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Theme Overview: Farm Labor Issues in the Face of U.S. Immigration and Health Care Reform

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JEL Classifications: J15, J21, I15

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The Trump Administration has promised to make it more difficult for unauthorized foreigners to enter and work in the United States and for undocumented workers to access health care services. Such policies, if implemented, could have serious negative repercussions on the agricultural sector, which relies heavily on immigrant workers. Replacing foreign workers could be complicated due to difficulties in sourcing and hiring domestic workers to replace displaced undocumented workers. Additionally, the health deterioration of farm workers could negatively impact labor productivity, the sector's viability, and the nation's domestic food supply.

This timely theme highlights issues surrounding foreign-born workers employed in U.S. agriculture and food-processing industries. The U.S. Bureau of Labor Statistics reported that average annual employment in agriculture (NAICS 11) rose 8% over the past decade to over 1.2 million in 2015, while average annual employment in food manufacturing (NAICS 311) rose 2% to 1.5 million (www.bls.gov/cew). The number of unique workers is greater than average employment as more workers are needed to meet peak seasonal labor needs and there is turnover of workers.

Within agriculture, three-fourths of average employment is on crop farms (NAICS 111). Average direct-hire employment on crop farms rose 4% to 561,000 in 2015, and the average employment of workers brought to farms by nonfarm crop support services (NAICS 1151) rose 14% to 324,000 in 2015. Within food manufacturing, a third of average employment is in animal slaughtering and processing (NAICS 3116) where average employment fell by 3% to 486,000 over the past decade.

Farm and farm-related employment is rising slightly, justifying a closer look at health care, worker willingness to accept risk, and the Trump effect on the foreign-born workers who often dominate farm and farm-related jobs. In this issue, Escalante and Luo examine health care utilization among crop workers between 2007 and 2012 using data from National Agricultural Workers' Survey. While over half of U.S. workers have employer-provided health insurance, only a third of crop workers do, explaining why most crop workers turn to private clinics and community health centers for health-care services and why many pay out-of-pocket for health care. Farm worker spouses and children in the United States, on the other hand, mostly receive health care services from government-funded programs.

Articles in this Theme

Sustaining a Healthy Farm Labor Force: Issues for Policy Consideration

Cesar L. Escalante and Tianyuan Luo

Trump, Immigration, and Agriculture

Philip Martin

Anti-Immigration Reform and Reductions in Welfare: Evidence from the Meatpacking Industry

Thomas P. Krumel, Jr.

Krumel explores the roles of foreign-born workers in U.S. meatpacking and finds that migrants are more willing to accept riskier jobs at the going wage than U.S.-born workers. Meatpacking moved from cities closer to consumers to rural areas near livestock production in the 1960s and 1970s. Workers at the plant boxed meat for retail sales, thus eliminating many supermarket-based meat processing positions. Wages fell as meatpacking plants no longer had to compete with other urban employers for workers. However, a lack of local workers in rural areas led plants to recruit foreign-born workers.

Martin emphasizes a current major migration policy issue, primarily what is to be done about the 11 million unauthorized foreigners who represent a quarter of the 43 million foreign-born residents in the United States. At least a million of these unauthorized foreigners are employed on U.S. farms, where they make up at least 50% of the workforce employed for wages in agriculture. Crop farms, especially in Western states, have long relied on newcomers without other job options to fill seasonal jobs, and the slowdown in unauthorized Mexico-U.S. migration since the 2008–09 recession has prompted farmers to respond with 4-S strategies: satisfy current workers to retain them longer, stretch current workers with productivity-enhancing aids, substitute machines for workers where possible, and supplement current workers with H-2A guest workers.

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