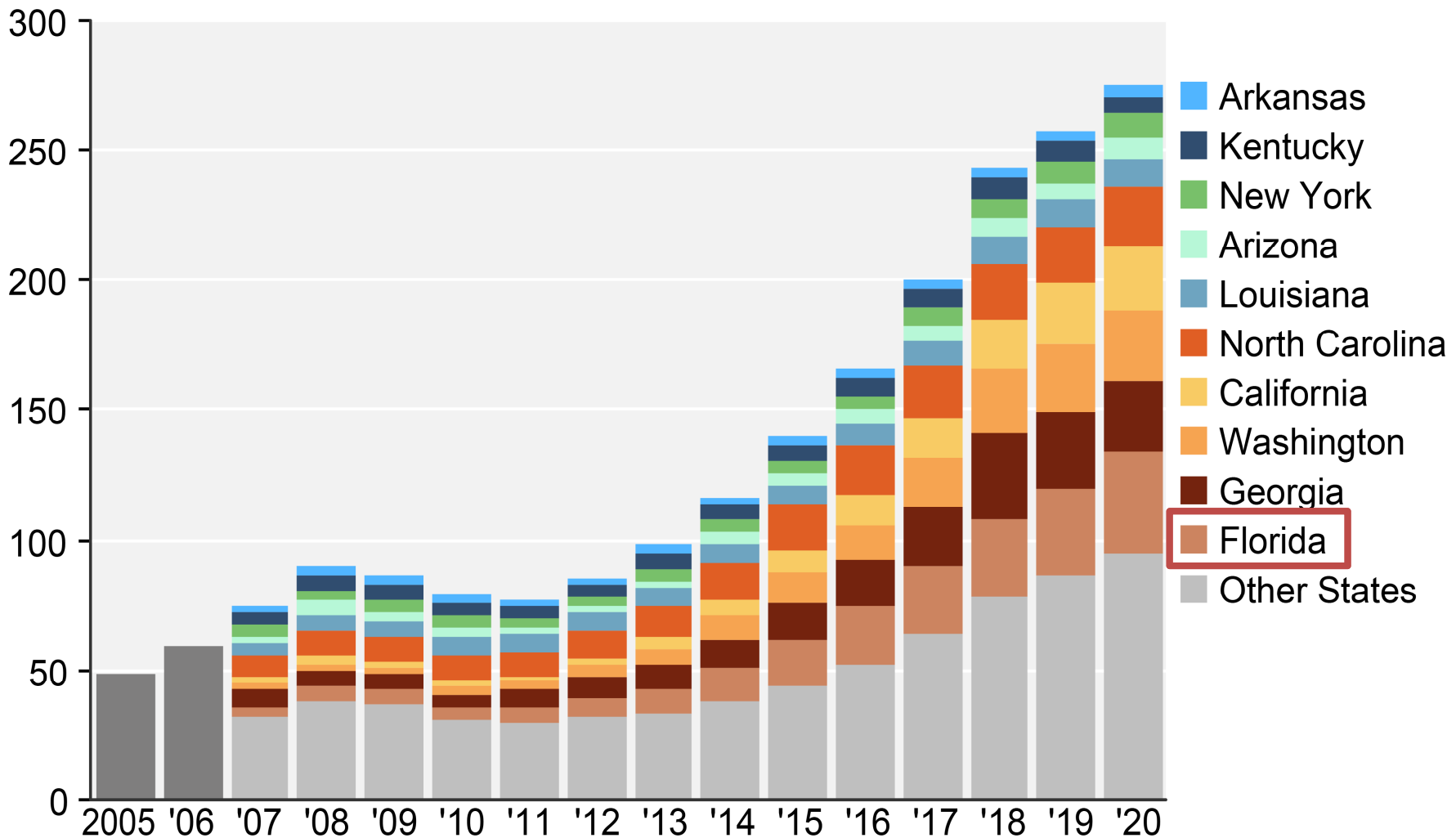
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What is H-2A?

- Temporary, legal, agricultural “**guest**” **workers** from outside the US
- Approximately $\frac{3}{4}$ of farmworkers foreign born, $\frac{1}{2}$ unauthorized, and 11% H-2A
 - Unauthorized possibly underreported
 - H-2A growing
- H-2A predominantly used in labor-intensive crops like fruits and vegetables

U.S. H-2A (temporary agricultural employment of foreign workers) positions certified by State, fiscal years 2005-20

Seasonal positions certified (thousand)



2021 – 317,000 positions certified

History of US Guest Workers

- 1917-1922 – the first bracero program
- 1942-1964 – the second bracero program
- 1952 – Immigration and Nationality Act
 - H-1 and H-2
- 1986 – Immigration Reform and Control Act
 - H-2B and H-2A

H-2A Program Basics

Basic requirements for employing H-2A workers:

- 1) Preference US workers
- 2) Employer-provided housing and travel
- 3) Adverse Effect Wage Rate (AEWR)

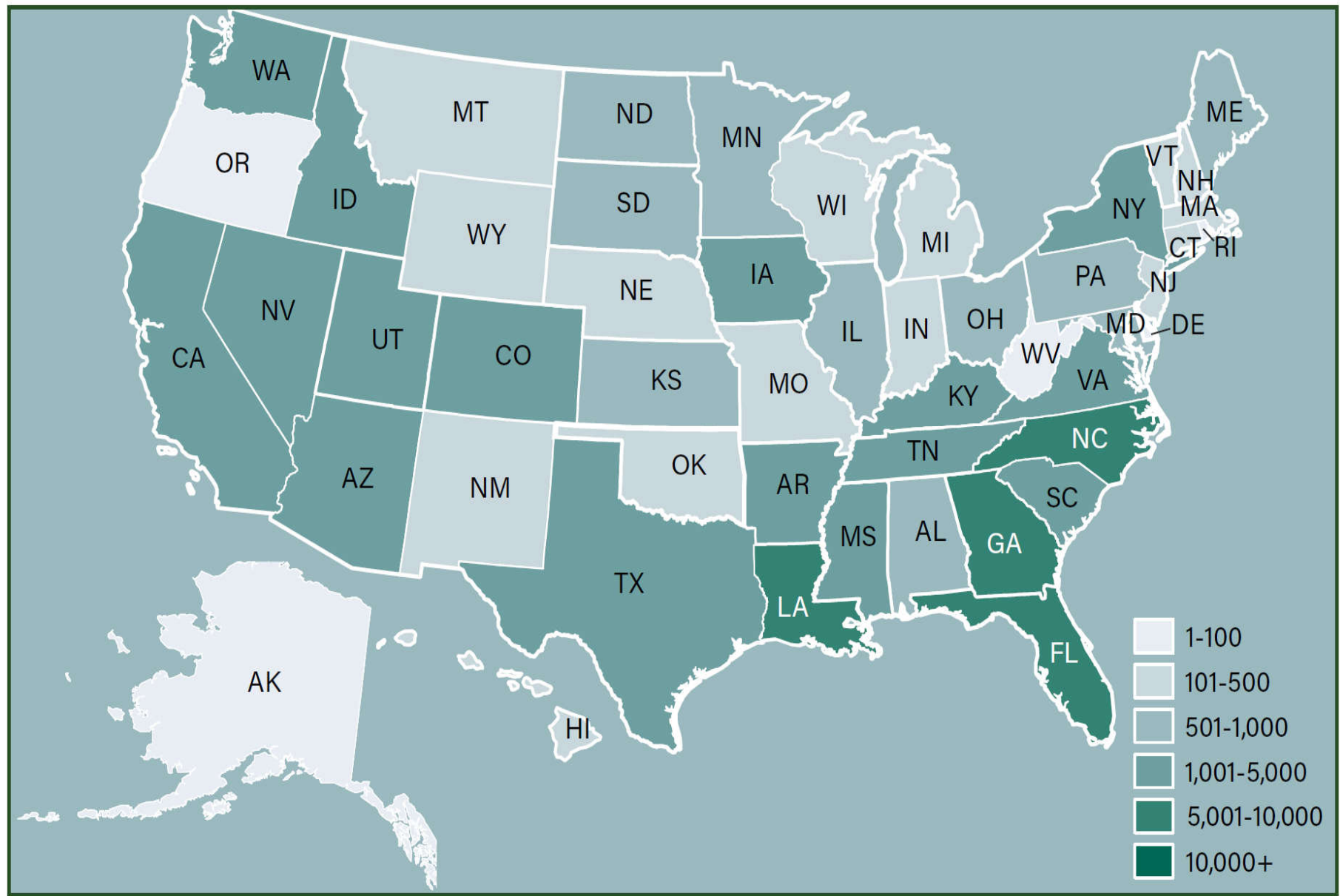
H-2A Program Evolution

- Initial hires from Florida sugar cane and East Coast apple growers
- North Carolina tobacco in mid 1990s
 - Association-based recruitment
- H-2A program small most of 1990s (<10,000) due to readily available unauthorized workers

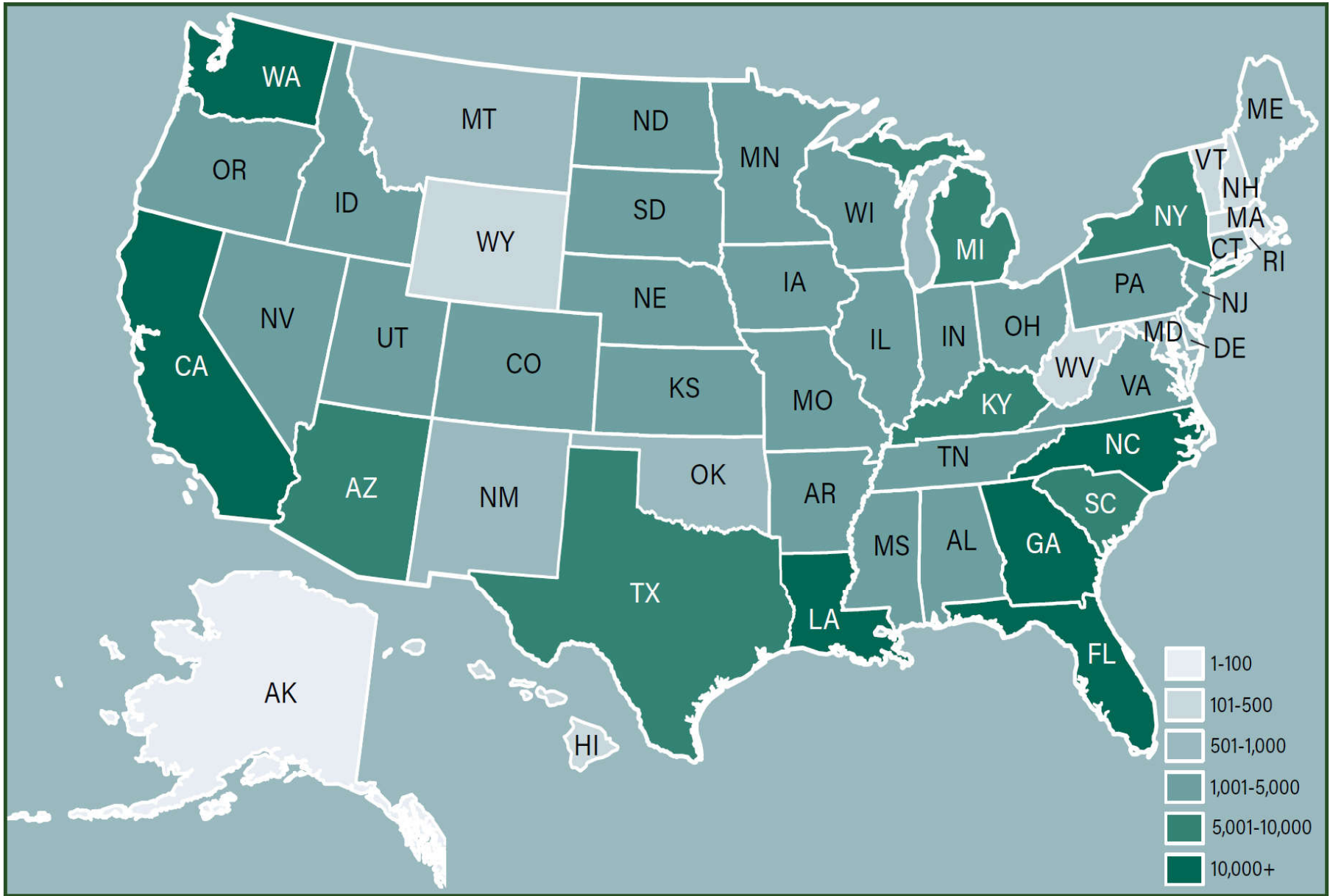
H-2A Program Evolution

- Dramatic program growth in 2010s
 - ~55,000 in 2011 to ~215,000 in 2020 (visas)
 - Lack of new legislation (some rule updates)
 - Less Mexican migration
- Largest employers are associations and labor contractors
 - North Carolina Growers Association
 - Washington Farm Labor Association

Geographic distribution of H-2A workers for all sectors, 2011



Geographic distribution of H-2A workers for all sectors, 2019





[H-2A Timeline](#)

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Seso is H-2A Made Easy

Stay in control of your H-2A program and on top of compliance while saving time, money, and headaches

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<https://www.sesolabor.com/>

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H-2A vs Domestic

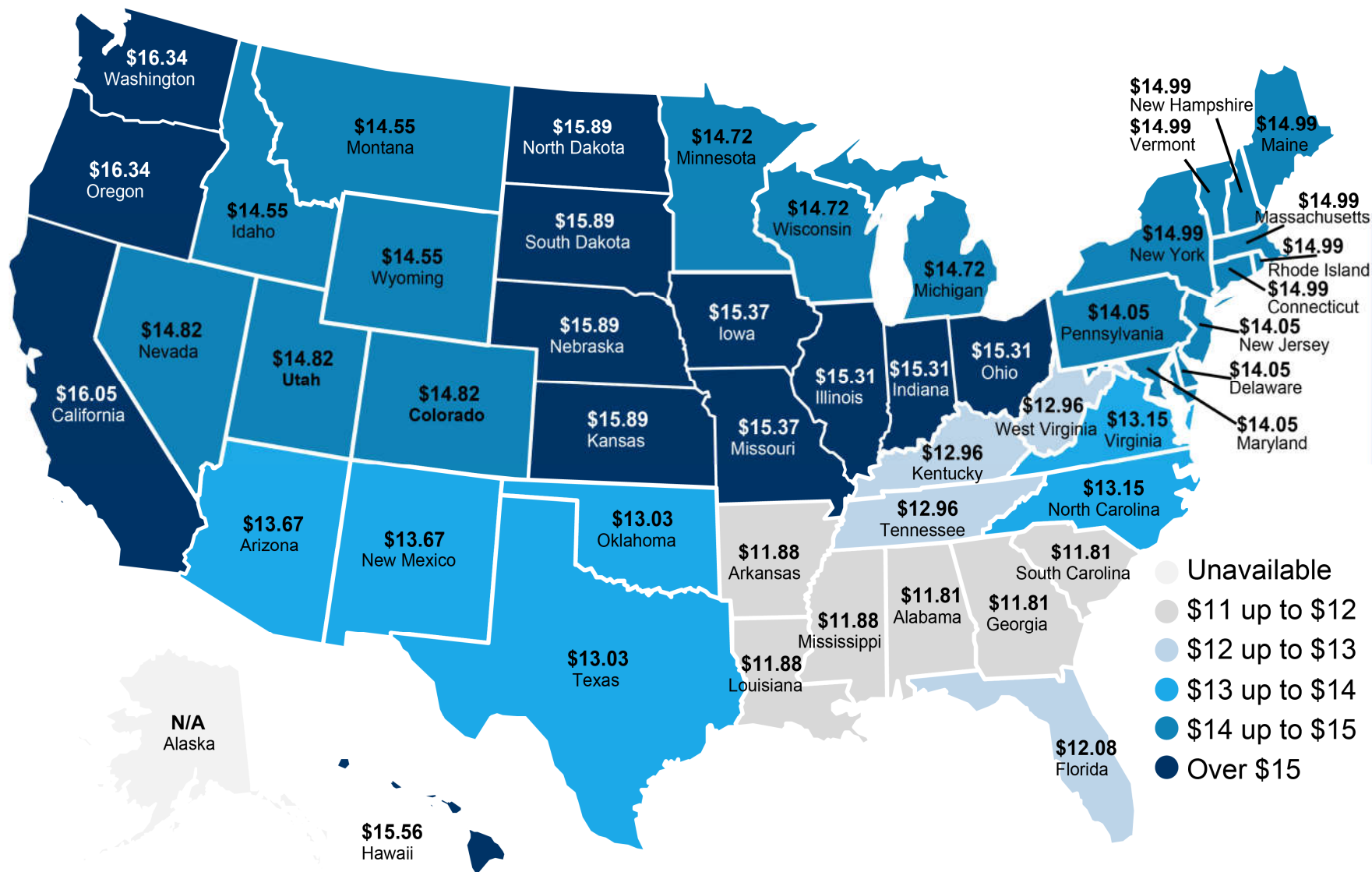
Table 2. Work Characteristics of H-2A and Unauthorized Citrus Workers (Florida, 2016)

	H-2A		Unauthorized		
	Average	Std. Dev.	Average	Std. Dev.	Difference
Hourly wage	\$11.59	4.04	\$8.96	5.92	\$2.64*
Employed by farm labor contractor (%)	66.23%	7.14	95.45%	1.38	-29.23%
Paid by piece rate (%)	95.60%	2.77	73.33%	1.71	22.27%
Years of farm work experience (in U.S. only)	4.96	5.56	13.76	8.79	-8.80*
Years of farm work experience (in U.S. and abroad)	18.53	10.11	25.09	12.41	-6.56*
Monthly remittances sent home	\$823.37	372.71	\$549.38	265.39	\$273.99*

Note: The “*” denotes statistically significant differences between the two legal groups.

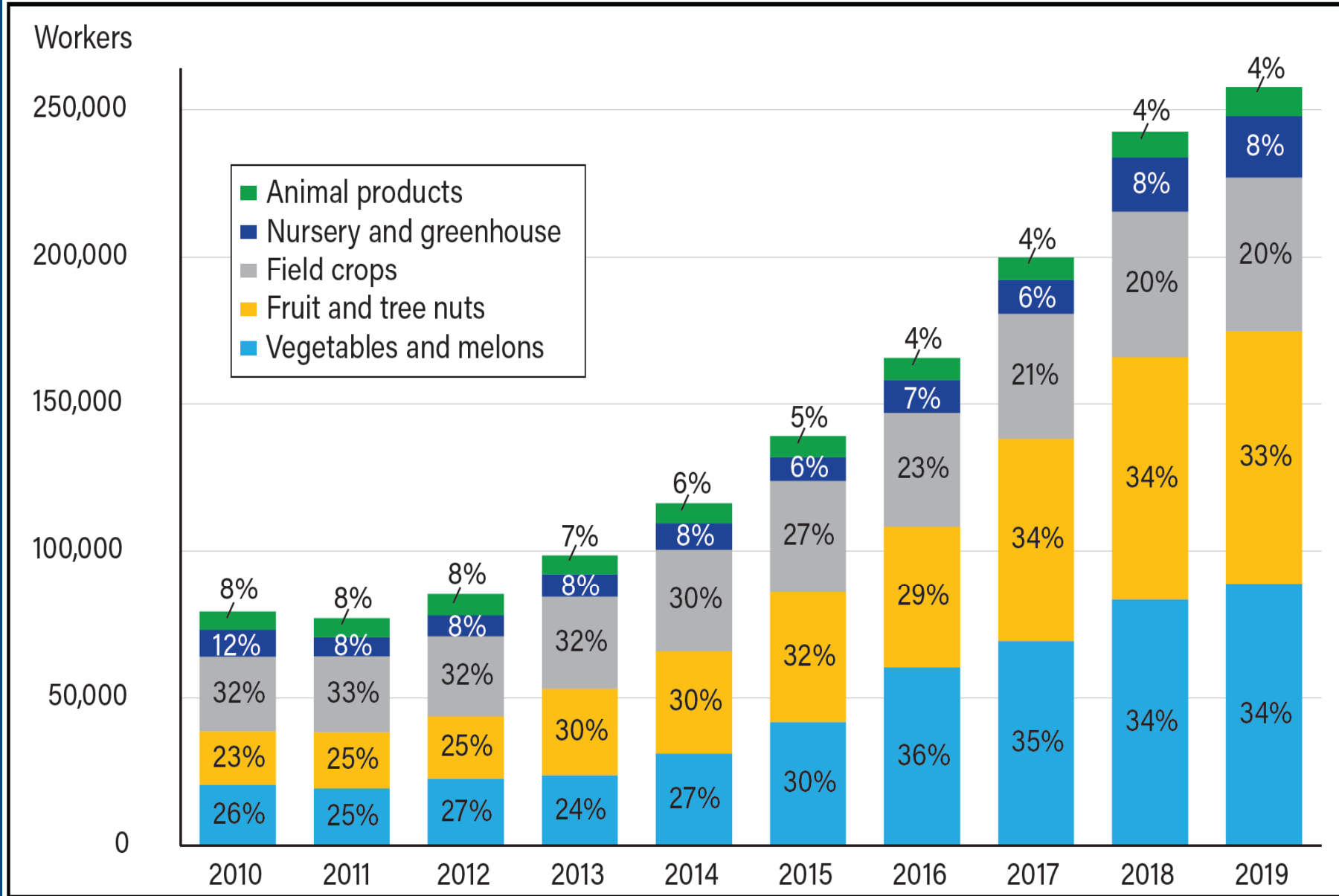
Source: Onel (2016).

Adverse effect wage rates (AEWR), 2021



6% increase to AEWR in 2022
 GA - \$11.99 CA - \$17.51

H-2A certified workers by sector, 2010-19

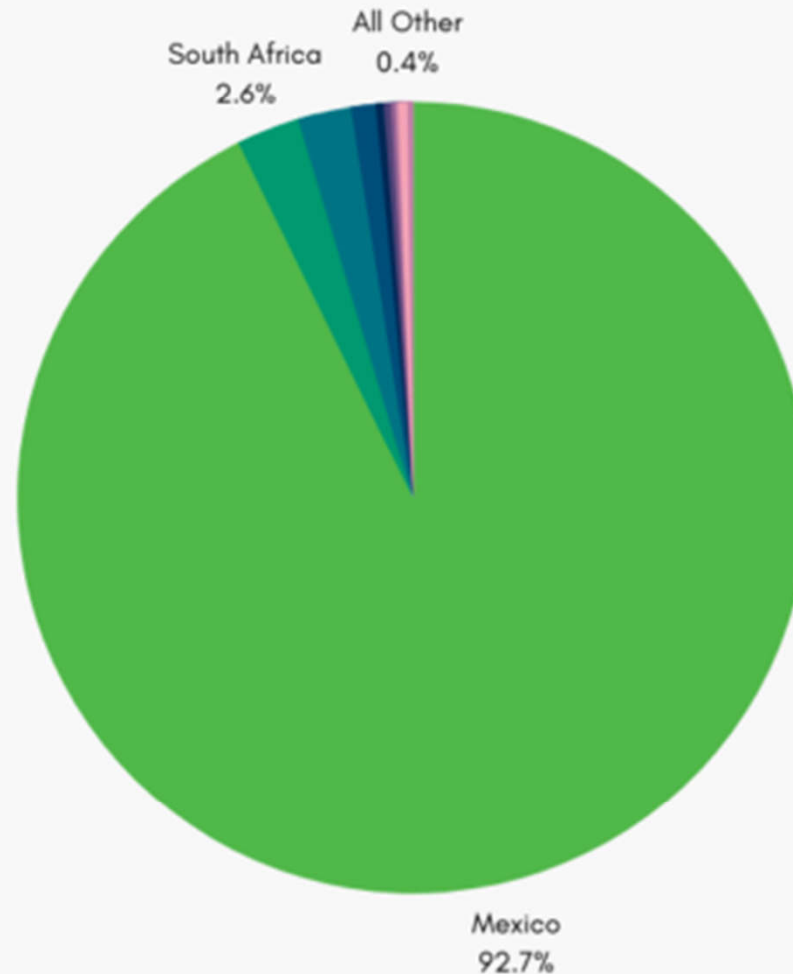


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Top 10 Countries of Origin

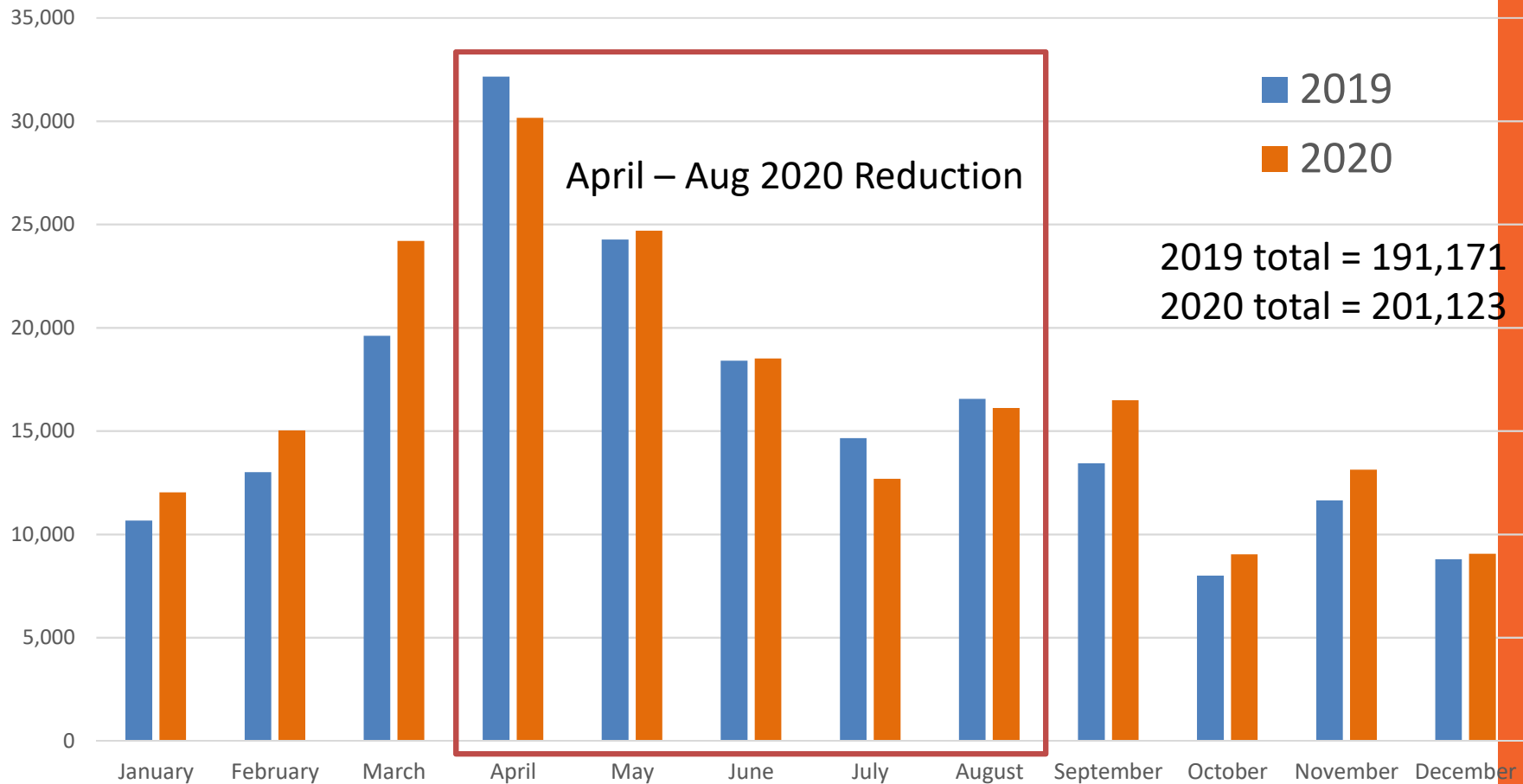
Mexico:	198,341
South Africa:	5,518
Jamaica:	4,660
Guatemala:	2,164
Nicaragua:	693
Peru:	566
Ukraine:	383
Honduras:	299
Costa Rica:	243
Romania:	224
All Other:	823

Countries of Origin of H-2A Visa Holders FY 2020



Pandemic Effect on H-2A

H-2A Visas Issued by Month (Mexico)



Drop in applications as well...

Farm Workforce Modernization Act

- Passed House – March 2021
- Legalization Program for Undocumented Farmworkers
- H-2A Program Reform
- E-Verify for all agricultural workers

Farm Workforce Modernization Act

- Legalization Program for Undocumented Farmworkers
 - **Certified ag. worker (CAW) status**
 - 18-month application period for workers (and family) with 180 days of work in last 2 years
 - CAW status **valid for 5.5 years** and renewable with 100 days/year in ag. work
 - Can get lawful permanent resident status (LPR) with additional time in ag. work and \$1000 fine

Farm Workforce Modernization Act

- Changes to H-2A
 - Dept. of Homeland Security (DHS) creates **electronic platform** for H-2A program
 - H-2A visas valid 3 years
 - Modify AEWB formula
 - 20,000 year-round and 10,000 portable jobs
 - 40,000 new immigrant visas for unskilled workers
 - Funding for worker housing

Questions + Discussion

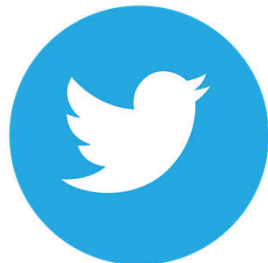


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