

# Rural Migration News

## Blog 230

JULY 2021

### California: FLC Employment Down and Wages Up in 2020

Average employment in California crop agriculture rose eight percent from 2001 to 2020, from 345,000 to 372,000. However, direct-hire crop employment (NAICS 111) fell by 15 percent to 160,000, while crop support employment (1151) rose by 35 percent to 212,000. Crop support firms include custom harvesters and farm management companies, but the largest crop support sector is farm labor contractors (115115).

Average crop support employment surpassed direct-hire employment

on crop farms in 2007. The gap has been widening, so that almost 60 percent of employment on California crop farms is crop support and 40 percent is direct hire. FLCs account for two-thirds of crop support employment, giving them average employment of 143,000 in 2020, down 8,000 from 151,000 in 2019. FLCs served as the major shock absorber for covid, accounting for over half of the total 15,000 reduction in average employment in California agriculture between 2019 and 2020.

The average weekly wages of directly hired California crop workers were \$800 in 2020, versus \$695 for crop support workers and \$585 for FLC employees. Many crop farms hire equipment operators, irrigators, and other skilled and semi-skilled workers directly, and rely on workers brought to farms by crop support firms for shorter-season tasks such as pruning, weeding, and harvesting.

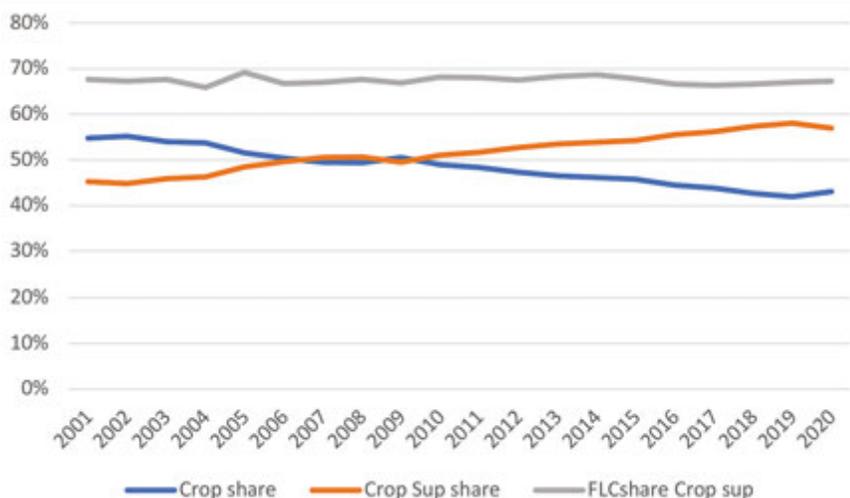
Direct-hire workers are usually employed on only one farm and paid hourly wages. Crop support workers may have only one farm employer but work on many farms during the year. Especially during harvesting, many crop support workers work under piece rate wage systems, such as receiving \$2 for each flat of strawberries picked.

The farm wage hierarchy is being compressed because FLC weekly wages are rising faster than those of directly hired crop workers. FLC weekly wages were 66 percent as much as the wages of directly hired crop workers in 2010, but 73 percent as much in 2020. This wage compression likely reflects the effects of California's rising minimum wage and the lack of unauthorized newcomers from Mexico who often find their first US jobs with FLCs.

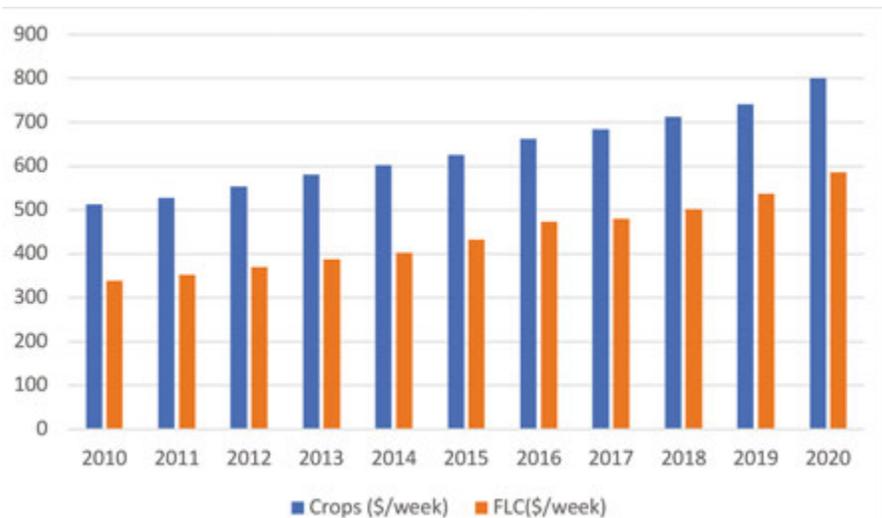
Many FLCs are turning to the H-2A program to find workers. California had 25,453 jobs certified to be filled with H-2A workers in FY20, including 24,015 or 94 percent that were certified to crop or crop support employers. H-2A jobs are distributed differently than all crop workers; most H-2A jobs are in coastal counties such as Monterey that have both the highest farm wages and the highest housing costs.

Monterey county accounted for a seventh of California's crop and crop support employment in 2020, and a quarter of the state's H-2A jobs. In Monterey county there are an aver-

**CA Average Crop Support Employment Surpassed Direct-Hire Crop Employment in 2007; FLCs Account for 2/3 of Crop Support Employment**

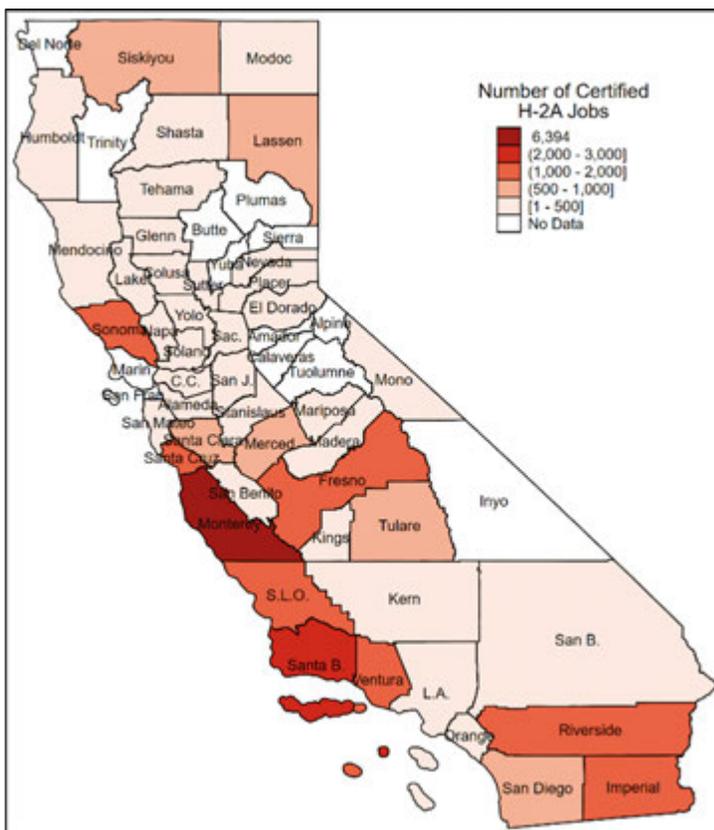


**The Weekly Wages of CA FLC Workers are 3/4 of Those of Directly-Hire Crop Workers**



age two crop support jobs for each direct-hire crop job, higher than the statewide ratio of 1.2 support jobs for each direct hire crop job. Some 62 percent of average crop support employment in Monterey county is with FLCs.

**California's H-2A Jobs are Concentrated in Coastal Counties Such as Monterey with High Wages and High Housing Costs**



To subscribe to RMN blogs, send email to [ruralmigrationnews-subscribe@primal.ucdavis.edu](mailto:ruralmigrationnews-subscribe@primal.ucdavis.edu)

More at: <https://migration.ucdavis.edu/rmn/>