

# Rural Migration News

## Blog 245

OCTOBER 2021

### H-2A: Growth and FLCs from 2010-19

The number of farm jobs certified by DOL to be filled with H-2A workers tripled between FY10 and FY19, from 79,000 to 258,000. The FLC share of job certifications also tripled from 15 percent to 42 percent. H-2A jobs are concentrated in fruits and vegetables, each accounts for a third of H-2A job certifications.

Analysis of the job offers submitted by employers to the Office of

Foreign Labor Certification (OFLC) identified the major crops or commodities employing H-2A workers, the type of employer, and the state where the job was located. H-2A workers are concentrated in fruits and vegetables, employed by farm operators and farm labor contractors, and mostly in southeastern states such as Florida, Georgia, and North Carolina.

### Commodities

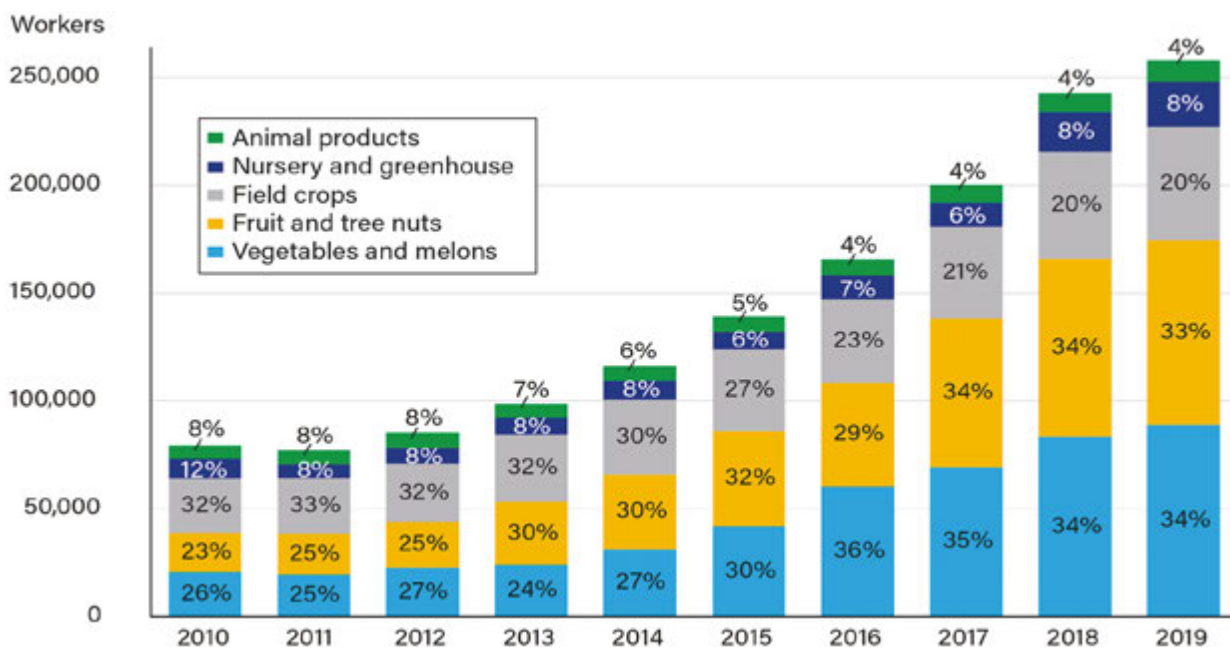
The number of jobs certified to be filled in fruits and nuts rose more than four-fold, from 18,000 to almost 86,000 between FY10 and FY19. The share of fruit jobs certified to FLCs tripled from 16 percent to 45 percent.

Apples accounted for 18 percent of the fruit jobs certified in FY19, followed by blueberries, 17 percent, strawberries, 15 percent, and citrus, 12 percent. These four commodities accounted for 62 percent of fruit jobs certified in FY19.

The number of jobs certified to be filled in vegetables and melons rose more than four-fold, from 20,000 to almost 90,000 between FY10 and FY19. The share of vegetable jobs certified to FLCs doubled from less than a quarter to more than half.

Melons accounted for the most vegetable jobs certified in FY19, 17 percent, followed by tomatoes, nine percent, lettuce, nine percent, and sweet potatoes, eight percent. These four commodities accounted

H-2A Job Certifications Tripled Between FY10 and FY19, When Fruits and Vegetables Each Accounted for 1/3 of Certifications

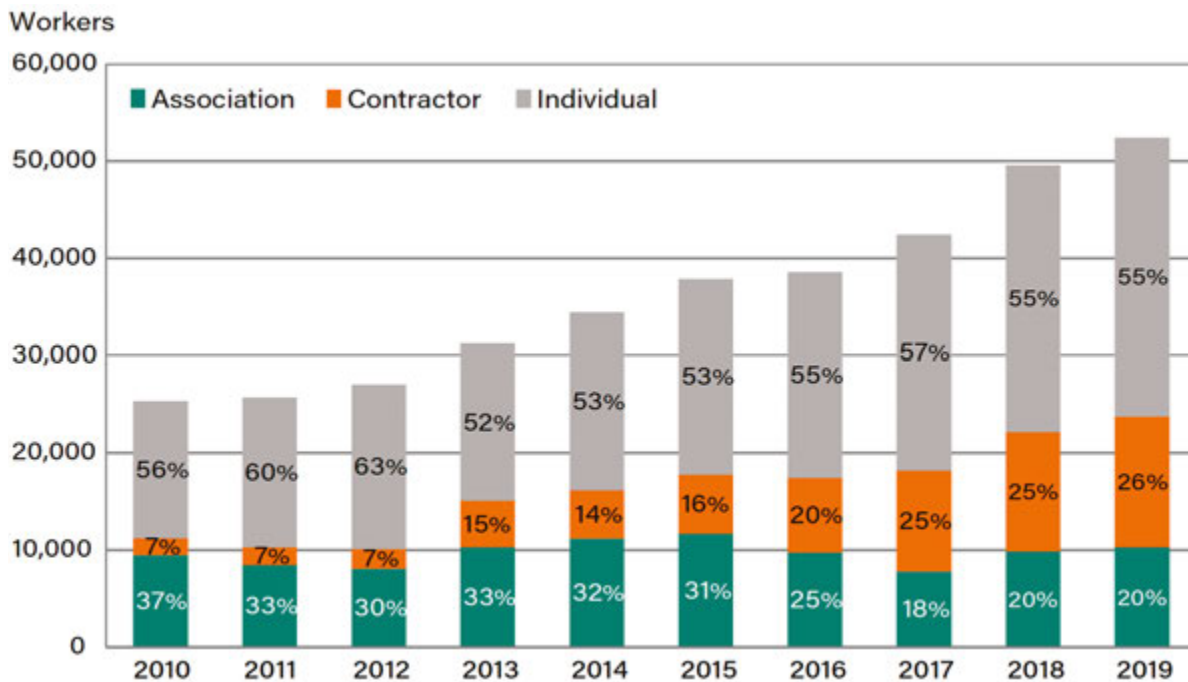




Vegetable Jobs Rose by 4.5x Between FY10 and FY19; the FLC Share of Vegetable Jobs Doubled



Field Crop Jobs Doubled Between FY10 and FY19; the FLC Share of Field Crop Jobs Tripled



### Employers

Field crops account for over 60 percent of the employers who request certification to employ H-2A workers, reflecting the fact that many tobacco farms employ only a few workers. Livestock employers account for another 15 percent, so that three-fourths of H-2A employ-

ers are in field crops and livestock, even though these sectors account for only a quarter of H-2A jobs certified.

By contrast, most of the FLCs that requested certification to employ H-2A workers were in fruits, 39 percent, vegetables, 27 percent, and field crops, 23 percent.

### Wages

Employers must offer and pay the higher of several wages to H-2A workers and US workers in corresponding employment, including the federal or state minimum wage, the prevailing wage, or the AEWR, which is derived from the average hourly earnings of field and

livestock workers who are hired directly by farm employers. AEWRs vary by state and commodity. The spread between the highest and lowest AEWR between states was about \$2.25 per hour in 2010 (\$2.69 in 2019 dollars), and widened to \$3.75 an hour by 2019, as AEWRs in the Pacific region of CA, OR, and WA surpassed AEWRs in the midwest. AEWRs have been lowest in the southeastern states including Florida.

Most fruit jobs that are filled by H-2A workers are in CA and WA, where AEWRs are higher, while many vegetable jobs that are filled by H-2A workers are in the southeastern states where AEWRs are lower.

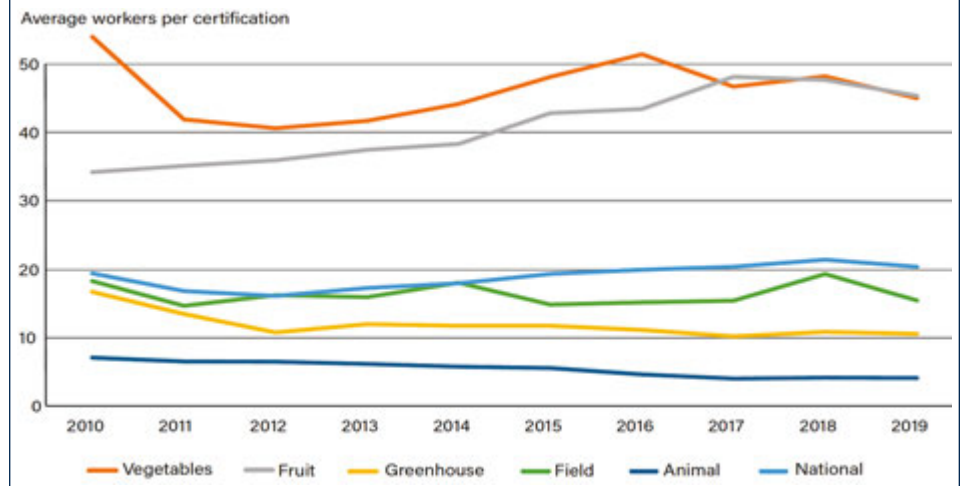
### Research Agenda

The H-2A program is expanding rapidly. DOL is likely to certify over 300,000 jobs to be filled with H-2A workers in FY21, so that almost 15 percent of the year-round equivalent jobs in US crop agriculture are filled by H-2A workers. The share of H-2A workers is higher in particular commodities and states, so that half or more of US apples and oranges are picked by H-2A workers.

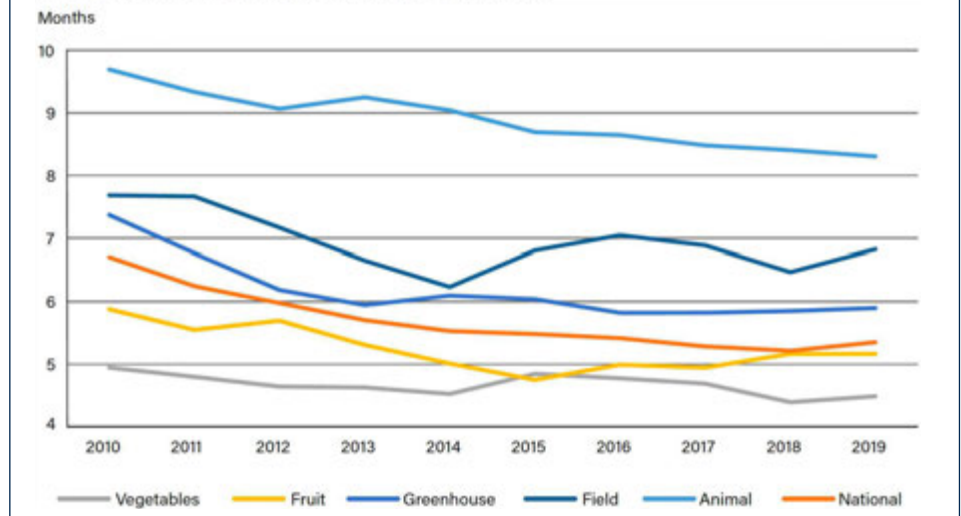
H-2A expansion raises several questions. First, are there economies of scale in recruiting, housing and employing H-2A workers? There is no clear trend in the number of jobs per certification, which is higher in fruits and vegetables than in livestock and greenhouses. Shorter average contracts may reflect both H-2A employers planning their need for H-2A workers more precisely and more H-2A workers holding two or more jobs and thus having two or more contracts while they are in the US.

Associations and FLCs may develop business models that move workers from one contract to another so that

### Employers Requested an Average 20 H-2A Job Certifications, But Fruits and Vegetables 45



### Fruit Contracts Averaged 5.2 Months in FY19 and Vegetable Contracts 4.5 Months



they can remain in the US the maximum 10 months usually permitted.

Second, many employers say that over 80 percent of their H-2A workers are returnees. How does the productivity of H-2A workers change with experience, that is, how many months or years are required before H-2A workers are as productive as US workers? Does the average productivity of H-2A workers eventually surpass that of the average productivity of US workers?

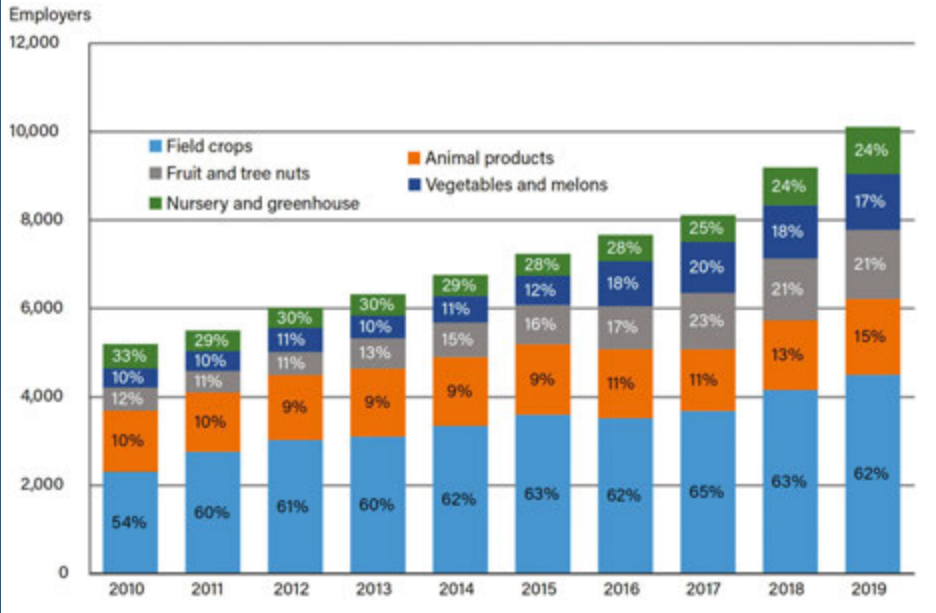
Do H-2A employers make labor management changes, such as utilizing H-2A supervisors to manage

H-2A workers, so that H-2A crews arrive in the US as a team? What skills do H-2A workers acquire while they are employed in the US, and how do they use these skills in their countries of origin?

Third, what are average employer costs for recruitment, transportation, and housing for H-2A workers, and what are employer savings from the exemption of H-2A wages from social security and other taxes? H-2A workers provide labor insurance. How much do employers value the fact that H-2A workers cannot change US employers?

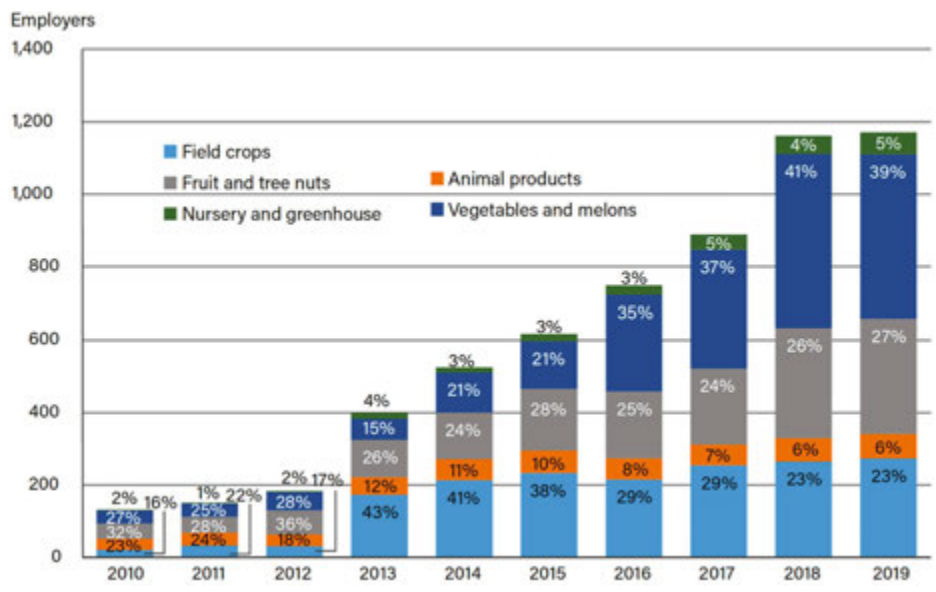


**Field Crop and Livestock Employers Accounted for ¾ of the 10,000 H-2A Employers and ¼ of H-2A Jobs**

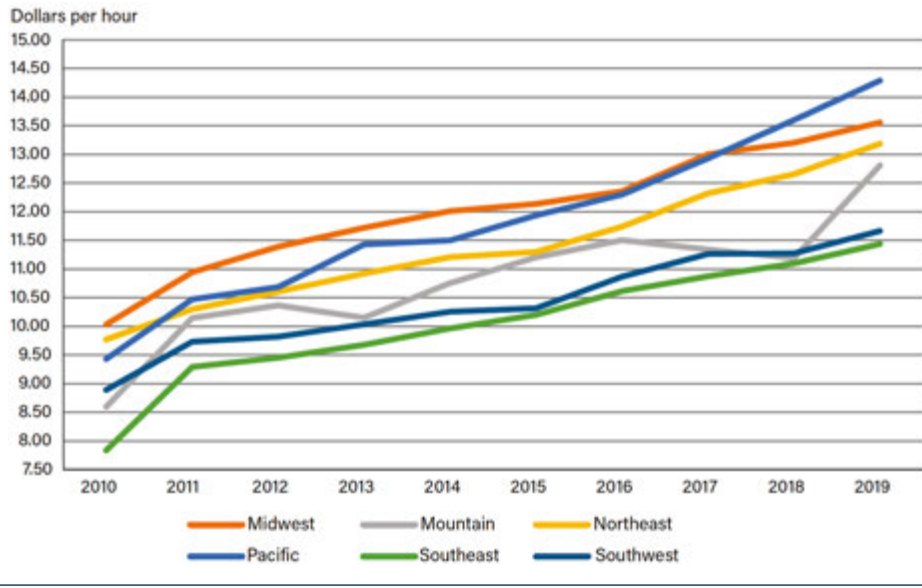


The National Agricultural Workers Survey (NAWS) interviews about 2,000 non-H-2A workers employed on US crop farms each year. If the NAWS were to include H-2A workers, employers may be able to determine which workers are most productive and successful as the program expands beyond Mexico, Jamaica, and Guatemala. MSFW service providers and NGOs are interested in H-2A worker characteristics and needs, including how H-2A workers can use skills acquired in the US to promote development in their areas of origin.

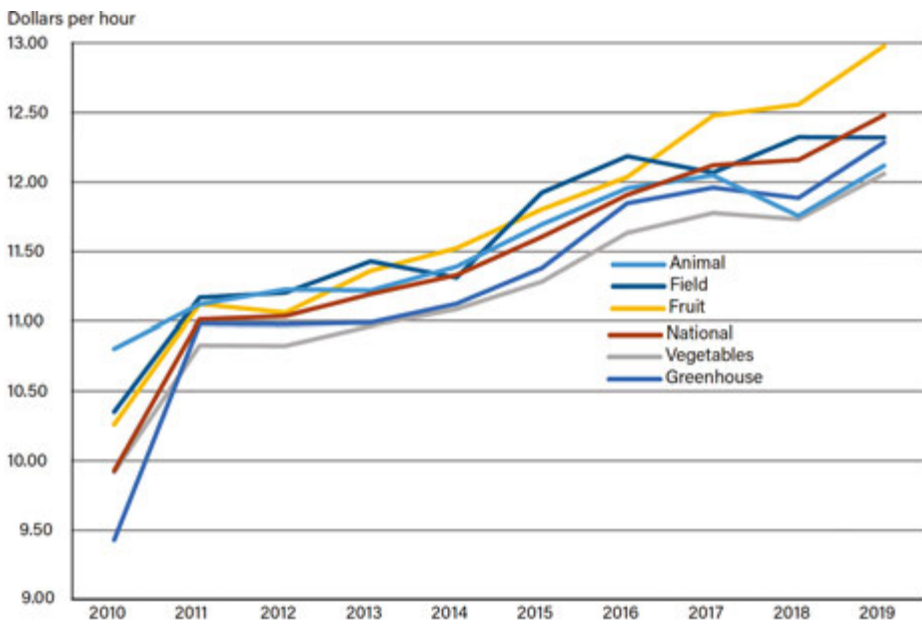
**90% of FLCs Were in Fruit, Vegetables, and Field Crops**



### AEWRs are Highest in the Pacific and Lowest in the Southeast



### AEWRs Vary by State; Different Commodity Mixes Help to Explain Differences in AEWRs



### References

Castillo, Marcelo, Skyler Simnitt, Gregory Astill, and Travis Minor. 2021. Examining the Growth in Seasonal Agricultural H-2A Labor, USDA ERS EIB 226. <https://www.ers.usda.gov/publications/pub-details/?pubid=102014>

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/>