

Graduate School of International policy and Management

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## Summary

California farmers have reported farmworker shortages for over a decade, some even resorting to abandoning crops or allowing them to rot due to insufficient labor during harvest seasons. (Nikos-Rose, 2019)<sup>1</sup> Despite multiple attempts to resolve labor shortages, not enough farmworkers are incentivized with adequate benefits to meet the demand. Farmworkers endure harsh working conditions, yet are consistently underserved with minimal protections, and resources. Paying farmworkers, a living wage will help to reduce farm labor shortages. Unless this is achieved, labor shortages will persist and farmworkers will continue to be vulnerable to exploitation.

This brief focuses on policy options to provide California farmworkers with a living wage (income earned to cover the cost of necessities to support their wellbeing including food, housing, and healthcare). This brief calls upon California farmers to support the Farm Worker Modernization Act to provide farmworkers with a living wage to benefit workers, growers, and the U.S. economy.

P O L I C Y B R I E F

Sustainable Farming: Paying California Farmworkers a Living Wage

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California produces over a third of the country's vegetables and two-thirds of the country's fruits and nuts. (CDFA, 2019) California's farming industry annually draws multitudes of farmworkers for labor-intensive harvests and operations. With many American citizens unwilling to take these jobs, the farm workforce consists mostly of undocumented immigrants residing in the U.S. and seasonal migrant farmworkers. (Aguirre International, 2005) The demand for labor remains high, while the supply consists mostly of individuals who must overcome numerous obstacles to work in these positions and support their livelihood.

A survey conducted by the California Farm Bureau Federation in 2019, revealed that 86% of farmers raised wages higher than the CA minimum wage in efforts to hire more people (CFBF, 2019), including those opting into the H-2A program and those who increased pay in labor contracts or through independent employment practices. Despite the increase in wages, it has been insufficient in attracting adequate labor. Slightly higher wages are not attractive enough for workers to endure manual labor in harsh working conditions with little protections or benefits. Undocumented and migrant farmworkers who take these jobs face numerous challenges in the U.S. that even an income slightly above the minimum wage cannot help to mitigate. Examples include limitations in access to healthcare, safe and affordable housing, and worker protections due to their immigration status. In addition, according to the U.S. Bureau of Labor Statistics, the agriculture industry is frequently ranked as one of the most dangerous industries in the nation. (U.S. Department of Labor, 2019) Policy addressing both the needs of the growers and workers is critical. The COVID-19 pandemic has only exacerbated the issue of farm worker wellbeing and the farm labor shortage, thus policies to address these issues are of greater and more urgent need.

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Growers have increasingly been turning to the H-2A Temporary Agricultural Program to legally recruit and hire workers. With over 200 rules, the H-2A program is bureaucratically complex and presents farmers wishing to legally hire workers with even more of a challenge. According to the Government Accountability Office, the H-2A program "involves multiple agencies and numerous detailed program rules that sometimes conflict with other laws" (United States Government Accountability Office, 2012) Farmers must account for recruiting expenses alongside pay for wages and housing for temporary workers who continue to face barriers to resources that would otherwise support their wellbeing in the U.S.

A recent survey of H-2A workers exposed numerous cases of discrimination, sexual harassment, wage theft, poor housing conditions, and health and safety violations with little recourse. (Centro de Los Derechos Del Migrante, Inc, 2020) This demonstrates a grave power imbalance between employers and workers. Migrant workers on H-2A visas are tied to a single employer and are left with little choice but to remain in abusive working conditions. Rooted in Jim Crow policies, farmworkers on the H-2A program are also exempt from federal labor protections. (Advocacy Issue - Worker Justice, 2021)

A 2019 study concluded that an estimated 50 to 70 percent of California's hired farmworkers are not authorized to work in the U.S. (CFBF, 2019) Domestic farmworkers are typically not provided with affordable housing or healthcare. Job security is threatened for undocumented domestic workers as more farmers turn to the H-2A program to legally hire workers. Despite the state's claim that "most immigrants qualify for health coverage", many undocumented workers are excluded due to their status. (Covered California , 2021) Vulnerability increases during a global pandemic when health and safety at work is of even higher risk. (Dell, 2020)

Farm labor in California is an ongoing issue that impacts the U.S. economy as farm laborers in California are essential for food production. California's agriculture accounts for most of the fresh produce Americans consume (CDFA, 2019). Policy that affects both growers and workers, plays a large role in the economic growth that comes from the agriculture industry. Supporting domestic workers in CA with a living wage can also help to improve the economies in which they live by increasing monetary circulation in local communities. (Schwartz, 2009)



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Creating a voluntary living wage certification program may be a viable policy solution for the labor supply issue. This initiative would require development of a program framework and a commitment to long-term capacity building to gain momentum in the consumer market but would allow growers to label their products as having been produced with fair labor and attract individuals to work on farms. Certification requirements (established for the living wage certification program) would ensure growers pay farmworkers a living wage. A living wage in most CA cities surpasses California's proposed \$15 minimum wage. Paying a living wage would require more expenses for farm owners and result in higher priced products. However, consumer behavior exhibited with certified products such as USDA Organic or Fair Trade indicates that customers would be willing to pay more for products, knowing they are contributing to a dignified life for farmworkers. A 2019 NSF International survey found that 85% of consumers trust independent, third-party certification organizations to verify product claims. (NSF, 2020) If established, with long-term development, a LWC program may help remedy the farm labor shortage issue and ensure farmworkers are paid decently.

The Migrant and Seasonal Agricultural Workers Protection Act (AWPA), having undergone reform in the last decade, has provided improved conditions for farmworkers. However, it still does not provide adequate protection for laborers and excludes growers from accountability for working conditions by placing responsibility on farm labor contractors. Despite wage reporting requirements, it is void of any standards for wage rates or fair pay for agricultural workers. Furthermore, the AWPA excludes farms which may be considered small businesses (or those that are solely owned and operated by a family or individual) and growers who utilize the H-2A Temporary Agricultural Worker Program. According to the most recent Census of Agriculture in 2017, more than 74 percent of farms and ranches in California were owned by individuals or families (USDA, 2017).

The Farm Workforce Modernization Act, which ensures H-2A visa workers and their employers would be covered by the AWPA, (Farmworker Justice, 2021) proposes reform for the H-2A program, and provides undocumented farmworkers with a path towards immigration status is the optimal policy choice to address labor shortages in California with the vested interests of agricultural stakeholders.

The federal bipartisan bill, passed in the House in March 2021 and is pending in the Senate. If passed, it would support the agricultural workforce by setting higher labor standards for both migrant and domestic workers and easing the labor shortage issue for farmers (U.S. Congress, 2021). The FWMA makes progress towards a living wage for farmworkers with standards for wage rates (above minimum wage) and housing. It also assures increased worker protections, and access to public assistance resources, while also minimizing fear of deportation and exploitation.

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## Recommendations

We recommend California farmers support the Farm Workforce Modernization Act for the benefit of farmworkers and the agricultural industry. The following recommendations provide concrete action steps for farmers to take to support this bill.

- 1. Urge your local county farm bureau and fellow members to publish press releases applauding the bill and commend Representatives Zoe Lofgren (D-CA) and Dan Newhouse (R-WA) for their initiative in developing this bill.
- 2. Contact Senators <u>Dianne Feinstein (D)</u> and <u>Alex Padilla (D)</u> and press for their votes in support of the bill by sharing personal stories of workers and growers to demonstrate the positive impact the legislation would have.
- Collaborate with California farm worker coalitions and local news outlets, to increase media coverage, share resources, and increase the number of constituents to vote in support of the FWMA.

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