Labor migration after Covid: Agriculture
Philip Martin: plmartin@ucdavis.edu
Highlights 1

- Global ag: 884 million, 27% of 3.3 billion LF
  - Ag = 80-20 sector: 80% of farms = 20% of output
  - 40% hired or 353 mil: concentrated on 20% largest farms

- Industrial countries: <5% of labor force in ag
  - Hired do > 50% of farm work, more in FVH ag
  - Hired = vulnerable: local workers who can’t find nonfarm jobs and guest workers

- North American ag depends on Mexicans
  - US: average hired employment 1.5 mil, total 2.5 mil+ workers, 80% born in Mexico
  - Unauthorized down, legal H-2A up to 10% of employ
  - Canada: Mexicans are 1/3 of seasonal crop workers
  - Autos vs ag: national versus migrant workforces
Highlights 2

• Covid: lockdowns to reduce spread of virus
  – Food essential, but uneven impacts on food sector employment: meatpacking jobs up & restaurant jobs down

• Do jobless workers shift within the food system?
  – NO: jobless rest workers lack links to farm jobs, poor temp housing, employers prefer guest workers
  – No BIG changes to farm wages and working conditions

• Impacts of Covid: accelerate trends underway
  – Speed labor-saving mechanization and labor aids
  – More just-in-time guest workers
  – More imports of FVH commodities
Share of employment in agriculture falls as incomes rise

GDP per head vs share of agriculture in employment, 1960 to 2010

The vertical axis shows historical estimates of the employment share in the agriculture sector. The horizontal axis shows GDP per head after adjusting for inflation (figures are in 2011 international US dollars) and uses multiple benchmarks for cross-country income comparisons.

Source: Our World In Data based on Herrendorf et al. (2014) and GGDC-10 (2015), Maddison Project Database (2018), Population (Gapminder, HYDE(2016) & UN (2019)), Our World In Data

OurWorldInData.org/employment-in-agriculture • CC BY
The Prosperity Paradox
Share of labor in ag down, hired share up, hired vulnerable
3 US farm labor systems: family & slaves in early 1800s
Western states: large farms and migrants
Chinese imported to build RR driven out of cities in 1870s
Migrant FWs who “come with the wind, go with the dust”
Waves: Japanese, South Asians, Okies, Mexican Braceros
US farm workers today: aging, unauthorized, and settled
Most unauthorized farm workers have US-born children.
Covid-19 accelerates 3 trends underway
Mechanization, H-2A guest workers, imports
LAT: July 21, 2017. Robots in the fields?

As California’s labor shortage grows, farmers race to replace workers with robots

By GEOFFREY MOHAN
Photography by GARY CORONADO
JULY 21, 2017 | REPORTING FROM SALINAS, CALIF.
Mechanize olives, carrots, tomatoes, nursery
Robots in defense vs ag: performance vs costs
H-2A guest workers
275,000 jobs, 213,000 visas in FY20

WEBINAR
TAXES & H2A WORKERS

Do you have questions about taxes as they relate to H-2A farmworkers?
North Carolina’s Farmworker Health Insurance Team invites you to join our FREE WEBINAR on H-2A Workers and Federal income taxes

WEBINAR
Speaker: Robert Wunderle of La Posada Tax Clinic
Tuesday, April 25th
12:00 – 1:30PM EST

This webinar will discuss H-2A workers’ tax filing obligations, their eligibility to purchase health insurance under the Affordable Care Act, the different tax filing statuses, the requirements for requesting ITIN numbers, and other common questions as they relate to H-2A workers.

If you have questions about the webinar, please contact the Farmworker Health Insurance Team at thinc@gmail.com

To participate using a PC, Mac, iPad, iPhone or Android device, please click the URL:
https://zoom.us/j/5051059273
Or to join by phone, please call +1 661 638 9644 (US Toll) or +1 646 554 8574 (US Toll)
Webinar ID: 505 105 9273
International numbers available:
https://zoom.us/j/5051059273
AnnM@laralover.com
Use of the Zoom services is subject to Zoom’s Terms of Service [https://zoom.us/terms]
H-2As cost $20-$23/hour; US $15-$17/hour

Just in time vs just in case

- **H-2A:** employer selects worker & uses *positive networks:* best workers bring relatives into crew & train new hires

- **US:** worker selects employer & potential *negative networks:* hire 60+ relatives to get 30-year olds

- **H2A:** reliable & loyal: willing to work extra hours. What is the value of labor insurance?
\( \frac{1}{2} \) of US fruit, \( \frac{1}{3} \) of US vegs, are imported. Mexico: \( \frac{1}{2} \) of fruit imports & \( \frac{3}{4} \) of veg imports.
Big 3 Mex X: tomatoes, avocados, berries
Big 3 = half $11 billion of US F&V imports from Mexico

More than two-thirds of U.S. agricultural imports from Mexico consisted of vegetables, fruit, or beer, in 2016

[Pie chart showing percentages of agricultural imports from Mexico]

- Tomatoes: 9%
- Peppers: 5%
- Avocados: 8%
- Beer: 13%
- Other grains and feeds: 2%
- Other agricultural products: 9%
- Cane sugar: 3%
- Other sugar and related products: 3%
- Other animals and animal products: 4%
- Beef and beef variety meats: 5%
- Other beverages, excluding fruit juice: 1%
- Other fruit and fruit preparations, including juice: 19%
- Other vegetables and vegetable preparations: 16%
Mexico: 25% of global tomato exports. Mexican Pres Salinas in 1990: Mexico can export tomatoes or tomato pickers to US

**TOP TOMATO EXPORTERS 2016**

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>PERCENT OF TOTAL TOMATO EXPORTS</th>
<th>VALUE OF EXPORTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. MEXICO</td>
<td>25.1%</td>
<td>$2.1 BILLION</td>
</tr>
<tr>
<td>2. NETHERLANDS</td>
<td>19.0%</td>
<td>$1.6 billion</td>
</tr>
<tr>
<td>3. SPAIN</td>
<td>12.6%</td>
<td>$1.1 billion</td>
</tr>
<tr>
<td>4. MOROCCO</td>
<td>6.1%</td>
<td>$509.2 million</td>
</tr>
<tr>
<td>5. CANADA</td>
<td>4.4%</td>
<td>$373.1 million</td>
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<tr>
<td>6. FRANCE</td>
<td>4.2%</td>
<td>$355.1 million</td>
</tr>
<tr>
<td>7. UNITED STATES</td>
<td>4.2%</td>
<td>$352.0 million</td>
</tr>
<tr>
<td>8. BELGIUM</td>
<td>3.4%</td>
<td>$287.9 million</td>
</tr>
<tr>
<td>9. JORDAN</td>
<td>3.0%</td>
<td>$255.5 million</td>
</tr>
<tr>
<td>10. TURKEY</td>
<td>2.9%</td>
<td>$239.9 million</td>
</tr>
<tr>
<td>11. ITALY</td>
<td>2.3%</td>
<td>$191.4 million</td>
</tr>
<tr>
<td>12. CHINA</td>
<td>2.0%</td>
<td>$170.3 million</td>
</tr>
<tr>
<td>13. AZERBAIJAN</td>
<td>1.1%</td>
<td>$92.1 million</td>
</tr>
<tr>
<td>14. INDIA</td>
<td>0.9%</td>
<td>$76.1 million</td>
</tr>
<tr>
<td>15. BELARUS</td>
<td>0.8%</td>
<td>$66.4 million</td>
</tr>
</tbody>
</table>

Trade offs in farm labor

• Mechanization: machines do not get sick but:
  – Fixed machine costs vs variable-cost labor
  – Consumer acceptance of machine-harvested produce?

• Guest workers:
  – Do int’l wage gaps assure ample supply of workers?
  – Can “loyal” guest workers be kept safe & protected?

• Imports:
  – Trade in place of migration, but food safety & security
  – Should buyers help to enforce labor compliance on farms? How? What role for fair trade etc?

• Food is essential, but which foods? Should govts make migration exceptions for fresh berries during pandemics?