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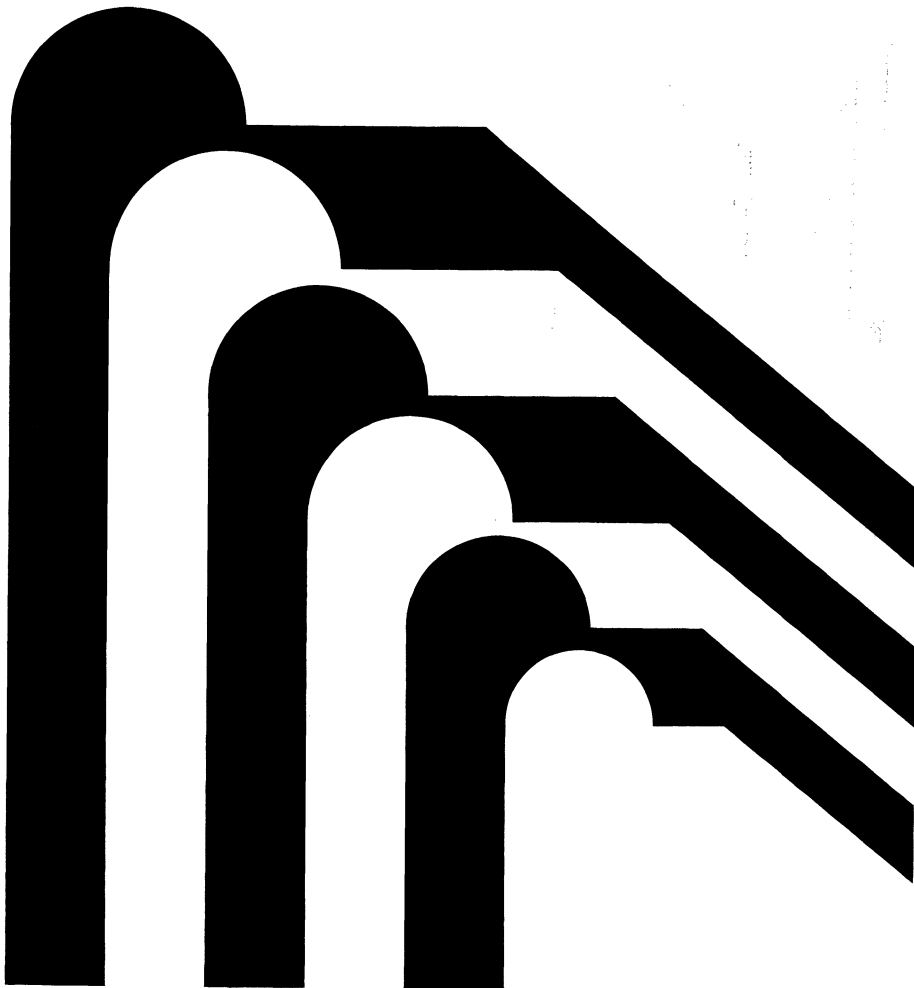
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Immigration Reform and Agricultural Labor

Robert Coltrane



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ABSTRACT

For the first time, H-2 immigration legislation for the temporary employment of foreign workers has been designed especially for agriculture. If passed, part of the pending Immigration Reform and Control Act will force farm employers to hire either American workers or legal foreign workers. Although information is sketchy, it appears that labor-intensive farms, particularly in vegetable- and fruit-growing States such as California and Florida, will be most affected by the law. Vegetable, melon, fruit and tree nut, and horticultural specialty farms accounted for 6.4 percent of all U.S. farms and nearly 10 percent of the value of farms sales in 1978. Some employers, at times dependent on illegal foreign workers, may have difficulty filling seasonal jobs with American workers.

Keywords: Immigration reform, farm labor expenditures, type of farm, illegal alien farmworker, H-2 Program.

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SUMMARY

Agricultural employers, especially on labor-intensive, specialty crop farms, will face new regulations for hiring because of the new Immigration Reform and Control Act now pending before Congress. Based on 1978 data, the latest available, 47 percent of all farms employed hired farmworkers. Vegetable, melon, fruit and tree nut, and horticultural specialty farms, which would likely be most affected by the legislation, spent more than 35 percent of total expenditures for hiring and paying farmworkers. Some cotton, tobacco, and other nongrain field crop farms and livestock farms will likely be affected by the legislation. Unverified information on the type of agricultural work done by illegal immigrant workers suggests that these types of farms include major, but not necessarily all, users of illegal immigrant workers.

This report identifies some major types of farms which require much seasonal labor and are likely to be required to adjust employment practices because of immigration reform. The legislation, if passed, will force farm employers, at times dependent on illegal foreign workers, to hire either American workers or documented foreign laborers.

Because most information is sketchy at best, or dated, this report projects only the likely effects of the legislation on agriculture. Most jobs taken by the immigrant farmworker appear to be unattractive to many Americans owing to short duration, arduousness, relatively low wages, and lack of job security. For these perceived reasons, many farm employers depend on foreign workers, some illegal, to satisfy labor needs.

Ten States accounted for 81 percent of hired and contract labor expenditures on vegetable and horticultural farms. In 1978 California, Florida, Washington State, Pennsylvania, New York, Michigan, Texas, Oregon, Arizona, and Ohio had about 70 percent of vegetable and horticultural farms with hired labor; California and Florida alone had nearly 40 percent of these farms with hired labor. In 1978 U.S. farm operators spent nearly \$7.8 billion on hired and contract labor, and California and Florida spent nearly 29 percent of that total.

The pending legislation would, for the first time, make it unlawful for all employers to hire illegal aliens. Those hit hardest in agriculture will be employers who rely on immigrant labor, grow labor-intensive specialty crops, and must hire farmworkers on a seasonal basis.

Immigration Reform and Agricultural Labor

Robert Coltrane*

INTRODUCTION

Farm employers who hire immigrant workers, especially illegal ones, may soon face new regulations for hiring because of legislation pending before Congress. Vegetable, melon, fruit and tree nut, and horticultural specialty farms (nearly 40 percent of them with hired labor in California and Florida) will be especially affected because they are labor intensive and probably hire many undocumented workers.

This report focuses on the pending legislation and the major types of farms likely to be affected by the law. Because specific information is sketchy at best and the latest available data cover 1978, this report projects the likely effects of the pending Immigration Reform and Control Act.

Agricultural labor is an essential part of U.S. immigration policy because foreign workers as a whole constitute an important segment of the farm work force. ^{1/} Some foreign agricultural workers are in the United States legally under a temporary worker program, but the majority are here illegally. Over the past 5 years, 15,000 to 19,000 temporary farm jobs have been certified annually by the U.S. Department of Labor (DOL) under the H-2 Temporary Foreign Worker Program for employment of foreign workers, according to administrative records of the DOL.

The H-2 Program comes from the section of the Immigration and Nationality Act providing for the temporary foreign worker program. The program's objective is to allow employers facing labor shortages to recruit foreign workers on a temporary basis while protecting wage levels, employment opportunities, and working conditions of U.S. workers. The H-2 workers, accounting for less than 1 percent of all hired farmworkers, have little impact on the national farm labor market, but they constitute a significant portion of labor involved in the production

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^{1/} See (11) for a review of foreign worker programs for U.S. agriculture, and (8) for a description of the makeup of the U.S. agricultural labor force. Underlined numbers in parentheses indicate sources in References section.

of some commodities, particularly sugarcane in Florida, apples in the eastern and northeastern States, and tobacco in south-side Virginia. One report suggests that the large number of illegal aliens available for farmwork has reduced the incentive for many farmers to apply for H-2 workers (2).

Because of their numbers, undocumented or illegal foreign workers have a much greater impact on the U.S. farm labor market than do legal H-2 workers. Good estimates of the number of illegal farmworkers do not exist because a reliable method of counting the workers has not been developed. According to the Immigration and Naturalization Service (INS), about 100,000 illegal aliens employed in agriculture are apprehended annually, a number larger than in any other industry. Data do not exist to determine if apprehension statistics suggest the true number working in agriculture. Reducing the number of illegal workers is the major objective of immigration policy reform.

The absence of reliable statistical information on the number of illegal aliens employed in U.S. agriculture, the amount of time they work, wages paid, the type of work performed, the commodities in which they work, and location of the work seriously limits analyses of the farm labor market. This information gap means that empirical analyses cannot be made of the impact of immigration reform proposals on the availability of agricultural workers and agricultural production. As a partial substitute for a more direct analysis of the impact of illegal immigration on the availability of farmworkers, this report examines farm labor expenditures by location and commodity in order to identify types of farms and areas where illegal aliens are likely to be critically important to agricultural production. Although the farm labor expenditure data used in this report cannot be subdivided into expenditures for the labor services of illegal and legal workers, assumptions about the types of farmwork frequently done by illegal aliens permit broad generalizations. Analysts may, for example, conjecture on the areas and type of farms likely to undergo adjustments resulting from the immigration reform and control measures proposed in the Congress.

The pending Immigration Reform and Control Act would penalize employers for hiring undocumented alien workers. Those farmers who now hire undocumented workers would be faced with a new set of labor market conditions if the legislation passes. Farm employers would either have to hire only American workers, or obtain legal foreign workers through a new H-2 Temporary Foreign Worker Program. All agricultural employers of foreign workers would have to comply with H-2 Program requirements on wages, housing, working conditions, transportation, and food service.

IMMIGRATION PROPOSALS IN THE 98TH CONGRESS

Foreign nationals working in the United States illegally, including those working in agriculture, were the focal point of legislation on immigration reform in the 98th Congress. The Immigration Reform and Control Act passed the Senate in 1983 but was not voted on by the House of Representatives.

The proposed Immigration Reform and Control Act (Senate bill 529 and House bill 1510) includes a program to control illegal immigration (9). The legislation would make it unlawful for an employer to hire an undocumented worker, would make some illegal aliens legal residents, and would establish a temporary foreign worker program for agriculture. In addition to these controls, the Senate bill contains provisions for restructuring the preference system for admitting legal immigrants and revising asylum procedures and judicial review procedures for immigration court cases. The House bill also contains revisions of immigration judicial review and asylum procedures.

Employer Sanctions
to Control Illegal
Immigration 2/

Illegal aliens come to the United States from Central and South America, the Caribbean, Africa, Asia, and Europe. Mexico is the largest single source of illegal immigration (3). Most of the aliens come to this country because of the disparity in wages and opportunities for employment in their native countries and in the United States. For example, the daily salary of a minimum wage job in the United States is four to five times the salary of a minimum wage job in Mexico.

The intent of the proposed legislation is to control illegal immigration by cutting off the supply of jobs available to undocumented foreign workers. This would be accomplished by imposing sanctions against employers who hire undocumented workers. The sanctions would be expected to dry up the offers of employment made to the workers and reduce their incentive to immigrate. Under the proposed law, any employer who hires an undocumented worker, or any person who recruits or refers such workers for employment would be subject to fines. Employers who persistently hire undocumented workers would face jail terms.

The proposed law would protect employers and persons entitled to work in the United States by establishing worker eligibility standards. All applicants for employment, U.S. citizens and foreign nationals alike, would be required to verify that they are eligible to work in the United States. Before a person could be hired, the worker would have to present either a U.S. passport or two other approved forms of identification. A social security card and a driver's license with a photograph, or a social security card and an alien identification card issued by the Department of Justice, would be acceptable forms of identification. A U.S. birth certificate and driver's license with photograph would also be valid identification.

An employer then must prove that such identification was indeed inspected prior to employment by completing and signing a form provided by the Justice Department indicating that the worker was either a citizen of the United States or a foreign national authorized to work in the United States. The employer must

2/ The discussion of immigration reform in the rest of this report is based on Senate bill 529. Some of the specific provisions of House bill 1510 are different from those of Senate bill 529.

keep the completed form on file for 5 years or for 1 year after the employment has ended, and make it available for inspection when requested by officials of the Department of Labor. Employers of fewer than four employees would not be required to check identification or complete the paperwork, but they would not be exempt from penalties if it could be proved that they hired undocumented aliens.

Legalization of Some Illegal Aliens

No reliable estimates of the number of illegal aliens in the United States exist, but the Select Commission on Immigration and Refugee Policy estimated the number at 3.5 to 6 million in 1978. Whatever the exact number, a massive enforcement effort would be required to locate and deport all illegal aliens. Such an effort to reduce the number of aliens could cause serious economic and social disruptions. Rather than risk this, the pending immigration reform legislation would allow for the legalization of certain aliens already in the country as the second part of the program to control illegal immigration.

Permanent or temporary residence status would be granted to illegal aliens who had not committed serious crimes, provided they applied for legalization and were able to meet residency requirements. Foreign nationals granted either permanent or temporary status would be eligible for employment. Permanent status would be available to those aliens who could document that they had resided in the United States continuously from January 1, 1977, through the date the law is passed. Temporary status would be given to those living here from January 1, 1980, through the date of enactment. Those persons granted temporary status would be given the opportunity to have their status upgraded to permanent after 3 years of continuous residence. Undocumented aliens who could not meet these residency requirements would be subject to arrest and deportation.

The strategy of this plan gives illegal workers who have lived in the United States for years a legal status and the right to work. According to the plan, immigrants anticipating illegal entry might be discouraged because of a reduction of job opportunities as a result of employer sanctions. Those illegal workers already in the United States who do not qualify for legal status because of the residency requirement would also be denied employment. Lacking the ability to find jobs, they would, in theory, return to their home countries.

Temporary Employment of Foreign Workers in Agriculture

When the Immigration Reform and Control Act was being prepared, agricultural employers and some members of Congress raised concerns that employer sanctions and legalization might limit the available supply of seasonal farmworkers. Failure to give legal status to a majority of the large number of aliens employed in agriculture could cause labor shortages and serious disruptions in agricultural production, according to some employers.

Legalization would give lawful status only to those aliens who could show continuous residence in the United States since 1980, but the seasonal nature of much of farm employment suggests that many illegal farmworkers may not be in this country year-round. Many such workers apparently work only for a few months in the United States, sometimes for more than one employer. They return to their home country for the rest of the year when the work is completed (2).

Even if the illegal farmworker did stay in the United States continuously, by working for several different farm employers each year or occasionally doing nonfarmwork, the alien may have difficulty documenting continuous residence from several different sources. To further complicate documentation, the alien may have given an employer either a fictitious name and social security number or someone else's name and identification. An alien working full time for one employer would have a much better chance of documenting residence in the United States.

The precise impact that legalization would have on the availability of agricultural labor cannot be estimated. However, given the suggested size of the undocumented component of the farm work force (2), it seems unlikely that legalization would provide enough legal workers to substitute for the illegal farmworkers currently employed. It seems equally unlikely that U.S. farm employers could either quickly mechanize to replace illegal workers (6), or substitute American workers for illegal ones. Labor demands could be reduced, however, if mechanization of the harvest of more crops should occur in the next several years. Genetic research on agricultural crops holds the potential for developing some plant varieties that could be harvested over longer periods of time. Extending the period during the year that workers could be employed would help stabilize employment and possibly make farmwork attractive to more American workers (1).

However, if legal foreign workers were not available in the short run, many farmers would be faced with difficult alternatives: (1) the choice of hiring illegal workers and risking arrest and fines under the employer sanctions provisions; (2) switching to the production of less labor-intensive commodities; or (3) going out of business. These unpleasant alternatives led to a proposal for a foreign worker program which would enable U.S. farmers to secure workers legally. The intent of the program is to: (1) have little immediate impact on the number of workers available to agriculture so that labor shortages would not cause serious disruptions in production; (2) permit gradual and orderly future adjustments in the number of foreign workers in agriculture, with decisions on the number of workers based on demonstrated need, and (3) protect employment, wages, and working conditions of U.S. workers. A modified H-2 Program specifically for agriculture was designed to

accomplish these objectives. ^{3/} Farmers would have 3 years to adjust their hiring practices before the H-2 Program becomes fully operational.

The Current H-2 Program. The current program, under which H-2 temporary agricultural workers are admitted to the United States, stems from sections 101(a)(15)(H)(i) and 214(c) of the Immigration and Nationality Act. However, there is no distinction made in the act between agricultural and other categories of temporary labor. The relevant language in section 101(a)(15)(H)(i) that defines a temporary foreign worker is as follows:

"...an alien having a residence in a foreign country which he has no intention of abandoning...(i) who is coming temporarily to the United States to perform temporary services of labor, if unemployed persons capable of performing such services or labor cannot be found in this country..."

Section 214(c) gives the U.S. Attorney General the authority to admit H-2 workers, but the Attorney General's authority has been delegated to the INS.

The Attorney General has also developed a set of formal procedures with the DOL for the admission of H-2 agricultural workers. In fact the operational elements of the program were created by regulations issued by the Immigration and Naturalization Service, 8 C.F.R. 214, and the Department of Labor, 20 C.F.R. 655. The regulations establish the conditions under which an alien can be admitted for temporary agricultural work; methods for determining minimum wage rates H-2 workers are paid; rules of the workplace to protect the interest of American workers; and requirements for housing, food, and transportation.^{4/} The DOL gives an employer permission to hire foreign workers for temporary jobs only after the employer and the U.S. Employment Service have determined that American workers are not available to do the work, and after the DOL has determined that employment of the aliens will not reduce wages and worsen working conditions of U.S. citizens. American workers employed on farms with foreign workers and doing the same kind of work are entitled to the same benefits given foreign workers, such as guaranteed minimum wage, free housing while employed, and round-trip transportation from home to work.

^{3/} The current temporary foreign worker program would also continue for nonagricultural workers. However, the proposed act contains a modification of the certification procedure for nonagricultural workers.

^{4/} The minimum wage rates, called adverse effect wage rates (AEWR's), cannot be less than the Federal minimum wage, but they may be higher. In 1983 the AEWR's varied from \$4.05 per hour to \$5.37 per hour for the 14 States with H-2 workers (excluding sheepherders). See (4) for a complete description of the regulations governing the current H-2 Program for agriculture.

The Proposed H-2 Program. The H-2 temporary worker program for agriculture in the proposed Immigration Reform and Control Act would amend the Immigration and Nationality Act to recognize the need for a specific program for agriculture to meet labor demand with foreign workers when the domestic work force is unavailable or inadequate.

Besides establishing a specific H-2 Program for agriculture, the proposed act would incorporate a number of provisions from the existing H-2 regulations and add some new ones (9). The intent of the new program is much the same as the current one, that is, to permit agricultural employers to recruit legal foreign workers if they can show that they are unable to locate needed domestic workers (10). The employer would have to agree to protect the rights of American workers regarding employment, wages, and working conditions before permission would be granted to hire foreign nationals. The details of how these assurances would be obtained from employers would be governed by regulations issued after the legislation becomes law. The grower will be reasonably assured that workers will be on the job site when needed, and that the work will be completed without disruption. Those farmers employing illegal aliens are always faced with the possibility of losing at least some of their employees to INS raids.

A sudden switch to the H-2 requirements could cause serious worker shortages and disruptions in production for those agricultural employers who historically employed illegal workers. To minimize these impacts, a transitional period during which these agricultural employers would not be required to prove their need for foreign workers was added to the proposed legislation. Employers must furnish evidence of historical employment of seasonal agricultural workers to qualify for the transitional program in the bill passed by the Senate. The historical employment of seasonal workers could include foreign and American workers. Foreign workers hired under the transitional program could not replace either workers previously hired under the H-2 Program or previously hired American workers. 5/

The employment of transitional workers must be gradually reduced over 3 years. Employers could hire 100 percent of their historical average number of foreign workers in the first year without certification from the Labor Department. In the second year they could hire 66 percent, and in the third year they could employ 33 percent without certification. Work permits for the workers would be issued by the Justice Department. During the 3 years, H-2 regulations regarding wages, working, and living conditions would not apply to the transitional

5/ An undocumented alien would be eligible to be a transitional worker if he or she had been employed as a seasonal agricultural worker in the United States for at least 90 days after January 1, 1980. This prevents new illegal aliens from being hired as H-2 workers.

workers unless H-2 certified workers were employed on the same farms employing transitional workers. After the 3-year transitional period, agricultural employers could employ only foreign workers under the H-2 Program, and all of the H-2 provisions would be in effect. This transitional period would give agricultural employers who have relied on undocumented workers the time to make adjustments for recruiting legal workers before they would be subject to the full H-2 recruiting and certification requirements.

The pending H-2 Program would provide for basic employment protection to foreign agricultural workers. In contrast to the undocumented worker, whose employment tends to erode U.S. labor standards, the legal foreign worker would have the protection of U.S. laws and, therefore, would have a legal recourse if employment standards are not met by the employer. When the work is completed, the workers would be expected to return to their home countries instead of staying in the United States and adding to the illegal alien population.

Employers of illegal agricultural workers will have to make adjustments in their hiring practices and must provide for worker housing and food services before the proposed temporary worker program can become fully operational. These adjustments may hamper employers in the West and Southwest more than employers in the East and Southeast because the westerners have not used the current H-2 Program, and they may not have adequate worker housing available. Fewer than 1,000 employers, annually, mostly east of the Mississippi River, hire foreign workers under the current program, according to DOL administrative records.

HIRED LABOR ON FARMS

Most of the empirical information in this report is from the 1978 Census of Agriculture. The farm labor information reported in the census is based on responses of farm operators about their farm business. The information on the number of hired workers and farm labor expenditures represents all wage and salary workers on farms in 1978, which include American citizens, foreign nationals working legally, and foreign nationals who are in this country illegally. Although it is not possible to divide the census data into these categories of workers, the farm labor information provides a basis for identifying the type and location of farms which would likely undergo adjustments in hiring practices with enactment of the proposed Immigration Reform and Control Act.

Illegal Aliens in Agriculture

The stock of information on illegal aliens working on U.S. farms is based largely on arrest statistics of the INS and unverified evidence, including personal testimony of agricultural employers, workers and other observers of the farm labor market, and case studies. Much of what is known about illegal aliens working in agriculture is summarized in (2):

Most hired farmworkers in the United States are U.S. citizens or legally employed noncitizens.

Nevertheless, observers both inside and outside agriculture concede that there are substantial and probably increasing numbers of persons illegally in the United States who are employed in the industry, mostly of Hispanic origin. They are employed in all commodities and all regions, though they are particularly significant in the Southwest and on the West Coast in seasonal employment in the fruit and vegetable industries.

This phenomenon is not new particularly in the Southwest. This region, much of which was a part of Mexico until early in this century, has experienced regular migration of Mexicans since the area became a major producer of labor-intensive agricultural commodities...Illegal immigration, however, appears to have increased substantially. Employment of illegal aliens [in agriculture] is now common, even in the midwestern and mid-Atlantic states, and reaches into New England.

Most illegal aliens are employed in seasonal, rather than permanent, agricultural jobs. Many of these workers are probably regular migrants with permanent homes and small land holdings in northern Mexico. These migrants supplement meager local earnings with migratory farm work in the United States during their off-season. Others are probably persons intending to relocate to the United States who use seasonal, agricultural work to gain an economic foothold and later assimilate into the nonfarm economy. Some are individuals whose primary employment consists of work in the United States periodically interspersed with periods of unemployment in their native country.

Regardless of the pattern of illegal immigration, it is universally accepted that its motive is economic...

Labor performed by the alien work force is also important to the production of the commodities in which they work. In the absence of illegal workers, this work would have to be performed by domestic workers or, in the long-run, mechanized. Price and/or imports of labor-intensive commodities would likely increase and production decrease. Nevertheless, the reliance of farmers on a large illegal work force has serious negative consequences in destabilizing the labor force, exploiting the alien workers, and undermining domestic labor standards.

Hired Labor Expen-
ditures by Type of
Farm

Almost 1 million farms employed hired workers in 1978 (table 1). These farms provided over 5 million wage and salary jobs (12). 6/ Many of the jobs were of short duration, and over half of all hired workers worked fewer than 75 days per year in agriculture (7). Farm employers spent about \$6.8 billion for labor they hired directly in 1978.

Table 1--U.S. farms employing hired and contract labor, 1978

Type of labor	Farms		Hired and contract labor expenditures	
	Number	Percentage : distribution	Total	Percentage : distribution
	<u>Thousands</u>	<u>Percent</u>	<u>Million dollars</u>	<u>Percent</u>
Farms employing:				
Hired labor	983.7	39.7	6,849.0	88.3
Contract labor	176.9	7.1	908.1	11.7
Hired and contract labor	88.8	3.6	2,235.1	28.8
No hired or contract labor	1,318.0	53.2	0	0
All farms 1/	2,478.6	100.0	7,757.1	100.0

1/ The numbers of farms with hired and contract labor are not mutually exclusive. The numbers and percentages do not sum to the totals of all farms.

Source: (12).

6/ The number of wage and salary jobs on farms referred to in this report is based on data of hired workers reported in the 1978 Census of Agriculture. The aggregate number of hired workers (5.6 million) on farms reported by the census is not equivalent to the total number of workers employed on farms, but it is roughly equivalent to the number of jobs. This is because many hired workers are counted more than once by the census because they are employed on more than one farm during the year due to the short-term seasonal nature of much of the work. Pollack (7) reported that about 2.7 million persons did some hired farmwork in 1979. The reference to the number of hired jobs on farms in this report includes only the direct hires made by farm employers. The number of workers supplied to a farmer by a crew leader or labor contractor is not available.

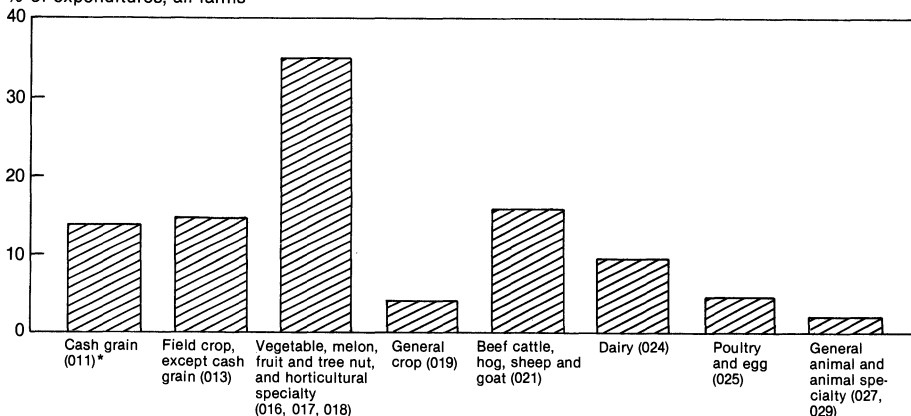
At times, instead of hiring workers directly, some farm operators hired a crew leader or labor contractor to sign workers for agricultural labor services. The farm operator employed the labor contractor to provide specific labor services, mostly of a short-term or seasonal nature, such as harvesting apples. In 1978 about 177,000 farms employed contract labor (table 1). Expenditures for contract labor constituted about 12 percent of the total labor expenses of nearly \$7.8 billion. About 47 percent of all farms either employed hired workers directly or employed workers through a labor contractor in 1978.

Overall, farm labor expenses made up about 13 percent of all production expenses reported, but they averaged over half of all production expenses on farms producing vegetables, melons, fruit and tree nuts, and horticultural specialty products (app. table 3).^{7/} Many of the planting and harvesting operations on these farms are the least mechanized of all farm operations, and they normally require an unusually large number of workers for relatively short periods of time. The vegetable and horticultural farms incurred over one-third of all labor expenditures in 1978 (fig. 1).

Figure 1

Distribution of Farm Expenditures for Hired and Contract Labor, by Type of Farm, United States, 1978

% of expenditures, all farms



*The numbers in parentheses are the Standard Industrial Classification codes for the farm types. This classification is found in (5). Source: (12).

^{7/} In this report, vegetable, melon, fruit and tree nut, and horticultural specialty farms are referred to as "vegetable and horticultural farms."

Cash grain farms, other field crop farms, and beef cattle, hog, sheep, and goat farms had roughly equal proportions of all farm labor expenses in 1978. These three groups of farms and the vegetable and horticultural farms had about four-fifths of all labor expenses. Dairy and poultry farms incurred a large share of the remainder of farm labor expenses (app. table 1).

Seasonal Hired Labor
and Value of Sales
Per Farm

Unverified evidence suggests that illegal aliens are more likely to work in seasonal farm jobs instead of jobs which last year-round (2). Although a seasonal job may last for a few days or weeks, a worker may piece together several jobs in order to stay employed in agriculture for several months per year. In the domestic hired farm work force, students, homemakers, and workers unemployed most of the year constituted about two-thirds of the workers employed fewer than 150 days on farms in 1979 (7).

Seasonal farmwork done by illegal aliens is often associated with hand-harvest jobs in the vegetable and horticultural sectors. However, seasonal work is also important in tobacco, sugar crops, grain, and other commodities. Illegal workers are known to work in several of these sectors, although probably not as much as in the vegetable and horticultural sectors.

Farmers and their families provide the largest proportion of agricultural labor. But because farms are becoming fewer and larger, hired workers are increasingly constituting a greater share of farm employment. Hired workers made up about 26 percent of annual average farm employment in 1970. The percentage increased to 35 percent in 1980 (8).

The average number of hired workers per farm varied significantly by type of farm, but on all types of farms more seasonal or short-term workers were employed than were long-term workers (app. table 2).⁸ Analysis of the ratio of seasonal and long-term workers to the number of farms provides a starting point for identifying those types of farms that may undergo adjustments from immigration reform.

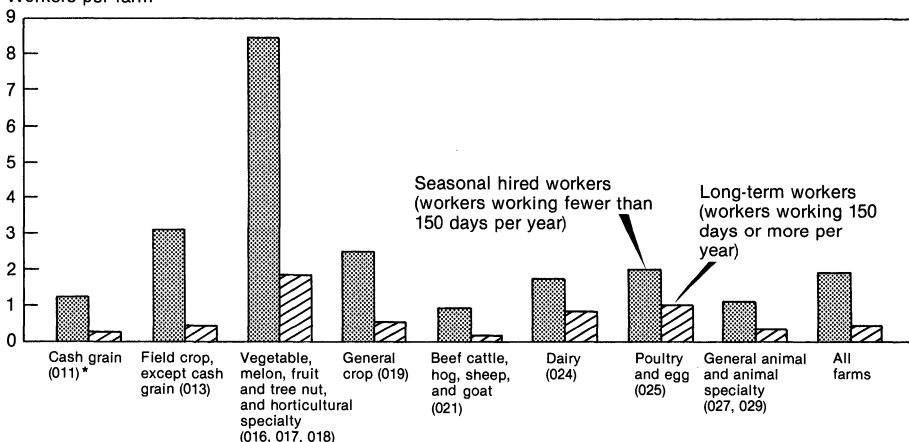
The general impression that vegetable and horticultural farms are major farm labor employers is supported by the data. These farms employed more hired workers in the aggregate and per farm than other types of farm. About 10 workers were employed per farm with 8 laborers working fewer than 150 days per year (fig. 2). The hired jobs on these farms were usually thought to be seasonal ones. For each long-term worker, there were about five seasonal ones (app. table 2). However, on average, these farms also employed more workers for 150 days or more than any other type.

⁸/ Seasonal workers are defined as those working fewer than 150 days per year; long-term workers work 150 days or more per year.

Figure 2

Seasonal and Long-term Hired Workers, by Type of Farm, United States, 1978

Workers per farm



* The numbers in parentheses are the Standard Industrial Classification codes for the farm types. This classification is found in (5).

Source: (12).

Field crop farms, other than cash grain, employed more than three hired workers per farm, and most of them worked at seasonal jobs. For each long-term worker, nearly eight workers worked fewer than 150 days (app. table 2). This group of farms, which includes tobacco, cotton, sugarcane, sugarbeet, potato, hay, peanut, hops, mint, flax, and broomcorn producers, accounted for nearly 20 percent of all farm wage and salary jobs in 1978 (table 2). Operators of cotton and tobacco farms employed an average of four to five workers, the majority of which were seasonal workers (app. table 2). But, because of the relatively small number of these farms, in the aggregate, they accounted for only 8 percent of total farm labor expenditures.

About 40 percent of all farms were classified as beef cattle, hog, sheep, and goat farms. These farms accounted for about 20 percent of all hired jobs in 1978 (table 2). However, they are not labor intensive, employing only about one worker per farm (see fig. 2). The workers were most often seasonally employed for fewer than 150 days per year. These farms incurred about 16 percent of the total U.S. farm labor expenditures.

Dairy farms were more labor intensive than beef cattle and other livestock farms, but they employed fewer hired workers

Table 2--Percentage of U.S. value of farm production, labor expenses, and hired workers on selected types of farms, 1978

Item	Percentage of U.S. totals on -- 1/					
	Vegetable, melon, fruit and	Field crop, except	Beef cattle, hog,	sheep, and goat	Dairy	All other
	tree nut, and horticultural : specialty (016, 017, 018)	cash grain (013)	(021)	(024)	farms	All farms
	Percent					
Farms 2/	6.4	12.6	41.9	6.8	32.3	100.0
Farms with hired labor 3/	8.2	15.3	34.3	10.7	31.5	100.0
Farms with contract labor	20.4	16.3	32.9	5.2	25.2	100.0
Value of farm sales	9.8	8.7	34.5	11.6	35.4	100.0
All production expenses	7.9	6.9	42.8	10.5	31.9	100.0
Hired and contract labor expenses	35.1	14.7	15.9	9.7	24.6	100.0
Hired workers (jobs) 4/	28.7	19.4	20.4	7.5	24.0	100.0

1/ Standard Industrial Classification (SIC) codes in parentheses.

2/ Excludes abnormal farms, which are operated by hospitals, penitentiaries, schools, grazing associations, government, Indian reservations, and for experimental and research purposes.

3/ The numbers of farms with hired and contract labor are not mutually exclusive.

4/ The aggregate number of hired workers reported by the census is roughly equal to the number of jobs. See text footnote 6 for explanation.

Source: (12).

per farm than vegetable and horticultural, cotton, and tobacco farms. The farm operator and other farm family members perform much of the labor on dairy farms. On average, fewer than three hired workers were employed per farm, and two-thirds of the workers were employed for fewer than 150 days per year. Wages paid to hired workers on dairy farms accounted for about 10 percent of all farm labor expenditures in 1978 (table 2).

The vegetable and horticultural farms stand out because of their labor use. Farms primarily producing vegetable and horticultural crops have greater hired and contract labor expenditures than other types of farms (app. table 3). Per farm spending for hired labor was \$27,192 in 1978, about four times greater than the per farm expenditures of dairy and field crop farms, excluding cash grain farms. Vegetable and horticultural farms averaged \$14,502 in contract labor costs, compared with \$4,627 for field crop farms, except cash grain. In 1978 hired and contract labor expenses averaged \$20,000 or more on over 17 percent of the vegetable and horticultural farms with labor expenses.

The value of production on the more labor-intensive farms is a significant part of total U.S. agricultural production. The value of sales on vegetable and horticultural farms and field crop farms, except cash grain, constituted 9.8 percent and 8.7 percent, respectively, of the total value of farm sales (see table 2). Sales on vegetable and horticultural farms averaged nearly \$67,000, exceeded only by dairy farms with an average of \$74,492. About 11 percent of the farms had sales of \$100,000 or more in 1978. Sales on field crop farms, except for cash grain farms, averaged about \$30,000 (app. table 3).

GEOGRAPHIC DISTRIBUTION OF HIRED LABOR

Data on hired and contract labor expenses, by type of farm, show that the kind of commodities produced significantly influences hired labor requirements. Information presented in this section shows that farms using large amounts of hired labor tend to be concentrated in a few States instead of being evenly distributed across the Nation. Weather conditions, type of soil, water availability, transportation networks, proximity of markets, and historical land use patterns influence the type of commodities produced and, hence, labor requirements.

About half of all hired labor used on farms, as measured by expenditures for hired and contract labor, was in eight States in 1978. California farm operators spent more for hired labor than operators in any other State, accounting for one-fifth of the total expenditures on all U.S. farms. Farm operators in Florida were the second largest employers, but Florida farms used only one-third of the total amount of hired labor used on California farms. Farms in 17 States accounted for nearly 70 percent of all expenditures for hired and contract labor (table 3).

The distribution by county of hired and contract labor expenditures further delineates geographic distribution (fig. 3). Two patterns stand out: some of the major hired labor States,

Table 3--Spending by leading States employing hired and contract labor, 1978

State	Hired and contract labor spending	
	Expenditures	Distribution
	1,000 dollars	Percent
California	1,669,633	21.5
Florida	562,841	7.2
Texas	521,089	6.7
Washington	261,102	3.4
North Carolina	245,383	3.2
Iowa	199,506	2.6
Illinois	197,882	2.5
New York	194,989	2.5
Wisconsin	189,008	2.4
Pennsylvania	187,868	2.4
Minnesota	169,264	2.2
Arkansas	160,376	2.1
Arizona	159,147	2.1
Oregon	154,052	2.0
Georgia	152,772	2.0
Ohio	151,410	2.0
Michigan	149,742	1.9
Total	5,326,064	68.7
All other States	2,431,057	31.3
United States	7,757,121	100.0

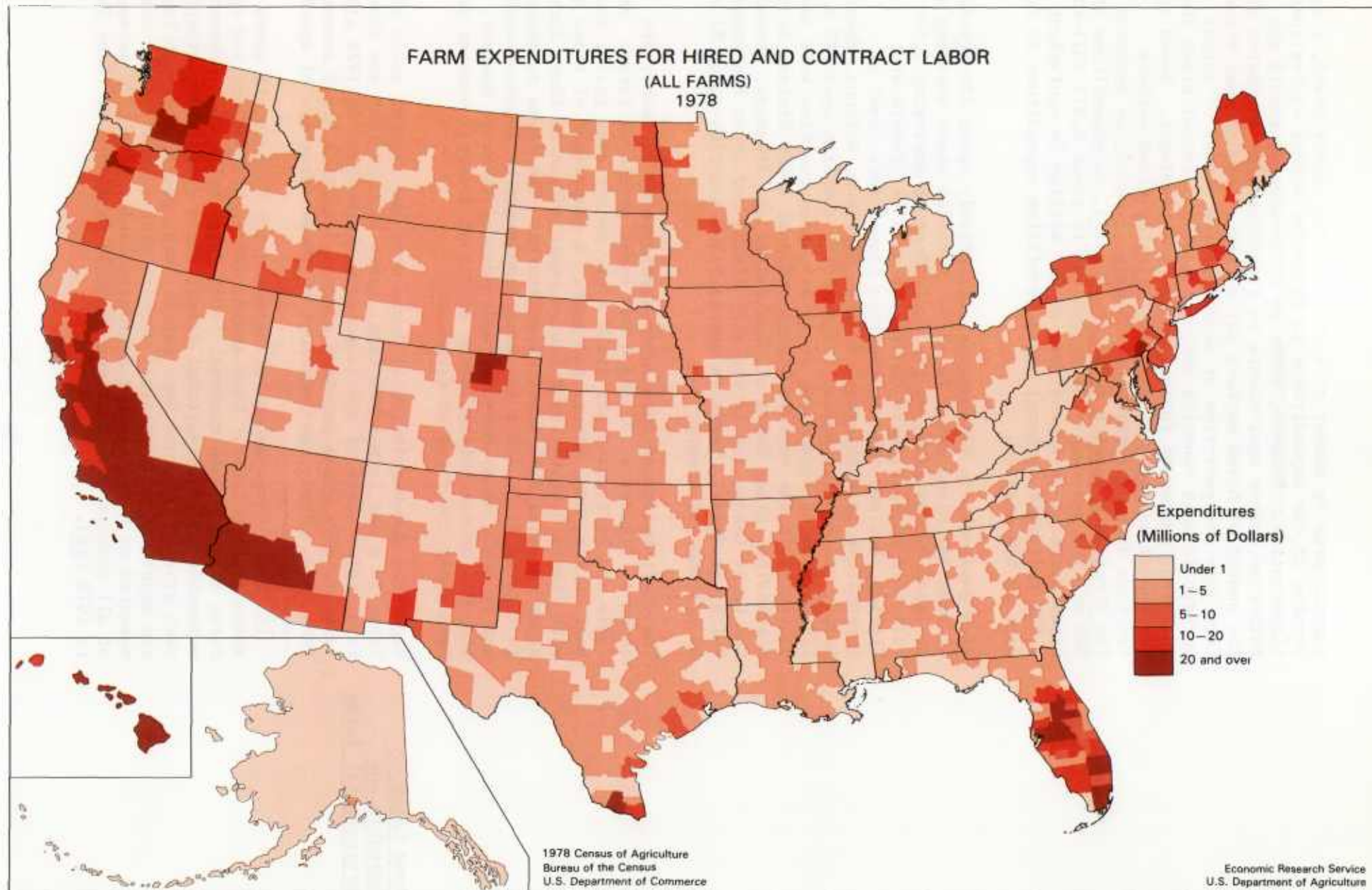
Source: (12).

such as Pennsylvania and North Carolina, saw labor expenditures highly concentrated in a few counties, but in other States, such as Iowa, they were spread more uniformly across the State.^{9/}

The farm labor expenditures shown on the county maps in this report are in five categories, ranging from counties with expenditures of \$20 million and over to counties with less than \$1 million. The data represent labor expenditures for various combinations of full-time hired workers, seasonal workers, and contract workers. While the data do not permit a breakout of

^{9/} The distribution of farm labor expenditures shown in the maps are total expenditures by county. The distributions are influenced by the differences in the size of the counties and the number of farms by county. However, a distribution of expenditures by farm, which adjusts for county size, shows similar concentrations of hired labor expenditures by county.

Figure 3



expenditures by number of workers at the county level, a conversion of the expenditures to full-time worker equivalents is illustrative. However, under no circumstances should the full-time worker equivalents be interpreted as estimates of the number of hired workers per county. Because most hired farm jobs are part-time or seasonal, the number of actual workers in many counties during a year is several times the estimated number of full-time worker equivalents. Based on the annual average earnings of full-time hired workers (workers doing farmwork for 250 days or more), as reported in The Hired Farm Working Force of 1979 (7), an expenditure of \$20 million per county is equivalent to about 2,615 full-time hired workers; an expenditure of \$10 million is equivalent to 1,308 full-time workers; and a \$5-million expenditure is the same as 654 workers.

Farm employers in 45 counties collectively spent \$20 million or more for hired labor in 1978. Counties where spending was at least \$20 million, or the equivalent to employing 2,600 full-time workers, were concentrated in California and Florida, but one or more counties showed this level of expenditure in Washington, Oregon, Colorado, Arizona, Hawaii, Texas, and Pennsylvania. Farms in 185 counties spent \$5 to \$20 million on farm labor in 1978. These counties were concentrated in the western States and east coast States, in the Mississippi River Delta of Mississippi and Arkansas, around the Great Lakes, and in the High Plains and lower Rio Grande Valley in Texas. Farms in nearly 1,500 counties spent \$1 to \$5 million per county.

The distribution of farm labor expenditures by county are shown in figures 4, 5, and 6 for three groups of farms: vegetable and horticultural; field crop, except cash grain; and beef cattle, hog, sheep, and goat. A comparison of these maps with figure 3 shows the relative contribution of these farm types to total farm labor expenditures. The farms represented in figures 4, 5, and 6 are major employers of seasonal workers and probably major users of undocumented workers; however, a wide difference exists in the number of seasonal workers per farm among the types of farms. 10/

Hired Labor on
Vegetable and
Horticultural Farms

Vegetable and horticultural farms were the largest users of labor on a per farm basis (app. table 2), and they are thought to be major users of undocumented workers (2). In 1978 all farms in this group provided about 1.3 million hired seasonal jobs (12). Thus, the locations of these farms are of special

10/ These three groups of farms do not include all users of seasonal farm labor. Cash grain, dairy, and poultry and egg farms also use much seasonal labor (app. table 2). However, vegetable and horticultural farms, field crop farms, except cash grain farms, and beef cattle, hog, sheep, and goat farms are major users of seasonal workers when seasonal labor use is measured on a per farm or aggregate basis. About 70 percent of all workers working fewer than 150 days were on these farms in 1978 (12).

Figure 4

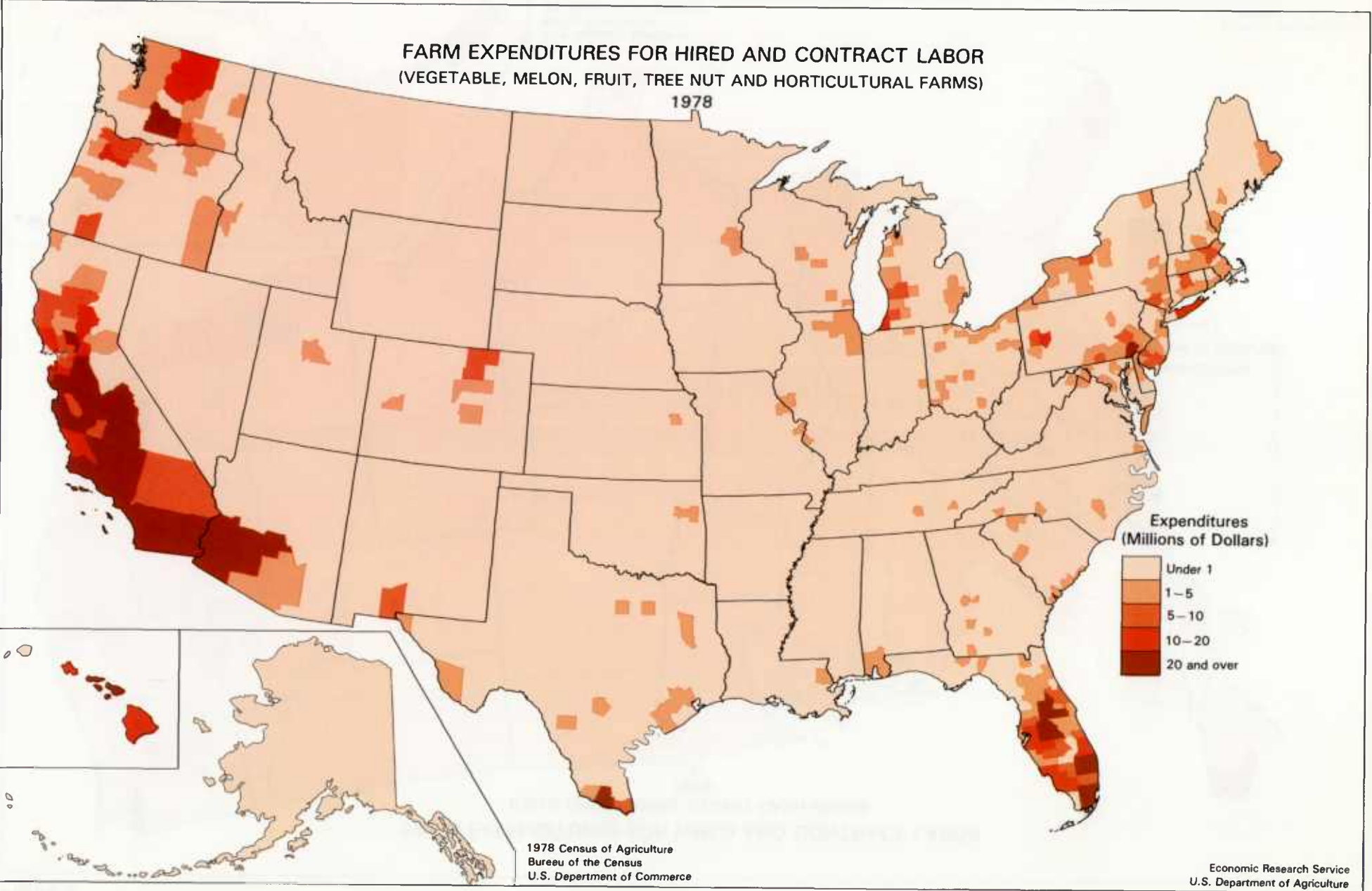


Figure 5

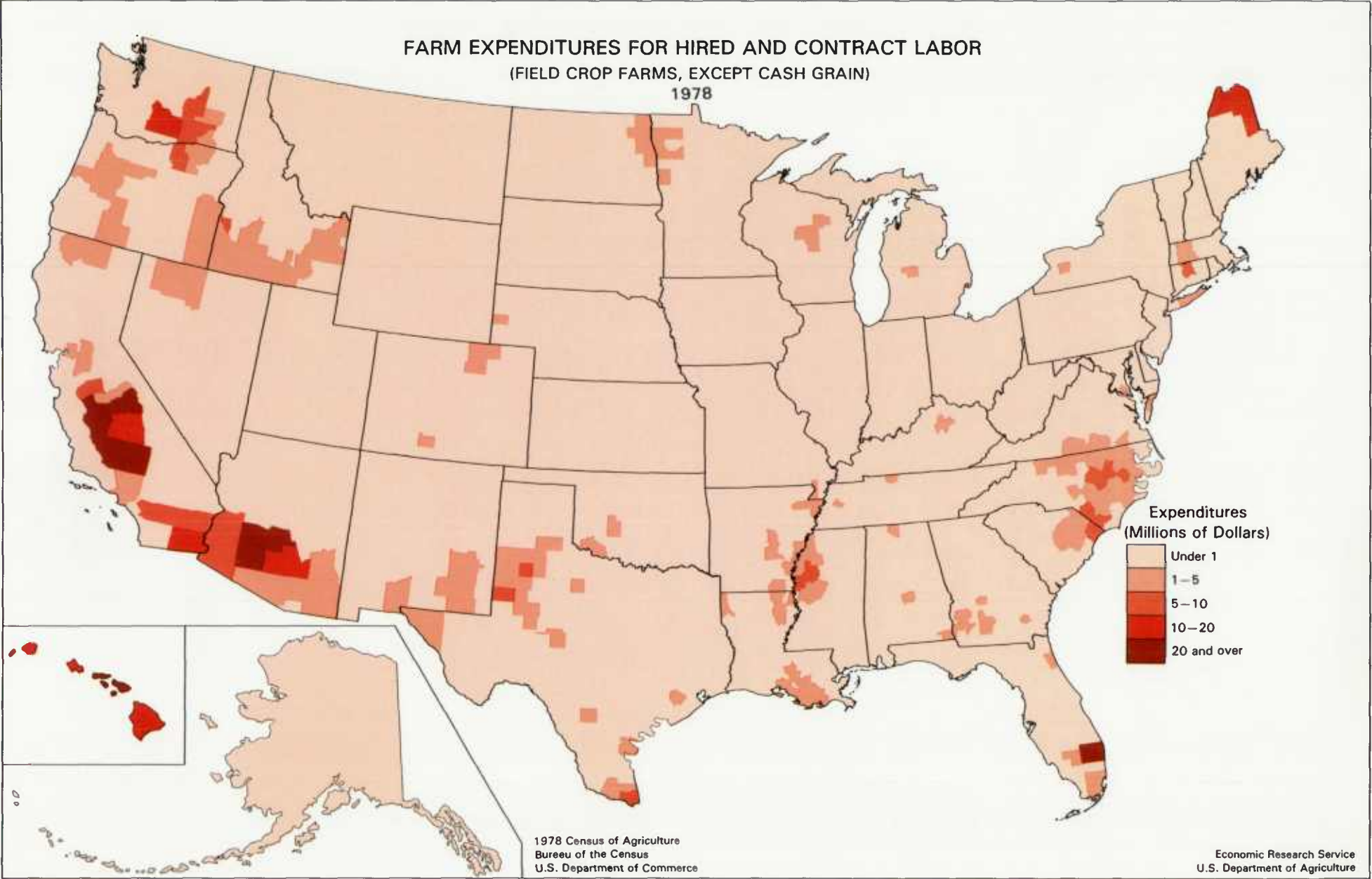
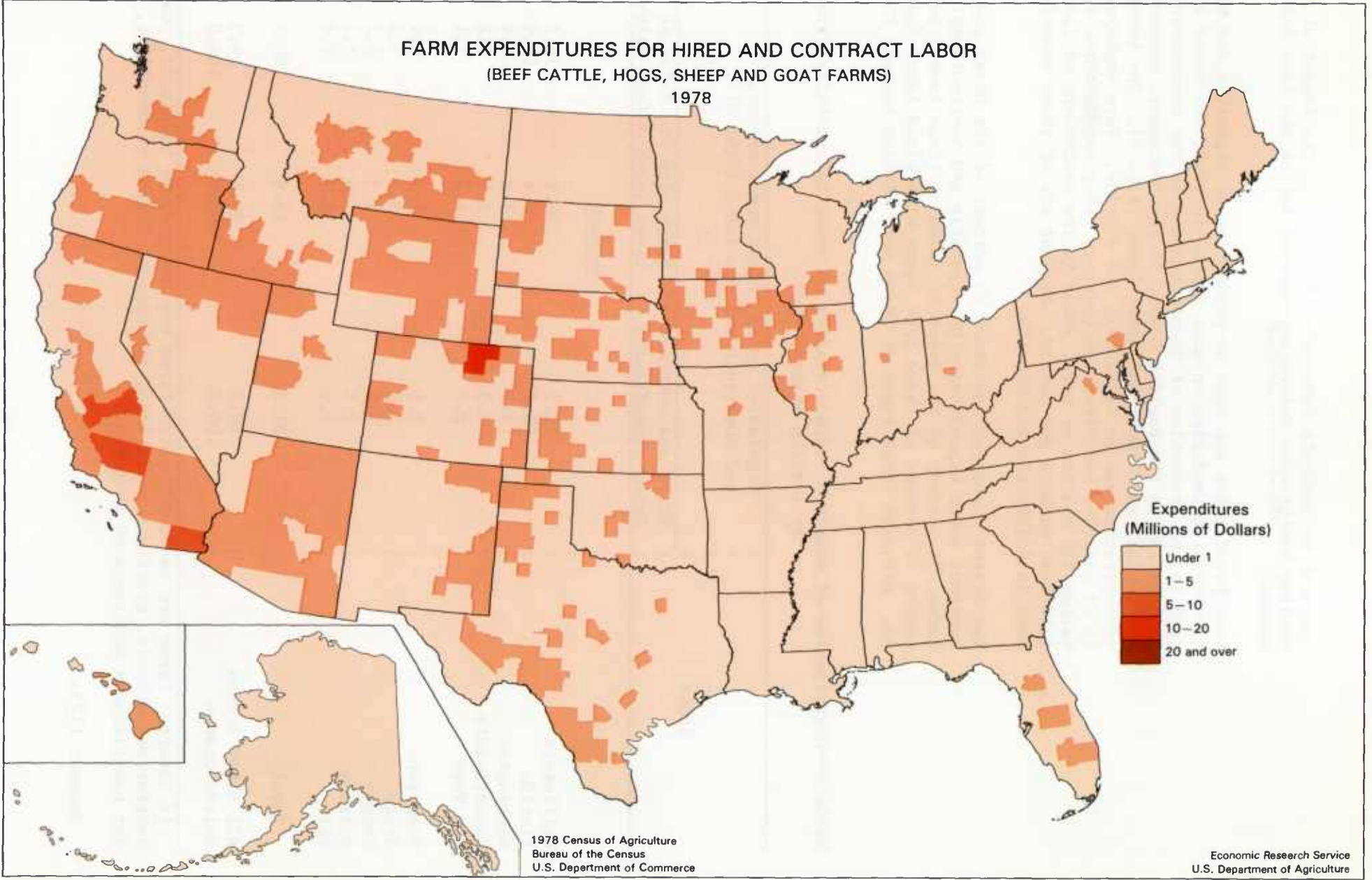


Figure 6



interest to analysts interested in studying the impact of the pending Immigration Reform and Control Act on the farm labor market.

Some hired labor was used in production of vegetable and horticultural commodities in most States in 1978, but hired labor used in the production of these commodities was concentrated in counties on the Pacific Coast, in the Southwest, Northeast, in Florida, and around the Great Lakes (fig. 4). The heaviest concentration was in California and Florida. Farm employers in 29 counties had hired and contract labor expenditures totaling \$20 million or more, which is the equivalent of 2,600 full-time workers per county. All but six of these counties were in California and Florida.

Ten States accounted for about 81 percent of the hired and contract labor expenditures on vegetable and horticultural farms, 81 percent of the value of sales on these farms, and nearly 70 percent of these type farms with hired labor (table 4). Although these types of farms were similar because they

Table 4--Distribution of selected characteristics on specific specialty farms, by leading States, 1978

State	Vegetable, melon, fruit and tree nut, and horticultural specialty (016, 017, 018) ^{1/}		
	Hired and contract labor expenditures	Farms with hired labor	Value of farm sales
	Percent		
California	42.3	30.2	39.2
Florida	15.7	8.4	16.8
Washington	4.7	7.2	4.8
Pennsylvania	3.3	2.9	3.2
New York	2.9	4.7	3.1
Michigan	2.8	5.3	3.4
Texas	2.8	3.3	3.5
Oregon	2.5	4.5	2.7
Arizona	2.3	.6	2.1
Ohio	1.9	2.5	1.9
Total	81.2	69.6	80.7
All other States	18.8	30.4	19.3
United States	100.0	100.0	100.0

^{1/} Abnormal farms are excluded; these farms are operated by hospitals, penitentiaries, schools, grazing associations, government, Indian reservations, and for experimental and research purposes.

Source: (12).

required more than the average number of hired farmworkers, the kinds of crops produced on them are quite different in many of the leading producer States. Apples are produced extensively in the upper Pacific Coast area, the Great Lakes area, and in the Northeast. Citrus crops are grown in California, Arizona, Texas, and Florida. Florida, California, Oregon, Texas, Michigan, and Pennsylvania are major producers of horticultural specialty crops. Vegetables are grown extensively in most of the 10 leading States.

The number of vegetable and horticultural farms, labor use, and value of production varied widely among the 10 leading States. California dominated all States with about 30 percent of the farms with hired labor, 42 percent of hired labor expenses, and 39 percent of the value of sales (table 4). California's more than 40,000 vegetable and horticultural farms with hired labor meant over 640,000 hired jobs. By contrast, Ohio showed about 2 percent of the U.S. vegetable and horticultural production on about 2,800 farms with 30,000 hired jobs.

Although the 10 leading States produced about four-fifths of U.S. production of vegetable and horticultural crops, several other States had important small production areas which used significant amounts of hired labor. These smaller production areas (many identified in fig. 4) should not be overlooked in analyses of the farm labor market. For example, apple producers in the western Maryland-northern Virginia-eastern West Virginia area employ large numbers of seasonal workers, including foreign workers admitted to the United States under the H-2 Temporary Foreign Worker Program. In 1982, according to DOL, this area had over 2,000 apple harvest jobs certified for foreign H-2 workers. Other examples of small production areas include peaches in the Spartanburg area of South Carolina, vegetables and apples in western North Carolina, and vegetables and horticultural specialty crops in Colorado.

The production of vegetables and horticultural specialty crops in the agricultural sector varied significantly in each of the 10 leading States in 1978. At the national level, nearly 10 percent of the total value of farm sales was derived from these crops. In only two of the leading States, Texas and Ohio, did the State's value of sales from these crops dip below 10 percent. Sales of these crops made up the largest proportion of total sales in Florida (58.1 percent) and California (44.4 percent) (table 5).

In Florida, vegetable and horticultural farms accounted for about 75 percent of the total expenditures for hired labor. Vegetable and horticultural farms in California and Michigan covered over 50 percent of total hired labor expenditures. By contrast, less than 15 percent was spent by these types of

Table 5--Distribution of selected characteristics on specific specialty farms, by leading States, 1978

State	Percentage of State total on vegetable, melon, fruit and tree nut, and horticultural specialty farms (016, 017, 018) 1/		
	Hired and contract labor expenditures	Farms with hired labor	Value of farm sales
	Percent		
California	68.6	58.9	44.4
Florida	75.9	44.7	58.1
Washington	48.7	32.4	24.4
Pennsylvania	48.9	10.8	15.6
New York	41.0	17.4	17.4
Michigan	51.2	18.6	18.6
Texas	14.8	3.6	4.4
Oregon	44.6	26.2	21.8
Arizona	40.4	13.1	16.9
Ohio	33.8	6.3	7.1
Total	55.1	21.4	24.9
All other States	13.6	3.4	2.8
United States	35.1	8.2	9.8

1/ Abnormal farms are excluded; these farms are operated by hospitals, penitentiaries, schools, grazing associations, government, Indian reservations, and for experimental and research purposes.

Source: (12).

farms in Texas. Although the production of citrus fruit and vegetables is a major activity in parts of Texas, providing over 31,000 hired farm jobs in 1978, most of the State's hired labor is used on livestock, cotton, and grain farms.

Hired Labor on Field Crop Farms, Excluding Cash Grain Farms

As a group, field crop farms, except for cash grain farms, ranked second behind the vegetable and horticultural farms in hired labor use per farm (see fig. 2). Most of the hired labor employed is seasonal. In 1978 these farms averaged just over three workers who worked fewer than 150 days per year. In the aggregate, one million seasonal jobs for hired workers were provided by these farms. This group of farms ranked third in its percentage of total farm labor expenditures (see fig. 1).

Cotton farms had the largest labor expenditure, and they employed more workers per farm than any other type of field crop farm in this group. Most cotton farms are highly mechanized; but because of their relatively large size, they averaged five

hired workers per farm in 1978. On average, four of these workers were seasonal. Cotton farms averaged 719 acres in 1978, compared with 393 acres for all farms in the United States (12).

The major cotton production areas are the San Joaquin and Imperial Valleys of California, southern Arizona, the High Plains and lower Rio Grande Valley of Texas, and the Mississippi River Delta of Arkansas, Louisiana, and Mississippi (fig. 5). About 85 percent of U.S. cotton is produced in Texas, California, Mississippi, Arizona, Arkansas, and Louisiana.

Tobacco farms provided more jobs than cotton farms, but their total expenditures for labor were less. Most of the hired farmworkers on tobacco farms are employed at harvest-time, their jobs lasting for only a few weeks. On a typical tobacco farm, acreage is small and much of the nonharvest labor is performed by the farm family. Mechanized harvesting of tobacco has advanced, particularly for bright leaf, but tobacco harvest is still labor intensive. In 1978 there were nearly 600,000 seasonal jobs for hired workers on tobacco farms (12). Although the amount of seasonal labor varies by the type of tobacco grown, farms averaged about four seasonal workers. The number of undocumented workers on these farms is unknown. Some employers use the H-2 Program to recruit workers. Virginia tobacco growers had about 1,200 jobs certified for foreign workers in 1982.

The production of bright leaf tobacco, which is concentrated in the Carolinas and Virginia, and shade cigar wrapper tobacco, which is grown in the Connecticut River Valley of Connecticut and Massachusetts, requires more labor for harvesting than does burley tobacco grown in Kentucky, Tennessee, and southern Maryland (fig. 5). North Carolina, Kentucky, South Carolina, Virginia, and Tennessee grew over 85 percent of total U.S. tobacco in 1978 (12).

The other field crop farms in this group employed fewer hired workers per farm than cotton and tobacco farms (app. table 2). Yet, the demand for seasonal workers was significant in some locations. Sugarcane, sugarbeet, potato, peanut, and hay farms were major employers of hired labor, although many of the functions on these farms were mechanized. Sugarcane grown in South Florida, however, is hand-cut mainly by foreign workers recruited through the H-2 Program. All other sugarcane produced in the United States is harvested mechanically. The other production areas are coastal Louisiana, the Rio Grande Valley of Texas, and Hawaii (see fig. 5).

The concentration of labor expenditures in Washington State, Oregon, and Idaho (shown in figure 5) was primarily for potatoes, hay, and other nongrain field crops. Potatoes were the major crop grown in the shaded area of Maine. Sugar beets were important in counties in North Dakota and Minnesota (where labor expenditures were high), and peanut farms were

major employers of hired workers in several counties in southeastern Virginia, northeastern North Carolina, and Georgia.

Hired Labor on Beef
Cattle, Hog, Sheep,
and Goat Farms

This group of livestock farms accounted for nearly 16 percent of the national total of farm labor expenditures in 1978, ranking second in total farm labor expenditures (see fig. 1), but they employed only one worker per farm (see fig. 2). Most of the hired workers were seasonal.

The geographic distribution of farm labor expenditures on the livestock farms does not correspond closely to the distribution of expenditures for vegetable and horticultural farms and field crop farms, excluding cash grain farms (figs. 4, 5, and 6). However, in some counties, particularly in California, Florida, Washington State, and Oregon spending levels were high for each of the three groups of farms. In the above-named counties, livestock farms may compete with the more labor-intensive fruit, vegetable, and field crop farms for seasonal workers.

Some livestock farm counties showed smaller concentrations of farm labor spending than many counties in the vegetable and horticultural group or in the field crop group. Only one county had \$10 to \$20 million of labor expenditures, and three counties had from \$5 to \$10 million (fig. 6). More of the total labor requirements of livestock farms is supplied by the farm family than is the case on many of the fruit, vegetable, and field crop farms. However, some of the livestock farms have difficulty in recruiting American workers because of the nature of the work. For example, sheep ranchers in the western States have historically employed workers from Spain, Mexico, and Peru as sheepherders, who frequently tend their flocks several weeks a year on the grazing range where there is little contact with other people. In 1982 about 1,500 sheepherding jobs were certified for foreign workers under the H-2 Program in 11 States.

UNSETTLED ISSUES

The pending Immigration Reform and Control Act would, for the first time, make it unlawful for all employers to hire illegal aliens. Agricultural employers would be particularly affected by this new legislation because of the nature of demand for hired agricultural workers.

The immigration reform measures were developed without the benefit of empirical analyses of the probable impacts on the farm labor market and U.S. agricultural production. Detailed analyses of the type desired were not possible because of the absence of reliable quantitative information on the number of illegal aliens employed in U.S. agriculture and the farm labor supply schedule of domestic farmworkers. The reforms were supported because of the widely held concern that illegal immigration was not being controlled, and that new measures had to be taken to restore control and order to immigration flows to the United States. Important unanswered questions

pertaining to the probable impact of immigration reform on agriculture are as follows:

- o How many legal H-2 foreign workers will be required to satisfy the demand for agricultural labor?
- o What impact will legal foreign H-2 workers have on the availability of American farmworkers as well as on wages and working conditions of domestic workers?
- o Will U.S. agricultural employers be able to reduce their dependence on foreign workers in a reasonable time and employ a farm work force comprised mainly of U.S. citizens?
- o What changes are required in agriculture regarding mechanization, new plant varieties, worker recruiting, training, and job security in order to reduce the dependence on foreign workers?
- o To what extent will the adjustment in agriculture resulting from immigration reform force farmers to shift their production away from labor-intensive commodities?
- o To what extent will the production of the more labor-intensive commodities, such as vegetables and fruits, leave the United States and move to countries where labor is less expensive?
- o What impact will immigration reform have on the consumer price of food and fiber?

The farm labor data available for this report were insufficient to answer these questions. Before these questions can be addressed satisfactorily, new information is needed on labor requirements and wage structure by type of job or worker, commodity, production area, and supply of domestic and foreign workers.

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Appendix table 1--U.S. hired and contract labor expenditures,
by type of farm, 1978

Type of farm	Hired labor <u>1/</u>		Contract labor		Total farms	
	Expen- ditures	Percentage distribu- tion	Expen- ditures	Percentage distribu- tion	Expen- ditures	Percentage distribu- tion
	1,000 dollars	Percent	1,000 dollars	Percent	1,000 dollars	Percent
Cash grain (011)	1,008,242	14.8	64,830	7.2	1,073,072	14.0
Field crop, except cash grain (013)	999,790	14.7	133,235	14.7	1,133,025	14.7
Cotton (0131)	329,510	4.9	52,533	5.8	382,043	5.0
Tobacco (0132)	227,094	3.3	19,254	2.1	246,348	3.2
Sugar crop, Irish potato, hay, pea- nut, and other (0133, 0134, 0139)	443,185	6.5	61,449	6.8	504,634	6.5
Vegetable, melon, fruit and tree nut, and horticultural specialty	2,178,102	32.1	523,255	57.7	2,701,357	35.1
Vegetable and melon (016)	578,980	8.5	156,781	17.3	735,761	9.6
Fruit and tree nut (017)	859,197	12.7	340,281	37.5	1,199,478	15.6
Horticultural spe- cialty (018)	739,925	10.9	26,193	2.9	766,118	9.9
General crop (019)	261,685	3.9	45,152	5.0	306,837	4.0
Beef cattle, hog, sheep, and goat (021)	1,138,337	16.8	87,508	9.7	1,225,845	15.9
Dairy (024)	721,272	10.6	25,647	2.8	746,919	9.7
Poultry and egg (025)	328,000	4.8	18,334	2.0	346,334	4.5
General animal and animal specialty (027, 029)	155,256	2.3	8,333	.9	163,589	2.1
All farms <u>2/</u>	6,790,683	100.0	906,292	100.0	7,696,975	100.0

1/ The numbers of farms with hired and contract labor are not mutually exclusive. See table 1.

2/ Excludes abnormal farms. Abnormal farms are farms operated by hospitals, penitentiaries, schools, grazing associations, government, Indian reservations, and for experimental and research purposes.

Source: (12).

Appendix table 3--U.S. farms, value of farm production, and hired labor use, by selected type of farm, 1978

Item	Unit	Farms by type of production				
		Vegetable, melon, fruit and tree nut, and horticultural specialty (016, 017, 018)	Field crop, except cash grain (013)	Beef cattle, hog, sheep, and goat (021)	Dairy (024)	All other farms
Farms:						
All farms <u>1/</u>	Number	158,030	312,312	1,036,609	168,473	800,916
Farms with hired labor <u>2/</u>	Number	80,101	150,344	336,631	105,259	309,780
Percent of all farms, by type	Percent	50.7	48.1	32.5	62.5	38.7
Farms with contract labor	Number	36,081	28,794	58,223	9,186	44,429
Percent of all farms, by type	Percent	22.8	9.2	5.6	5.5	5.5
Farm production:						
Value of farm sales	\$1,000	10,533,796	9,423,951	37,200,559	12,549,946	38,160,448
Average per farm	Dollars	66,657	30,175	35,887	74,492	47,646
Percent of farms with value of sales of \$100,000 or more	Percent	11.0	6.1	6.1	18.0	11.6
Production expenses:						
All production expenses reported	\$1,000	4,777,549	4,171,946	25,850,511	6,363,575	19,193,643
Hired and contract labor expenses	\$1,000	2,701,357	1,133,025	1,225,845	746,919	1,889,829
Percent of all expenses	Percent	56.5	27.2	4.7	11.7	9.8
Average hired labor expenses per farm <u>3/</u>	Dollars	27,192	6,650	3,382	6,852	5,659
Average contract labor expenses per farm <u>4/</u>	Dollars	14,502	4,627	1,503	2,792	3,076
Percent of farms with hired and/or contract labor expenses of \$20,000 or more <u>5/</u>	Percent	17.5	5.8	2.6	6.3	4.9

1/ Excludes abnormal farms. Abnormal farms are farms operated by hospitals, penitentiaries, schools, grazing associations, government, Indian reservations, and for experimental and research purposes.

2/ The numbers of farms with hired and contract labor are not mutually exclusive. See table 1.

3/ Only farms with hired labor expenditures were used in calculations.

4/ Only farms with contract labor expenditures were used in calculations.

5/ Only farms with hired and/or contract labor expenditures were used in calculations.

Source: (12).

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