

# Rural Migration News

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<b>RURAL AMERICA</b> .....	<b>1</b>
CALIFORNIA: FRESNO, WATER.....	1
MEAT AND MIGRANTS.....	3
LABOR: MINIMUM WAGE.....	3
<b>FARM WORKERS</b> .....	<b>5</b>
CALIFORNIA: COVID, LABOR.....	5
FLORIDA, SOUTHEAST.....	6
NORTHEAST, MIDWEST, NORTHWEST.....	6
UFW, ALRB, DOL.....	8
<b>IMMIGRATION</b> .....	<b>10</b>
BIDEN: IMMIGRATION REFORM.....	10
DHS: CBP, ICE, USCIS.....	11
FWMA, H-2A; H-2B.....	13
CANADA, MEXICO.....	15
EUROPE, ASIA.....	17
GLOBAL: COVID, TRADE.....	21
<b>OTHER</b> .....	<b>22</b>
CALIFORNIA AGRICULTURE.....	22
US AG, TRADE.....	22
FOOD, WINE.....	23
CLIMATE CHANGE.....	24
<b>FIGURE</b> .....	<b>25</b>

## RURAL AMERICA

### CALIFORNIA: FRESNO, WATER

Fresno county had over a million residents in 2021, including almost 550,000 in the city of Fresno. Median wages in Fresno county were \$17 an hour in 2019, making the state’s \$12 minimum wage 70 percent of the Fresno median wage. Some employers complain that, as the state’s minimum wage rises to \$15 in 2022, they will have to raise the wages of all of their employees to maintain their wage hierarchy.

Among large US cities, Fresno has the most people per household, followed by Bakersfield and Modesto. Fresno had an average 3.6 persons per household in 2019, and 36 percent of households were families with children under 18. Many Fresno households pay over half of their income in rent, which averaged \$1,022 in 2019.

Rents jumped to an average \$1,000 for one-bedroom apartments and \$1,200 for two bedrooms in spring

2021 as some workers in coastal cities who could work remotely moved to the San Joaquin Valley to take advantage of lower rents.

Fresno County has 98 mobile home parks in non-incorporated areas, and is considering an ordinance to regulate rents after residents of the Shady Lakes Mobile Home Park protested an increase in their monthly fees to \$610 a month in mid-2021. Most Shady Lakes residents are farm workers from San Miguel Cuevas in Oaxaca, and most own mobile homes that are difficult to move. Many San Joaquin

Valley mobile home parks are being bought by outside investors who raise monthly fees.

California's Housing Accountability Act of 2017 requires cities to zone land for affordable housing. The state makes Housing Needs Allocations every eight years, allocating a total number of housing units and a number of affordable housing units that are needed over the next eight years based on population, employment and household growth.

Counties and cities respond by zoning land for affordable housing, which they cannot force developers to build. Developers say affordable housing requires higher-density developments near transit hubs, the type of housing that often draws opposition from local residents.

## Water

California is facing a drought in 2021, as the winter months of December, January and February brought few of the storms called atmospheric rivers that carry huge amounts of water from the ocean to inland areas. In April 2021, the water content of the Sierra snowpack was 60 percent of normal and the lakes behind the largest dams, Shasta and Oroville, were half full. The Sierra snowpack normally provides a third of California's water.

Farming uses 80 percent of California's developed water, that is, water stored behind dams that can be used to irrigate in summer. Many lower-value annual crops such as cotton and grains may not be planted in 2021. A drought year could mean another season of wildfires; in 2020, over 9,000 wildfires burned four million of the state's 100 million acres.

With federal and state water systems promising a fraction of 2020's water deliveries, San Joaquin Valley

farmers are likely to fallow land that normally is planted to field crops such as alfalfa, grain and cotton in order to preserve limited ground water supplies for almonds and other tree crops.

## Work

The Governor's Future of Work Commission released a report in March 2021 that urged the state to develop a "new social compact for work and workers" by 2030. The report found that fewer than half of California workers have quality jobs, defined as those offering a living wage, stable and predictable pay, and work-related benefits. A third of the state's workers earned less than \$15 per hour in 2020, when the state's minimum wage was \$13.

The report urged the state to guarantee jobs for all those who want to work using federal funds, ensure that more workers obtain work-related benefits such as health insurance and pensions, and help workers to form unions.

The fight over whether gig workers are employees or independent contractors continues. The California Supreme Court in its 2018 Dynamex decision held that gig workers were employees of a business unless they satisfied an ABC test of being: (A) free from the control and direction of the business; (B) performing work that is outside the usual scope of the business; and (C) engaged in similar work for other businesses.

The California Legislature enacted AB 5 in 2019 to implement the Dynamex decision, effectively converting most gig workers into employees. Uber, Lyft and other tech platforms put Prop 22 on the ballot to make gig drivers independent contractors, and voters approved Prop 22 in November 2020. In January 2021, the California Supreme Court decided that

Dynamex applied retroactively, so that workers classified as independent contractors could sue for back wages. An effort to have Prop 22 declared unconstitutional failed.

## Budget

Governor Gavin Newsom proposed a \$227 billion state budget for 2021-22, reflecting an upsurge in state income taxes from billionaires. California has a quarter of US billionaires, many of whom benefited from the rising stock market in 2020. Two-thirds of California's revenue is from the state's personal income tax.

Newsom promised a million more housing units a year during his tenure, and made tackling homelessness a priority before Covid took precedence. The ability to work remotely sent many Californians to states without income taxes, including Texas and Nevada. Meanwhile, California struggles to enact state laws that aim to overcome not-in-my-backyard (NIMBY) attitudes embodied in stringent zoning regulations that limit the construction of affordable housing.

Some say that liberal Democrats support higher taxes to help the poor and homeless, but oppose affordable housing in their neighborhoods. Many areas zoned for single family homes oppose changes that would allow apartment buildings.

Newsom became the target of a recall effort in winter 2021 amidst debate over state orders to open and close restaurants and other businesses and shifting priorities of who gets priority for Covid vaccination. Recall supporters obtained 1.5 million signatures on a petition to recall Newsom, and hope to repeat the 2003 recall election in which Republican Arnold Schwarzenegger replaced Democrat Gray Davis.

California in March 2021 reserved 40 percent of Covid vaccines for residents of 400 low-income zip codes. In some counties, employers arranged to have farm workers vaccinated during breaks from their work.

## Schools

President Biden and Governor Newsom want children back in school for in-person instruction, but teachers' unions resisted, arguing that the extra \$450 per student promised by the state for frequent testing is not enough. AB 10 would require schools to open within two weeks of moving out being placed in the red tier signifying fewer Covid cases.

San Francisco's Board of Education in January 2021 voted 6-1 to rename 44 schools that honor people "who engaged in the subjugation and enslavement of human beings," including Washington, Jefferson and Lincoln. There was an immediate backlash. SF's Black mayor questioned why renaming schools was more important than reopening schools for in-person instruction.

Home prices are climbing in California and the US, as the Covid pandemic prompted many of those working remotely to seek more space. Many new houses are found via virtual tours online.

The hot housing market refocused attention on real estate brokerage fees, which are often five to six percent of the sale price in the US, compared to less than two percent in the UK and other industrial countries. This means that \$30,000 fees in the US on a \$500,000 home would be \$10,000 in the UK. Several US realty firms aim to reduce brokerage fees by rebating some of the five to six percent commission. Such rebates are unlawful in some states.

The National Association of Realtors controls most of the 600-plus multiple listing services, and has been sued for steering buyers and sellers away from homes that offer realtors reduced commissions.

A March 2021 Gallup poll found that Republicans underestimate the risks of Covid and Democrats overestimate Covid risks. Many Republicans resist wearing masks despite their ability to slow the spread of the virus, while many Democrats support school closures despite few Covid risks for children. Those conducting the poll concluded that conservatives are more skeptical of government intervention to solve social problems, while liberals want government intervention to change behavior.

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## MEAT AND MIGRANTS

The United Food and Commercial Workers union, which represents 80 percent of US beef and pork processing workers, said that UFCW polls of its meatpacking members show that two-thirds want to be vaccinated. The UFCW says that 22,000 meatpacking workers have been infected or exposed to Covid, and 132 have died.

Major meatpacking companies including JBS, Cargill, Tyson Foods and Smithfield Foods said that they would offer facilities in their plants for mass vaccinations. The North American Meat Institute asked all states to prioritize meatpacking workers for vaccines.

## Poultry

USDA's Food Safety and Inspection Service in January 2021 withdrew a proposal to allow poultry processors to increase line speeds above 175 birds a minute. Worker advocates praised withdrawal of the proposal, while processors hoped it would

be reinstated, pointing to declining worker injuries despite higher line speeds.

A nitrogen leak left six workers dead at a Prime-Pak poultry plant in Gainesville, Georgia, a city of 43,000 that is 55 miles northeast of Atlanta with 40 percent Hispanic residents. By some estimates, over 10 percent of local workers are unauthorized.

Foster Farms, based in Livingston, California, continues to struggle with Covid in facilities that employ 2,500 workers, making Foster the largest private employer in Merced county. Some 400 Foster workers contracted Covid in August 2020 and nine died, prompting a six-day shutdown and deep cleaning.

The UFW, which represented 2,000 Foster employees until it was decertified in February 2021, sued Foster in December 2020 after a second wave of Covid swept through the plants. The suit seeks a court order to require Foster to keep workers at least six feet apart on processing lines and to provide workers with PPE. A state court in February 2021 continued an injunction that requires Foster to take steps to keep its workers safe.

A Foster plant in southeast Fresno had more Covid cases than any other city workplace. Foster has two plants in Fresno, each with about 1,000 employees. Testing found 20 percent of the employees in one plant had Covid. Cal/OSHA opened several investigations at Foster's Fresno facilities, but had not issued any fines by March 2021.

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## LABOR: MINIMUM WAGE

The US had 150 million employees on nonfarm payrolls in March 2020, and 143 million in March 2021, when the unemployment rate was six

percent. The US added 916,000 jobs in March 2021 and stock markets reached record highs.

### Minimum Wage

The Raise the Wage Act (HR 582) would increase the federal minimum wage from \$7.25 to \$9.50 soon after enactment and to \$15 an hour by 2025. The federal minimum wage would be indexed to increase with the median hourly wage of all employees as determined by the Bureau of Labor Statistics, and subminimum wages for tipped workers would be phased out.

The federal minimum wage hike was included in the \$1.9 trillion American Rescue Plan Act of 2021 approved by the House, but Senate Democrats were unable to use budget reconciliation, which requires a simple majority vote, to include the minimum wage hike in their version of the pandemic bill.

The Congressional Budget Office estimated that increasing the minimum wage to \$15 by 2025 would raise wages for 17 million workers while eliminating 1.4 million jobs and encourage especially restaurants to raise prices. Another 10 million workers who earn slightly more than \$15 an hour could get raises in order to maintain the wage structure.

Walmart announced in February 2021 that it would raise wages for over 425,000 employees so that half of its 1.5 million US workers would earn at least \$15 an hour. Target, Amazon and other retailers have raised their minimum wage to at least \$15 an hour, and Costco in February 2021 said that its minimum pay would rise to \$16 an hour for its 160,000 hourly employees.

One study suggested that, as large corporations raise wages to at least \$15 an hour, smaller employers are forced to follow suit to retain their employees. Some employers reduce hours as minimum wages

rise, but researchers find little evidence of fewer jobs in areas where wages are pushed up by firms paying at least \$15.

Some economists advocate government-guaranteed jobs that pay at least \$15 an hour, arguing that such a program would put a floor under wages and working conditions in the labor market. The cost of a full-time government job paying \$15 an hour is \$30,000 in wages and another \$20,000 or more in payroll taxes and administrative costs. However, most studies find that private employers do not value the skills that workers may gain in government jobs programs, prompting most economists to recommend expanding further the earned-income tax credit rather than creating government jobs.

States operate the unemployment insurance system under federal guidelines, collecting taxes from employers to pay benefits to laid off workers. The UI system is covering fewer jobless workers and replacing less of their previous wages. In 2019, an average 27 percent of jobless workers received UI benefits, and they received an average of one-third of their previous earnings.

States set payroll tax rates based on industry- and employer-specific experience with jobless claims. A farm employer may pay UI taxes of five percent on the first \$7,000 of wages paid, while a utility pays one percent.

States vary in the level of benefits paid to jobless workers and their duration. Maximum weekly benefits range from less than \$300 to \$1,000, and from 12 to 26 weeks. The Biden Administration is expected to encourage states to raise UI taxes and expand the level and duration of benefits.

California's unemployment insurance debt was \$21 billion in March 2021, and is expected to top \$48 billion by the end of 2021 as jobless workers receive more in benefits than the state's employers pay in taxes.

### Covid

Congress approved almost \$6 trillion in federal spending to cope with the pandemic between March 2020 and March 2021. The US spent \$4.5 trillion in 2021 dollars to fight WWII, and \$5.5 trillion to combat Covid. Some Democrats hope that the one-year, \$300 a month expansion of the Earned Income Tax Credit, which now covers over 90 percent of US children, will become a permanent income guarantee for low-income families with children.

BLS revised its projections of job growth between 2019 and 2029 to reflect the impact of the pandemic, which BLS expects to reduce overall job growth while increasing remote work. The 10 occupations expected to have the fastest job growth are health-related, while the 10 occupations projected to have the slowest job growth are in hospitality and transportation.

Covid is expected to speed job changes that were already underway, eliminating in-person jobs such as cashiers and servers. Jobs for workers with a high-school diploma or less are projected to shrink during the 2020s.

There may also be displacement of college-educated workers, as robotic process automation replaces workers in call centers and accounting departments. Professionals whose work involves routine information processing and some judgment and discretion are at risk of being displaced by algorithms that learn over time.



Automation normally creates more jobs than it eliminates, in part because continued economic growth generates new jobs in new industries. However, automation may change where jobs are, as when grocery store self-checkout machines eliminate checkers and create jobs for those who make and maintain scanning machines.

Covid affected most aspects of the US economy, including the housing market. The demand for houses increased during the pandemic as people sought more space outside central cities, but the supply of houses for sale did not increase, in part because many baby boomers did not want to downsize during the pandemic. With fewer homes for sale, buyers had to pay higher prices in cities such as Austin, Texas.

### **H-1B/OPT**

After comprehensive immigration reform that included an increase in the 65,000 a year cap in H-1B visas failed in the Senate in 2006, Microsoft successfully encouraged DHS to expand paid Optional Practical Training for foreign students who graduate from US universities. Instead of one year of OPT after graduation, DHS allowed foreign graduates to work for 29 months after graduation if they earned a STEM degree. Earning a second STEM degree opens another 29-month period of OPT.

There are no limits on the number of foreign graduates with STEM degrees who can engage in paid OPT and, until 2016, there were no wage or other requirements. Since 2016, US employers must attest that OPT workers will not replace US workers, and that the wages paid to OPT workers are “commensurate” with “similarly situated” US workers. Most OPT workers are from India.

The number of OPT work authorizations exceeds the

number of H-1B visas issued. Some 203,000 OPT work authorizations were issued in 2018, when there were 411,000 OPT workers. About three-fourths of OPT workers are employed by businesses led by Amazon and Google and a quarter by universities that often serve as a last-resort employer for their graduates.

OPT has been called the “Wild West” of guest-worker programs, created by DHS regulation rather than approved by Congress. Critics say that OPT allows employers to hire foreign workers cheaply, since OPT workers who want to stay in the US, but are unable to obtain H-1B visas, can be desperate to find a US employer, inducing some to work for low or no wages.

Universities know that foreign graduates who want to work in the US after graduation will pay full tuition, enabling low-rated computer science programs to charge foreigners \$70,000 to earn Master’s degrees.

The share of K-12 public school students who are white fell from 65 percent in 1995 to 50 percent in 2014, and is projected to be 44 percent in 2029. Non-Hispanic whites of all ages are projected to fall below half of the US population in 2045. By 2065, non-Hispanic whites are projected to be 46 percent of US residents, Hispanics 24 percent, Asian Americans 14 percent, and Blacks 13 percent.

### **Debt**

Under President Trump, US government debt rose from \$14 trillion to \$21 trillion, more than the US GDP of \$20 trillion in 2020. President Biden’s \$1.9 trillion Covid-aid package adds to government debt, and the \$2 trillion spending package to foster green energy and improve infrastructure would add more federal debt.

Critics of debt growing faster than GDP warn of higher inflation and a falling dollar if more US government debt encourages foreigners to buy fewer US government bonds. Others counter that rising savings in China and other aging societies will keep a lid on inflation. Some US exporters complain that the high value of the US dollar curbs US exports, and worry that rising US interest rates will further strengthen the dollar.

## **FARM WORKERS**

### **CALIFORNIA: COVID, LABOR**

California’s Housing for the Harvest program was revived in March 2021 with an additional \$24 million. The program began in summer 2020, and spent \$155,000 by March 2021 to provide 137 hotel rooms to farm workers who were in quarantine and wanted to avoid spreading the virus to their families, an average of over \$1,100 per room, most of which is reimbursed by the federal government.

The revised Housing for the Harvest program would provide \$1,000 grants to farm workers who quarantine at home, and expects to support 17,600 farm workers. Riverside county offers \$2,000 grants to farm workers who test positive or were exposed to Covid with no conditions, and has a long waiting list.

Riverside farm workers were offered the Covid vaccine in the fields in January 2021 at clinics organized by farmers and NGOs, prompting some county residents to ask why farm workers got workplace vaccinations while they were unable to make vaccine appointments. California has 20 mobile clinics that offer vaccines in agricultural areas, including 15 in the San Joaquin Valley.

The Coachella City Council in March 2021 enacted an ordinance that requires employers of 300 or more agricultural, grocery and retail workers to pay their employees an additional \$4 an hour for 120 days, and allows private attorneys to sue employers who fail to raise pay. Grower organizations sued to block implementation and enforcement of the ordinance.

In May-June 2020, the CIRS interviewed 915 farm workers and later conducted 63 interviews to determine how covid was affecting the state's farm workers ([www.covid19farmworkerstudy.org](http://www.covid19farmworkerstudy.org)). The CIRS urged governments to make it easier for farm workers to access government-provided services, from income support to affordable housing, and to offer free health care services. CIRS urged more funding for more services for farm workers, paying special attention to their unique language and cultural needs.

Farm publications ask farmers about their major issues, and grape growers said that finding workers was their top priority: "It's getting more and more difficult to find workers, let alone qualified workers, to come out to the vineyards... We have to look into robotics, which is going to be difficult to get farmers to adapt to, as it is just too big of a change for most."

Three of the top five issues identified by the California Fresh Fruit Association in 2021 involved labor, including the state's \$14 an hour minimum wage that will rise to \$15 in 2022, immigration reform that provides "labor security" for farm employers, and state labor regulations governing overtime, safety and other issues. Fruit growers were also concerned about employer-paid health care costs and sick leave, enforcement of laws against hiring unauthorized workers, and workers compensation costs.

AB 364 would require California farm labor contractors who employ H-2A workers to register with the state labor commissioner as foreign labor contractors. SB 477 in 2014 was interpreted to apply only to H-2B workers. AB 364, which would apply to all foreigners in California on temporary work visas, bans worker-paid fees and requires full disclosure of wages and working conditions at the time of recruitment.

AB 125, the Equitable Economic Recovery, Healthy Food Access, Climate Resilient Farms and Worker Protection Bond Act, would sell \$3 billion in state bonds to make the state's food system more equitable and provide state funds to increase resilience against wildfires and climate change.

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## FLORIDA, SOUTHEAST

Florida and Texas did not prioritize farm workers for Covid, drawing criticism from NGOs seeking federal and state support to educate farm workers about the vaccine and to transport farm workers to vaccine sites. NGOs cite the essential status of farm workers, their often-crowded housing, and the fact that many are unauthorized as reasons for special efforts to vaccinate farm workers. Vaccine sites do not check immigration status.

### Georgia

Overplanting of pine trees reduced the prices received by southeastern tree farmers despite rising lumber prices during the pandemic. Lumber prices reached a record \$1,000 per thousand board feet in spring 2021, but grower prices fell to \$25 a ton, which tree growers say is too low to make a profit. Pine trees mature in 25 years.

### North Carolina

The North Carolina Growers Association estimated that the

10,000 H-2A workers it brings into the state each year are a quarter of the state's seasonal farm workers.

Many people who live on the Outer Banks, coastal islands subject to flooding, oppose property tax increases to pay for barriers that would protect them from hurricanes and storms. The Cape Hatteras National Seashore that encompasses much of the Outer Banks is expected to shrink as the low-lying islands are washed away. Sand on seashores is replenished by dredging sand offshore and sending it to land via pipelines, a costly process that requires raising local property taxes.

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## NORTHEAST, MIDWEST, NORTHWEST

Some 46 million or 14 percent of US residents live in rural areas, defined as counties that do not include a place with more than 50,000 residents. As counties acquire places with more than 50,000 residents, they are reclassified as metro.

OMB may change the definition of metro to counties with population centers of 100,000 or more. Doing so would reclassify 251 metro counties as non-metro and add 18 million people to the nonmetro population ([www.census.gov/topics/housing/housing-patterns/about/core-based-statistical-areas.html](http://www.census.gov/topics/housing/housing-patterns/about/core-based-statistical-areas.html)).

### Maine

Backyard Farms LLC in March 2021 agreed to pay \$245,000 in back wages to US workers who were displaced by H-2A workers. Backyard used temporary help agencies to recruit US workers for its tomato greenhouses, and stopped using agency workers when it switched to H-2A workers. Backyard paid some US workers in corresponding employment lower wages than the H-2A workers, which violated H-2A regulations.

## New York

An attorney explained the “fake recruitment” required of employers seeking to sponsor foreigners to fill year-round farm jobs: “You really want the foreign worker. The reason you’re recruiting and placing ads is basically just to satisfy legal requirements and get through the process. You don’t want a U.S. worker to apply, which poses an obstacle to hiring the foreign worker. It sounds odd, but that’s the case.” ([https://www.lancasterfarming.com/unpublished/green-cards-could-be-solution-to-filling-farm-jobs/article\\_fa7c1c57-67a8-5f3c-b57a-81611daf36f0.html](https://www.lancasterfarming.com/unpublished/green-cards-could-be-solution-to-filling-farm-jobs/article_fa7c1c57-67a8-5f3c-b57a-81611daf36f0.html))

## Pennsylvania

The NLRB issued an advisory memo in December 2020 that found two employees of Agri-Kind, a cannabis growing operation in Chester were not protected by the NLRA. Two employees complained about their supervisor’s union-related comments, but their charge was dismissed because they were deemed agricultural workers who did not “significantly transform the natural product from its raw state [and instead were] engaged in the primary agricultural functions of harvesting, pruning, and sorting of plants.” Some 20 states allow medical marijuana to be grown and sold, and 15 allow recreational marijuana to be grown and sold.

## Colorado

Senate Bill 21-087 would grant agricultural workers the right to unionize and require them to be paid at least the state’s minimum wage of \$12.32 an hour in 2021, plus overtime pay after 12 hours a day and 40 hours a week.

Supporters estimate that half of the state’s farm workers are not covered by the federal Fair Labor Standards Act, and estimate that SB 21-087 would cover 40,000 farm workers in the state. Farm

employers argue that they cannot afford to pay higher wages and overtime.

## Michigan

Former gymnastics coach John Geddert in February 2021 committed suicide after being charged with 20 counts of human trafficking, defined as the use of “force, fraud or coercion” to obtain labor or a commercial sex act. Exploiting one person to benefit another is usually associated with domestic servitude, forced labor and sex trafficking. Geddert was charged with the human trafficking of a minor for forced labor because he benefitted financially from the successes of the athletes he coached.

## Mississippi

Two South Africans hired as agricultural equipment operators on H-2A visas by Kyle Mills in Winona alleged in March 2021 that they drove tractor-trailer trucks that delivered grain and fertilizer to farms in Mississippi and other states. Mills paid them the state’s AEW of \$11.33 an hour rather than the prevailing OES wage of \$18.25 for heavy truck drivers. Southern Migrant Legal Services sued on behalf of the workers for back wages and inbound travel costs.

## Texas

Texas farmers lost an estimated \$600 million worth of crops due to severe winter weather in February 2021. Half of the farm losses were from frozen citrus and a quarter from vegetables, mostly in the Rio Grande Valley and north of Laredo, an area known as the state’s winter garden region.

Texas farm revenues were \$21 billion in 2019, including \$14 billion or two-thirds from animal agriculture and \$7 billion from crops. The leading commodities included cattle and calves, \$8.4 billion; dairy, \$2.6

billion; broilers, \$2.2 billion; cotton, \$2 billion; and corn \$1 billion.

Texas is the second most populous state, with 29 million residents compared to 40 million in California, and has been growing fast due to lower living costs and taxes. However, cold weather in February 2021 demonstrated that the state’s light-touch regulatory approach did not require energy generators to protect vital infrastructure, leaving many residents without electricity and water.

Texas is the leading producer of oil and gas, but gets a quarter of its power from wind turbines, which is more than the next three states combined, Oklahoma, Iowa and Kansas. Many Texas wind farms saw their blades freeze in February 2021, so they were unable to deliver power that normally generates revenue of \$25 a megawatt, forcing some wind farms to pay \$9,000 a megawatt for replacement power, bankrupting them. Climate change may lead to hotter summers, colder winters and extreme weather events for which private industries subject to light-touch regulation are unprepared.

## Arizona

Several cities on the Mexico-US border including Yuma had high rates of Covid infection in winter 2021. An estimated 40,000 farm and farm-related workers are employed in Yuma county during the winter months to produce lettuce and other vegetables, including many who commute daily from homes in Mexico. Most cross-border commuters are bussed to fields with one worker per seat and plastic sheets between rows.

## Oregon

The state’s OSHA, which reported 320 registered farm worker housing sites in 2021, enforces regulations that require bunk beds to be at least six feet apart and other sleeping

arrangements to provide at least 50 square feet per worker. Employers want the state to return to pre-pandemic housing rules. They say that enforcing pandemic sleeping regulations will push more workers into unregulated and informal housing, inducing some to sleep in cars.

## Washington

Farm employers in February 2021 sued the Departments of Health and Labor & Industries, charging that HLI issued emergency Covid-safety rules that are unworkable. The employers' suit noted that Covid-safety rules for schools and construction were modified as more was learned about Covid, but HLI did not modify farm worker safety regulations.

Employers said it was impossible to ensure that farm workers were always within one hour of a hospital emergency room and that restricting farm worker housing occupancy to half of normal levels for vaccinated farm workers is unnecessary.

Employers want the state to give farm workers priority for the Covid vaccine so that H-2A workers can be housed in bunk beds as they were before the pandemic.

A federal judge in March 2021 barred DOL from certifying jobs that traditionally paid piece-rate wages, such as picking cherries for \$0.20 a pound or blueberries for \$0.50 a pound, that offered only an hourly wage guarantee. DOL certified some hourly-wage-only jobs after many employers followed the advice of some associations and reported that they offered an hourly wage guarantee. These employers did not report their piece-rate wages, so that prevailing piece rates could not be determined.

Judge Salvador Mendoza Jr noted that the minimum wage or AEWR is an hourly wage guarantee for all jobs. He ordered DOL to require

employers to guarantee the piece rates from the last valid prevailing wage survey until new surveys are completed.

Employers pay piece-rate wages when it is easier to monitor worker output than worker effort, as when workers pick fruit from trees or bushes. Piece-rate wages give workers an incentive to work fast without close supervision, and in Washington enable some apple and cherry workers to earn \$20 to \$25 an hour.

Guaranteeing only an hourly wage would likely accelerate the shift from US to H-2A workers, since H-2A but not US workers are willing to accept jobs that offer only an hourly wage. DOL's willingness to approve job orders that in the past offered piece-rate wages and hourly guarantees, and now offer only an hourly-wage guarantee, could adversely affect US workers by reducing their hourly earnings, which the judge found DOL must avoid.

Dairy farms began to pay overtime wages to workers January 1, 2021 after the state Supreme Court ruled 5-4 in November 2020 that the state constitution requires overtime pay for workers who are employed in dangerous occupations. Many dairies adjusted work schedules after overtime pay was required to minimize their overtime-wage bills.

Other farm employers pushed for a state law to phase in overtime pay for farm workers and to block worker suits seeking three years of back overtime pay. SB 5172 would phase in overtime pay at 1.5 times the normal wage after 55 hours a week beginning in January 2022, after 48 hours in January 2023, and after 40 hours in January 2024.

Great Columbia Berry Farms in February 2021 agreed to pay \$350,000 to four women who were raped and harassed by a

supervisor at the 136-acre blueberry farm between 2012 and 2019. The women suffered retaliation after they complained; three were fired.

## Alaska

Trident Seafoods closed its plant in Akutan in the Aleutian Islands for a month in January-February 2021 after 40 percent of the 700 workers in the largest US seafood processing plant contracted Covid. Trident processes pollack, cod, and crab in Akutan.

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## UFW, ALRB, DOL

In January 2021, President Biden placed a 22-inch bronze bust of Cesar Chavez in the Oval Office. First lady Jill Biden visited to the UFW's Forty Acres compound in Delano on March 31, 2021 to mark Chavez's birthday and praised farm workers as essential workers.

Chavez in a 1984 speech to the Commonwealth Club asserted that demography is destiny, that "farmworkers and their children, and the Hispanics and their children, are the future in California."

There were several commentaries on Chavez that noted his imperfections in light of efforts in San Francisco to rename 44 schools to remove historical figures who had racist ideas or discriminated against minorities. Chavez strongly opposed unauthorized migrants in the 1970s, calling them "wets." UFW Vice President Philip Vera Cruz quit the UFW after Chavez embraced Ferdinand Marcos in 1977.

Assembly member Rob Bonta, son of a Filipina immigrant mother who was active in the UFW in the late 1960s, was appointed California Attorney General in March 2021. Bonta's family lived in a union-owned trailer and received stipends of \$10 a week while volunteering for the UFW.



The UFW in February 2021 was decertified by a 560-101 vote at Foster Farms poultry processing plants in Livingston and Delhi that employ 1,800 workers.

## **ALRB**

The US Supreme Court on March 22, 2021 heard arguments in a case that questions the constitutionality of the 1975 ALRB access rule, which allows union organizers to enter farms and talk to workers up to three hours a day and four-30 days a year. The California Supreme Court upheld the access rule in a 4-3 decision in 1976.

Cedar Point Nursery (400 employees) and Fowler Packing (2,000 employees) argue that California is “taking” their property without compensation by requiring them to allow union organizers to enter and talk to their employees. The Fifth amendment to the US constitution says “nor shall private property be taken for public use, without just compensation.” Cedar Point and Fowler argued that their employees do not live on their property and have smartphones, giving unions alternative ways to contact farm workers.

The ALRB and worker advocates emphasized the unique characteristics of farm workers, including their low-levels of education, to justify giving union organizers automatic access to farm workers on private property. Some experts warned that if the US Supreme Court agrees with the employers and rules that the granting automatic access to union organizers is unconstitutional, property owners might try to block government inspectors from their property.

The Trump administration supported the employers; the Biden administration reversed and supported the ALRB. The questions posed by the judges suggest that a

majority may strike down the ALRB access rule and endorse the 1956 NLRB Babcock & Wilcox access rule, which allows union organizers to enter private property to talk to workers if there are no other ways to communicate with them, as with workers employed on ships or logging camps. Under the Babcock & Wilcox rule, unions must seek and obtain permission from the NLRB to take access to workers on private property.

## **DOL**

The Wage and Hour Division announced during National Farmworker Awareness Week, March 25-31, 2021, that WHD conducted over 1,000 agricultural investigations in FY20, found \$7 million in back wages owed to 11,000 workers, and assessed over \$6 million in civil money penalties. The number of agricultural investigations, back wages, and CMPs assessed was similar to earlier years.

## **Unions**

The Retail, Wholesale and Department Store Union hoped to win an election at a 5,800 employee Amazon warehouse near Birmingham, Alabama after the mostly Black workers voted by mail in February-March 2021.

Amazon has 950,000 US employees, most in 820 US distribution facilities covering 274 million square feet, making it the second-largest private US employer after Walmart, and none are unionized. Workers who want union representation say that Amazon tracks their movements constantly to monitor productivity, while Amazon counters that it treats workers fairly and pays at least \$15 an hour. Amazon has settled past allegations of unlawful labor practices during unionization efforts by not admitting guilt and promising not to engage in anti-union behavior.

The RWDSU represents 100,000 workers, including 15,000 at southern poultry plants, where right-to-work laws mean that workers do not have to join the union even if a majority vote for union representation. The RWDSU joined other unions to oppose Amazon’s plans for a second headquarters in New York City in 2018, criticizing the \$3 billion in subsidies offered to Amazon’s 25,000 jobs.

Amazon says that most of its employees earn \$15 to \$20 an hour and have employer-provided health and pension benefits. Some polls find Amazon ranked only behind the military among institutions trusted by Americans. Over three fourths of the US employees of UPS are unionized, but only the pilots of Fed Ex are represented by a union.

President Biden, considered the most pro-union president in recent history, announced his support for workers at Amazon’s Alabama warehouse. Biden supports the Protecting the Right to Organize or PRO Act approved by the House on a 225-206 vote in March 2021, which would enhance protections for workers trying to form unions and increase penalties for employer interference in unionization efforts.

The PRO Act would allow card checks to substitute for secret ballots in representation elections, would reclassify many gig workers as employees, and would eliminate right-to-work laws in 27 states that currently prohibit contracts that require all workers to join unions or pay dues to unions. The PRO Act would also expand the concept of joint-employer liability for labor law violations, and introduce penalties beyond back pay for workers who are unlawfully fired for their union activities.

Biden’s \$2 trillion infrastructure bill includes the PRO Act, which pleased unions but drew opposition from employers and may meet

the same fate as the \$15 federal minimum wage proposal, that is, approval by the House but not the Senate. A 2020 Gallup poll found that two-thirds of Americans support unions, up from less than half in 2008-09.

## IMMIGRATION

### BIDEN: IMMIGRATION REFORM

President Biden fulfilled a campaign promise and encouraged Congress to enact the US Citizenship Act of 2021. The 353-page USCA would offer an eight-year path to US citizenship for 11 million unauthorized foreigners in the US by January 1, 2021, but not increase enforcement at the border or inside the US, a departure from past immigration reform proposals that combined more enforcement with legalization.

The USCA would grant currently unauthorized foreigners work and residence permits and make them “lawful prospective immigrants.” After five years, LPIs could apply for regular immigrant visas by paying any back taxes owed and passing background checks. After three more years, LPIs could apply to become naturalized US citizens.

Over 60 percent of unauthorized foreigners have been in the US at least a decade, about 7.5 million are in the US labor force, and the unauthorized have four million US-born children. An estimated 40 percent of the unauthorized foreigners entered the US legally and overstayed visas.

The USCA would allow the 600,000 foreigners who are protected under the Deferred Action for Childhood Arrivals (Dreamers) program and the 400,000 who have Temporary Protected Status in the US to become US citizens within three years. Section 1105 of

the Senate version of the USCA, the Agricultural Workers Adjustment Act, would allow unauthorized farm workers who did at least 2,300 hours or 400 days of farm work in in the five years before enactment to receive legal work and residence visas, and their spouses and children would also be eligible for work and residence visas.

Unlike bipartisan immigration reform bills approved by the Senate in 2006 and 2013, Biden’s USCA does not include funding for more border agents nor require employers to use E-Verify to check the status of new hires.

The USCA aims to address the root causes of migration in Central America with \$1 billion a year in aid. New in-country programs would allow Central Americans to apply for asylum without having to travel to the US, and the USCA would encourage US employers to recruit more guest workers in Central America. Safe-third country agreements with Central American countries that allow the US to return asylum seekers who passed through them to apply there would be ended.

Biden promised to increase the number of refugees admitted to 125,000 a year, and to speed up asylum procedures. Biden notified Congress that the US would admit 62,500 refugees in FY21.

The USCA would increase legal immigration by “recapturing” unused visas from previous years and exempting spouses and children of immigrants from immigration quotas for particular countries, so that more Indian IT workers sponsored by US employers could immigrate.

The USCA would allow the spouses of H-1B visa holders to work in the US. Foreigners who earn PhDs from US universities in STEM fields, science, technology, engineering and mathematics, would be exempt

from immigration quotas if they wished to become US immigrants.

### Outlook

Representative Linda Sanchez (D-CA) and Senator Robert Menendez (D-NJ) are leading efforts to enact the USCA in the House and Senate. They and other Democrats want to vote on comprehensive immigration reforms to legalize almost all of the 11 million unauthorized foreigners in the US, but acknowledge that Democrats may have to settle for piece-meal reforms that provide a pathway to citizenship for DACA recipients, TPS holders and farm workers.

The House in March 2021 approved two bills, the American Dream and Promise Act (HR 6) by a vote of 228-197, and the Farm Workforce Modernization Act (HR 1603) by a vote of 247-174. The ADPA would put up to two million Dreamers, who are unauthorized foreigners who arrived in the US before age 16, as well as 300,000 foreigners in the US with a TPS status, on a path to become immigrants and US citizens.

The Dreamers would have to enroll in college for at least two years, serve in the military at least two years, or work in the US at least three years to become immigrants. Perhaps a million unauthorized farm workers could become immigrants by doing farm work for four to eight more years, depending on how long they have been in the US.

Nine Republicans supported HR 6 and 30 supported HR 1603; most Republicans denounced both bills as amnesties that would aggravate “Biden’s border crisis,” reducing the chances that they would be approved by the Senate. The USCA is scheduled to be considered by the House Judiciary Committee in April 2021.

Democratic activists want comprehensive immigration reform that legalizes most unauthorized

foreigners in the US, but they do not want more enforcement of immigration laws.

In the mid-1980s, the compromise that led to IRCA involved legalization for the unauthorized and sanctions on employers to discourage illegal migration in the future. In 2021, advocates argue that legalization must be accompanied by new and enlarged guest worker programs, the so-called “future flow” option.

## Trump

President Trump made over 400 changes to immigration policies, mostly via executive order. Some historians considering Trump’s legacy rank him with James Buchanan, who was president just before the Civil War between 1857 and 1861, based on indicators such as integrity, intelligence and the president’s relationship with Congress.

Trump was the first president to be impeached twice. Many of those who credited Trump for tax cuts, deregulation policies, and judicial appointments were less favorable after Trump refused to accept the results of the November 2020 election and inspired the mob that invaded the Capitol January 6, 2021.

The abiding picture of Trump is likely to be his failure to deal effectively with Covid and his refusal to accept the results of the 2020 election. After Lincoln was elected in 1860, Buchanan allowed seven states secede from the US.

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## DHS: CBP, ICE, USCIS

### CBP

Apprehensions of unauthorized foreigners just inside the Mexico-US border began rising after Joe Biden was elected president in November 2020 and continued

to increase in 2021. There were 78,000 apprehensions in January 2021, 97,000 in February 2021, and 170,000 in March 2021.

The March 2021 apprehensions included 18,700 unaccompanied children and 53,000 migrant families. Mexico is rejecting the return of families with children under seven. Unaccompanied children and families with children under seven were not returned, and they quickly filled detention spaces.

Some 382,000 foreigners were apprehended by the Customs and Border Protection agency in the first five months of FY21, putting the US on track for over a million apprehensions a year, double the number in FY20.

Single adults were 82 percent of these 382,000 apprehensions, and 60 percent were single Mexicans. Over 40 percent of the single adults apprehended in recent months were caught at least once before in the previous six months, demonstrating that many of those who are apprehended and returned to Mexico try again.

CBP believes that it apprehends over half of the foreigners attempting to enter the US illegally, meaning that over 1,000 foreigners a day escaped apprehension in March 2021.

Smugglers who charge \$10,000 to take people across the border illegally call Biden the “Migrant President” and urge people to hire them to illegally enter the US. Some promise that families with children will be released into the US and receive a work permit while they await a hearing on their asylum application.

A record 11,000 unaccompanied children under 18 were encountered by CBP in May 2019. There is an incentive for solo children to illegally enter the US. In 2019, over 70 percent of cases involving

unaccompanied minors resulted in deportation orders, but most of the teens remained in the US.

The CBP in February 2021 began to allow migrant families arriving at the US border and applying for asylum to enter the US, and sent some unaccompanied youth to their US relatives within 72 hours of encountering them. Allowing solo teens and families into the US encouraged more Central Americans to set out for the US.

Of the 290,000 unaccompanied youth who arrived in the US between 2014 and 2021, only four percent were removed. Over half have pending immigration cases, and a third were granted protection in the US. A sixth were ordered removed, but it is unknown if they left the US.

By March 2021, apprehensions topped 4,500 a day, and agents said another 1,000 migrants a day eluded them. CBP reported that three-fourths of the unaccompanied children are 15 to 17 years old, that 70 percent are boys, and that most arrive in the US in the Rio Grande Valley of South Texas. In some cases, parents travel with their children to the US border and then send their children across the border alone.

The increased number of families and unaccompanied children seeking asylum posed challenges. The Border Patrol turns unaccompanied children over to the Department of Health and Human Services, which spends \$750 per minor per day to house them in shelters that have capacity for 13,600 children. A record 11,000 unaccompanied youth were apprehended in May 2019.

President Trump invoked Title 42 of the Public Health Act in March 2020 to block unauthorized foreigners from entering the US to prevent the spread of Covid. Some 400,000

foreigners were returned from the US to Mexico, some several times, since solo men who were apprehended were returned quickly and often tried to re-enter the US.

Solo children were among those turned back at the border, prompting a federal district court in November 2020 to order the government to allow children arriving at the border to apply for asylum. The DC Court of Appeals in January 2021 lifted a lower court order, allowing children to continue to be returned to Mexico. The Biden administration did not return children, opting to put them in HHS shelters until they can be sent to US relatives.

Trump implemented the Migration Protection Program in January 2019, which required 60,000 asylum seekers arriving from Mexico to wait in Mexico for their asylum hearings. Many elected to return home rather than wait in informal camps by ports of entry, but the 25,000 waiting were allowed to trickle into the US in February 2021. President Biden suspended the MPP and began to allow the asylum seekers waiting in Mexico to enter the US .

Some 1.7 million Guatemalans, Hondurans and Salvadorans entered the US and applied for asylum between 2014 and 2019, but fewer than eight percent were recognized as refugees or given another form of legal residency. However, only 28 percent were removed. The fact that two-thirds of Central Americans who applied for asylum are still in the US helps to explain why more attempt to reach the US.

A caravan of 7,000 Hondurans set off from San Pedro Sula for the US in mid-January 2021, timing their trek to the inauguration of President Biden. Guatemala prevented the migrants, who said they were seeking opportunity in the US after suffering from two hurricanes

in November 2020, from moving north, which may reduce efforts to organize future caravans.

DHS is discouraging Central Americans from setting out for the US border. An Obama-era program that allows Central Americans to apply for asylum without leaving their country was re-established, and Biden is seeking \$4 billion to attack the root causes of migration, including poverty, corruption and violence.

President Biden in February 2021 appointed a task force to deal with the separation of parents who entered the US illegally from their accompanying children in May-June 2018. There were about 3,000 parent-child separations during the two months that the policy was in effect, and 1,000 children remained in the US in 2021 after their parents had been removed. Children seeking asylum have more rights than adults.

DHS in March 2021 announced that it aimed to reunite families separated in May-June 2018 in the US or in their countries of origin.

By some estimates, a third of the parents who were separated from their children in 2018 are living illegally in the US with their children, but do not want to acknowledge their presence. Parents of separated children abroad want financial compensation and immigrant visas. Meanwhile, smugglers continue to send migrants to the US with children whom other parents want in the US, so separations are likely to continue when CBP is not sure whether the adult is the child's parent to prevent human trafficking.

### **ICE**

President Biden promised to halt deportations for the first 100 days of his presidency, but a federal judge in Texas blocked implementation of the deportation ban. However, the Immigration and Customs

Enforcement agency announced new guidelines in February 2021 that prioritize national security threats and foreigners convicted of aggravated felonies for detection and removal.

Some 93,000 foreigners were arrested inside the US in FY20, but less than 20 percent were convicted of the aggravated felonies that would make them priorities for deportation. Deportations were down in March 2021, when the number of foreigners being detained by ICE fell to 14,000.

### **USCIS**

The Biden administration in March 2021 declined to defend the Trump administration public-charge regulations that were issued in August 2019 and could have denied immigrant visas to foreigners who received benefits such as food stamps, housing assistance or Medicaid for a total of 12 months during a three-year period. The US Supreme Court allowed the Trump regulations to go into effect.

US Citizenship and Immigration Services announced in March 2021 that Venezuelans in the US before March 8, 2021 could apply for Temporary Protected Status, an 18-month renewable status that allows TPS holders to live and work in the US. Up to 320,000 people may benefit.

US consulates abroad normally issue about 500,000 immigrant visas a year, while over 600,000 foreigners already in the US adjust their status to immigrant while in the US. The closure of most US consulates since March 2020 led to a backlog of almost 400,000 foreigners abroad awaiting interviews so they can obtain immigrant visas. Consular operations are funded by a \$3.5 billion a year in fees collected to process all types of visa and passport services.



President Biden ordered the processing of immigrant visas to resume in February 2021, which will allow relatives of US citizens, foreigners sponsored by US employers, and winners of diversity immigrant visas to enter the US. President Trump blocked immigrant admissions in April 2020. Advocates want DOS to hire more consular officers and to waive personal interviews, or to substitute remote interviews, to clear the backlog.

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## **FWMA, H-2A; H-2B**

The Farm Workforce Modernization Act (HR 1603) was approved by the House on a 247-174 vote in March 2021 with the support of 30 Republicans. Senators Michael Bennet (D-CO) and Mike Crapo (R-ID) promised to work on a Senate version of the FWMA.

The FWMA was approved by a vote of 260-165 by the House in December 2019, but not considered in the Senate.

The FWMA has three titles for legalization, H-2A streamlining, and E-Verify. Title 1 allows unauthorized farm workers to become Certified Agricultural Workers (CAWs) if they did at least 180 days of farm work over the past two years. CAW status could be extended indefinitely by continuing to do at least 100 days of farm work a year.

The spouses and children under 18 of CAW status holders would also receive work and residence visas and would not have to do farm work to maintain their status. CAW workers who were unauthorized in the US 10 or more years could become immigrants if they did at least 100 days of farm work of at least 7.75 hours a day for four years, while those with less than 10 years in the US would have to do eight more years of farm work to become immigrants.

Title 2 would streamline the H-2A program by making the application process and job ads electronic, introduce three-year visas and allow up to 20,000 H-2A workers to be employed in year-round dairy and other jobs, and add funding for rural housing. Adverse Effect Wage Rates would be set by job title, and AEWRs would be frozen for a year and then increases capped at 3.25 percent a year for the next nine years. A Portable Agricultural Worker (PAW) pilot program would allow up to 10,000 foreigners to change farm employers while they were in the US for three years, with PAW visa holders maintaining their status by not being unemployed more than 60 days, and more immigrant visas would be made available to employers who want to sponsor their employees for them.

Title 3 requires all farm employers to participate in E-Verify after legalization and H-2A changes are implemented.

The most recent NAWS data for 2015-16 reports that 49 percent of US non-H-2A crop workers are unauthorized, including 52 percent in the East; 34 percent in the Midwest; 57 percent in the northwest; 42 percent in the southeast; 28 percent in the southwest; and 60 percent in California.

### **H-2A**

DOL issued 722 pages of final regulations on January 15, 2021 to implement the non-AEWR changes to H-2A regulations that were first laid out in proposed regulations on July 26, 2019. However, before they were published in the Federal Register, the new regulations were withdrawn by the Biden administration on January 20, 2021.

The regulations had several components. The streamlining provisions would have required H-2A applications to be filed

electronically and allowed employer-provided housing to be certified for up to 24 months rather than annually. The expanding employer access provisions would have allowed work to begin up to 14 days after the employer's need date, permit one application to specify different starting dates for H-2A workers, and allowed small employers to file jointly for H-2A workers and move them between their farms.

The modernizing prevailing wage survey provisions would have reduced the already few studies listed in the OFLC agricultural wage library ([www.foreignlaborcert.doleta.gov/aowl.cfm](http://www.foreignlaborcert.doleta.gov/aowl.cfm)) by requiring larger samples and more statistical reliability without providing additional funding to conduct prevailing wage surveys. Instead, State Workforce Agencies could have allowed other state agencies or universities to conduct prevailing wage surveys.

The US blocked entries from South Africa in January 2021, drawing requests for exemptions from US employers who employ South Africans with H-2A visas, often to operate equipment during the northern hemisphere summer months.

Media reports suggest that some nonfarm firms that employ truck drivers to haul farm commodities are calling truck drivers agricultural equipment operators so that they can be paid the AEWR rather than the higher truck driving wage. DOL certified 15,396 jobs to be filled by agricultural equipment operators in FY20, including 2,288 jobs or 15 percent of all agricultural equipment operator jobs that required a commercial driver's license.

Some 48 employers with truck in their name were certified to employ agricultural equipment operators, and 475 of these agricultural

equipment operator jobs were certified to these 48 employers. Over a third or 149 of these agricultural equipment operator jobs with trucking firms required applicants to have a commercial driver's license.

### **Farm Labor Survey**

USDA asks a sample of farm employers to provide employment and earnings data for the week containing the 12th of January, April, July, and October. Farmers report data only for directly hired workers, that is, workers brought to farms by labor contractors and other nonfarm employers are excluded.

USDA collected data for January and April 2020 and then announced plans to cancel the FLS. A federal judge ordered USDA to conduct the survey, which it did early in 2021, collecting data for July and October 2020.

The FLS in the past reported three hourly earnings: for all hired workers, field workers, livestock workers, and field and livestock workers combined.

Beginning in 2015, the FLS began to report employment and earnings by SOC code, reporting that the 404,000 US crop workers (45-2092) in July 2015 earned an average \$11.50 an hour. The FLS listed six SOC codes, including three with July 2015 employment of over 100,000, that is, crop workers, 404,000, animal workers, 194,000, and equipment operators, 152,000.

Farm employers in 2020 reported 568,000 workers in January and 777,000 in July, for an average employment of 698,000, with 75 (July) to 85 (January) percent of workers expected to be employed on the responding farm at least 150 days. The FLS has been reporting an annual average of about 700,000 directly hired farm workers.

Beginning in 2019, the FLS began to distinguish gross or pretax from base wages, which exclude bonuses and overtime pay and, for piece-rate workers, include only the minimum hourly guarantee rather than actual earnings. The annual average gross hourly earnings of field and livestock workers was \$14.62 in 2020, up 4.5 percent from \$13.99 in 2019, and the base wage was \$14.44, with no such wage in 2019. The average gross hourly earnings of field and livestock workers combined in July 2020 were \$14.85, and \$14.73 for base wages.

The very small gaps between gross and base wages suggest that eight percent Social Security and Medicare taxes are offset by the low guaranteed wages of piece-rate workers, who are often guaranteed the minimum wage that is included in the base wage, but earn 15 to 25 percent more, which is included in the gross wage.

In July 2020, 12 percent of field and livestock workers were employed on field crop farms, 57 percent on other crop farms such as fruits and vegetables, and 31 percent on livestock, dairy, and poultry farms. Some 60 percent of all hired workers in July 2020 were on farms that had annual sales of \$1 million or more, and 36 percent were on farms with more than 50 hired farm workers.

California had a total of 169,000 or 22 percent of all hired workers in July 2020 and 24 percent of the more than 150-day workers. The California gross wage of field and livestock workers combined in July 2020 was \$16.29 and the base wage was \$16.18, well above US levels. California, the Pacific states of Oregon and Washington, and the Northern Plains states of Kansas, Nebraska, North Dakota, and South Dakota had gross and base hourly wages for field and livestock workers combined above \$16 in

July 2020, while the southeastern states and Florida had gross and base hourly wages below \$13.

The average annual gross wage for crop 45-2092 workers was \$14.59, and the base \$14.59, up 4.4 percent and 7.2 percent from the gross and base wages of \$13.98 and \$13.33 in 2019. In July 2020 the 346,000 US crop 45-2092 workers had an average gross \$14.80 wage and a base \$14.50 wage.

The October 2020 FLS includes a discussion of surveys and responses. In 2018, less than 11,000 farms were contacted and the response rate was below 55 percent, with over a third of respondents interviewed by telephone. In 2020, almost 35,000 farms were contacted, and the response rate dipped below 50 percent, with a third of respondents interviewed by telephone.

### **H-2B**

The Trump administration in June 2020 blocked new entries of H-2B workers citing the high unemployment rate and the risks that guest workers could spread Covid. Employers complained that US workers did not want the jobs they offered, and President Biden allowed the guest worker entry ban on H-1B and H-2B workers to expire March 31, 2021.

Many summer resorts hire foreign students with J-1 visas. J-1 exchange visitors are expected to have a work-and-tourism experience while in the US, but in many cases J-1 visa holders are guest workers like H-2B workers, filling jobs that US workers shun because of low wages and job requirements. There are few requirements on employers who hire J-1 visa workers, who must be paid at least the minimum wage and provided with housing by their US employer.

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## CANADA, MEXICO

The first labor complaint under the USMCA was filed in March 2021 by the Centro de los Derechos del Migrante and other worker NGOs with the Mexican DOL (STPS). It alleged that US employers unlawfully discriminate against women, especially in the H-2A program. Some 9,000 farm employers employed 213,000 H-2A workers in FY20, including 94 percent Mexicans.

Over 95 percent of H-2A visas are issued to men, in part because employers must offer H-2A workers housing and do not want to develop separate housing by sex. The NAWS finds that 70 percent of US crop workers are male. CDM alleges that US farm employer preferences for men is evidence of “discrimination in respect of employment and occupation” prohibited by USMCA Article 23.3.

The CDM complaint alleges that women in the US on H-2A and H-2B visas are shunted into lower-wage jobs and are subject to physical and sexual harassment that is not investigated or remedied by US enforcement agencies. The CDM wants more oversight of employer recruitment abroad, new avenues for H-visa workers to file complaints, and more enforcement of US labor laws.

### Canada

Housing prices are rising in 2021, to a record C\$1.6 million for a detached house in Vancouver and over C\$1 million in Toronto. Housing prices were expected to drop due to the pandemic, but rose because higher income people who were able to work remotely had increased savings to invest in housing.

Housing accounts for almost 10 percent of Canadian GDP and five percent of US GDP. Some

economists fear that too much investment in housing reduces business investment that increases labor productivity.

Canada protects its dairy industry. Covid lockdowns increased the demand for butter, and Canadian farmers responded by adding more palm oil supplements to animal feed to increase milk output and the fat content of the milk. The result was harder butter that was more difficult to spread on toast and criticism that Canadians were paying high prices for butter produced with the help of a supplement that could be destroying tropical forests in Indonesia and Malaysia.

### Mexico

President Andrés Manuel López Obrador was slow to congratulate President Joe Biden. AMLO's government demanded the return of a former defense minister who was arrested in Los Angeles in 2020 for aiding drug smugglers, and exonerated him in 2021 after calling the US evidence “fabricated.”

AMLO and Trump forged a working relationship based on Mexico preventing Central Americans from reaching the US. For its part, the US ignored drug violence in Mexico and AMLO's weakening of checks and balances in his government.

AMLO had a virtual meeting with President Biden in March 2021 during which he proposed a new Bracero program that would allow 600,000 to 800,000 Mexicans and Central Americans a year to work temporarily in the US. AMLO in Zacatecas said: “We are better at ordering the migratory flow, legalizing it, and giving workers a guarantee that they do not risk their lives, that human rights are protected.” Biden said a new guest worker program would require legislation.

AMLO tested positive for Covid in January 2021, but continued to

downplay the threat of the virus even as Mexican deaths topped 155,000, third after the US and Brazil. Some Covid-related deaths are not reported because many Mexicans distrust hospitals and remain at home, so their deaths may not be attributed to Covid. Brazil and Mexico, along with the US, are near the bottom in rankings of how well governments responded to the pandemic, while New Zealand, Vietnam, and Taiwan rank at the top.

AMLO sent Covid vaccines first to people in rural and marginalized communities rather than in the cities with the most Covid cases, in some cases using unvaccinated health care workers to vaccinate residents in areas with few Covid cases. Priority for vaccines vary by state, so that teachers are first in line in several states with elections in 2021. With 8.2 percent of the world's people, Latin America and the Caribbean had a third of the deaths from Covid through Fall 2020. Meanwhile, the wealth of the region's 73 billionaires increased as stock prices rose.

AMLO's government in Spring 2020 decided not to lock residents in their homes because 55 percent of Mexicans work in the informal sector and thus lack access to unemployment insurance. There were also fears that using police to enforce lockdowns could lead to abuse at the hands of police enforcing stay-at-home rules. Mexico had 19.8 million workers registered with IMSS, a common definition of formal sector jobs, at the beginning of the pandemic. The Mexican economy shrank by 8.5 percent in 2020.

Mexico had well regarded conditional cash transfer programs known as Progresá (1997-2002), Oportunidades (2002-14) and Prospera (2014-19). Benefits were paid to working age mothers who kept their children in school and had their children's health checked

regularly in a bid to reduce the intergenerational transmission of poverty.

AMLO replaced Prospera with three programs for 16 million non-working poor residents, including cash programs for poor school children, unemployed youth, and those 65 and older. Based on a poverty line of \$5.50 a day, the share of Mexicans in poverty is about 42 percent in 2021.

AMLO is undertaking several large projects that critics fear will become white elephants, including the 1,550 km and \$8 billion Maya train and an \$8 billion oil refinery in Tabasco. AMLO promised a fourth revolution when elected in 2018 to eliminate corruption and ensure six percent annual economic growth, but critics fear that he is recreating an authoritarian party in the mold of the Institutional Revolutionary Party (PRI), that emerged from Mexico's civil war in the 1910s.

AMLO in March 2021 asked why Mexico has become the world's leading exporter of beer, sending \$4.6 billion worth to the US. AMLO, who in 2020 cancelled a partially built brewery after a referendum in Mexicali that would have exported Corona beer, said that Mexico's arid north cannot export water-intensive products such as beer.

Mexico has 50 consulates in the US to serve 40 million people, including about 12 million people born in Mexico and 28 million Mexican-Americans.

## Census

Mexico had 126 million residents in 2020, up 12 percent from 112 million in 2010. Some 1.2 million Mexican residents were born abroad, including two-thirds in the US.

The population rose 1.2 percent over the decade, down from three percent in the 1960s and 1970s. The census reported that

fertility averaged 2.1, down from 2.6 in 2000. The average age of Mexican residents was 29, up from 22 in 2000. The average level of schooling was 9.7 years in 2020, up from 7.5 years in 2000. Some 7.4 million residents speak an indigenous language, 6.1 percent of residents.

The most populous state was Mexico state with 15 million residents; Colima with 730,000 people had the fewest. Baja California had 49,000 speakers of indigenous languages in 2020, including almost half Mixtecs from Oaxaca. An estimated 90,000 Mixtecs migrate within Mexico to do farm work, including a peak 22,000 in San Quintin in Baja.

Two-thirds of Mexico is arid; water scarcity is most acute in northern states. Mexico has 400 of the 18,200 desalination plants around the world, and is adding over 100 more in water-scarce states such as Baja California. Critics of the brine produced by desalination want more done to reduce water loss due to leaking pipes and more effort made to capture rainwater.

The AMLO government announced that it would aim to replace the 16 million tons of imported US corn, most of which is grown with genetically modified seeds, with non-GMO Mexican-produced corn by 2024. AMLO also wants to ban glyphosate, the active ingredient in Roundup.

AMLO's government is reversing 2014 reforms that opened the energy and electricity sectors to private investment and competition. Under March 2021 legislation, instead of buying the lowest-cost energy to feed the electrical grid, power produced by the Federal Electricity Commission (CFE) would have to be purchased first, even if it is more expensive than private power available from wind, solar and other private plants.

AMLO says that Mexico must become self-sufficient in food and energy, even if costs rise and pollution increases as CFE burns the bunker fuel from Mexico's heavy oil to generate electricity. CFE signed a new collective bargaining agreement with its union in 2020 that lowered the retirement age from 65 to 55. CFE lost almost \$4 billion in 2020, and critics say that, like PEMEX, it will soon be an indebted state-owned business.

Convenience store chain Oxxo began in 1978 as a way to sell what is today FEMSA beer, recruiting Mexican families to operate the stores that spread from north to south. Oxxo has become the third most valuable brand in Mexico, behind Corona and Telcel, and sells many store brands. Oxxo says that its 20,000 stores in Mexico's 43 states have over 13 million customers a day. Over the past two decades, Oxxo adding banking services that allow people to pay for utilities and other services and send and receive money. FEMSA is Mexico's Coca Cola bottler.

## Northern Triangle

President Biden promised \$4 billion in aid to promote stay-at-home development in El Salvador, Guatemala and Honduras, the source of many families and solo youth who travel through Mexico and seek asylum at the US border with Mexico.

Biden appointed Vice President Kamala Harris to lead the effort to address the root causes of emigration, including gang activities that generate some of the world's highest homicide rates, corruption and impunity from prosecution, and natural disasters such as destructive hurricanes. As Vice President, Joe Biden led a similar effort during the Obama administration to deal with the root causes of Central American migration. Most of the US aid provided during the Obama



administration proved ineffective at reducing migration.

The US wants to promote democracy and development in the region, and has done so with programs beginning with the Alliance for Progress in the 1960s. In recent years, the US government has been funding NGOs rather than governments to strengthen the rule of law and the impartial administration of justice. Biden's \$4 billion would double current funding levels.

Why have past funding efforts produced so few visible results in the Northern Triangle? There are many reasons, including the corruption rooted in political and economic systems that are marked by clientelism, authoritarian practices, state-sponsored violence, and disrespect for the rule of law. However, much of the US aid money appropriated has not been spent because local partners have been unable to implement their programs in ways that satisfy US accounting standards.

Servicing El Salvador's foreign debt takes a high share of the federal government's revenue, and the country's tax system gets relatively little money from its richest citizens.

Some Central American teens who travel through Mexico to the US are intercepted by Mexican authorities and returned to their countries of origin. Mexican border cities have shelters to hold solo children until they are returned home.

## **Brazil**

One year after governments reacted to the Covid pandemic in March 2020, there were over 300,000 Covid-related deaths in Brazil. Leaders including President Jair Bolsonaro played down the threat, calling it no worse than the flu, and refused to order lockdowns.

By March 2021, new Covid variants filled intensive care beds and led to over 125 deaths a day. However, with 40 percent of Brazilians in informal jobs, leaders refused to order lockdowns so that informal workers could earn enough to survive, prompting demonstrations in favor of and opposed to lockdowns. Many Brazilians believe that China created and spread the virus in order to sell more medical supplies, including the Chinese-made CoronaVac vaccine that Brazil is using to vaccinate its people.

## **Colombia**

The government in February 2021 announced that more of the 1.7 million Venezuelans in the country could apply for 10-year work and residence permits. Colombia hosts 1.7 million of the 5.4 million Venezuelans who have left their country, but only 720,000 were registered before the Colombian government announced its new program.

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## **EUROPE, ASIA**

Most EU countries restricted the entry of foreigners in spring 2021 to slow the spread of mutating Covid viruses, dealing another blow to the Schengen agreement of 1985 that led to easy travel between 27 European countries. Free movement was first threatened by terrorism and again in 2015 when a wave of Syrian and other migrants arrived.

The Covid restrictions are more far reaching. Germany required entrants from parts of the Czech Republic and Austria to present negative test results, and France did the same for cross-border commuters from Germany.

After the Covid pandemic is over, the EU would like to make it more difficult for member states to reintroduce border controls.

However, with control of borders a key element of national sovereignty, national governments are reluctant to cede more power to Brussels.

Discussions of vaccine passports that would allow those who have been vaccinated to travel and attend public performances intensified in spring 2021, with southern European countries more dependent on tourism pushing for vaccine badges or passports that permit freer travel.

The EU negotiated as a block for vaccines, and made its major contract with AstraZeneca, a British-Swedish firm that promised low prices for vaccines that could be stored with normal refrigeration. The AstraZeneca contract was troubled because too few doses were delivered, a March 2021 pause in administering AstraZeneca vaccines due to fears of blood clots, and suspicions that AstraZeneca was sending vaccines made in EU countries outside the EU.

Israel, the UK and the US stand out for quickly vaccinating most adults. The EU lags behind for many reasons, including fewer doses than planned and skepticism about vaccines generally and the AstraZeneca vaccine in particular.

Unlike many US cities, many European cities include higher income residents in downtown areas that support vibrant nightlife. Covid kept people inside their often small apartments. Some urban residents who also had country homes moved to them and worked remotely, raising questions about whether the spending that supported downtown businesses will return.

Some 10 to 20 percent of the residents of Berlin, Madrid, Milan and Paris have left at least temporarily. Many European cities are trying to encourage remote workers to return by opening more

bike lanes and turning some closed parking lots into small parks.

EU countries increased government debt levels to aid businesses during the pandemic to levels not seen since WWII. Inflation has remained low, making it easier for governments to take on debt. The danger is that inflation could increase amidst slow growth, which would make it much harder for governments to repay their debts.

### **Britain**

Four smugglers were sentenced to 13 to 27 years in prison in January 2021 for their roles in the death of 39 Vietnamese migrants in the back of a container truck shipped to England in October 2019. The migrants had paid about \$17,000 each for the journey.

Workers employed in agriculture, forestry and fishing earned an average L429 a week in 2020, compared with L687 a week in construction. Despite complaints of labor shortages, farm wages did not rise significantly in 2020.

The 10-member Commission on Race and Ethnic Disparities released a report in March 2021 that called the UK “a model for other white-majority countries” in dealing with racial equality. Low-income and ethnic minority children such as South Asians and Black Africans outperform working-class white children on school examinations, suggesting that class rather than race was a major obstacle to upward mobility.

### **France**

French President Emmanuel Macron in 2020 warned that US ideas on race, gender, post-colonialism threaten French identity and unity. Older professors at French universities are protesting so-called cancel culture that involves activists who disrupt talks by those who have views with which they disagree.

France defines its national identity on the basis of a common culture that embraces equality and liberty and rejects diversity and multiculturalism. The government does not collect data by race and ethnicity because it says that all French citizens are treated equally; protestors counter that the lack of racial data helps to hide racial disparities. Conservative professors and politicians say that racial studies express a hatred of the accomplishments of European civilization; Macron’s embrace of what he calls French universalism aims to draw support from conservatives.

The French principle of secularism or laïcité creates a firewall between church and state. Under a 1905 law, the government owns all religious buildings then in existence and maintains them for religious services, effectively becoming the landlord of Roman Catholic churches. This means that taxpayers subsidize the shrinking Catholic religion via their local governments that maintain pre-1905 religious buildings but do not provide resources for the six million Muslims, whose 2,500 mosques receive very little taxpayer money.

There are 45,000 Catholic buildings in France, including 40,000 owned and maintained by the government, for 3.2 million practicing French Catholics.

French Catholics acknowledge that the inheritance effect of the 1905 law privileges them. However, Muslims who ask for money for mosque construction from foreign governments are often blocked by French laws that aim to develop an “Islam of France” that is not tainted by radical ideologies.

The separation of church and state is joined by another issue, the place of minorities in universities. France’s student union Unef allows women- and minority-only for safe-space

meetings to discuss discrimination, a practice condemned by those who say that all French are equal. Unef receives \$540,000 a year in government subsidies, prompting the Macron government to sponsor a law in April 2021 that would end Unef-sponsored minority-only meetings.

Macron, who has concentrated political power in the presidency, aims to win a second five-year term in 2022, citing changes to labor laws the reduced unemployment and attracted foreign investment before the Covid pandemic. Macron was unable to modify the pension system as planned to require more years of work for more benefits.

A law enacted in January 2021 protects “the sensory heritage of the countryside,” such as roosters crowing and the smell of manure. The government said that “life in the countryside means accepting some nuisances,” so the law limits suits by those who build or buy homes in rural areas and sue their neighbors

### **Germany**

A 25-member expert commission (<https://www.xn--fachkommission-integrationsfhigkeit-x7c.de/fk-int-en>) released a 500-page report in January 2021 that recognizes Germany as second only to the US in the number of migrants, 16 million in 2020 when the US had 51 million migrants. The UN considers the six million Puerto Ricans who moved to the mainland to be international migrants.

The commission highlighted the importance of employment for migrant integration, and the struggles of low-skilled immigrants who are less likely to be employed and to earn less than native-born workers. The reasons why low-skilled migrants have difficulty finding jobs range from lack of German to low levels of education and training and discrimination against non-Germans.

The report emphasizes that migration can generate win-win outcomes if migrants are integrated successfully into employment. Getting foreigners into jobs quickly, as in the US, can increase inequality because the migrants are able to obtain only low-wage jobs. However, investing in foreigners by providing them with education and training to make migrants more attractive to employers may lead to a taxpayer backlash.

US immigration history often imagines parents sacrificing for their children. This means that the immigrant generation with little education and English remains on the lower rungs of the job ladder, but their children educated in the US have the same opportunities as the children of US-born parents. Germany and other EU countries often aim to ensure that the arrival generation has the same opportunities as natives, which may require large up-front investments in language and skills training.

Germans expressed frustration with persisting lockdowns and closed schools in spring 2021. With new infections remaining high during the third wave of infections, the government proposed a five-day lockdown over the Easter holiday, which was quickly reversed when people and businesses complained. Many Germans complained that the government allowed holiday travel to Mallorca but not to holiday destinations within Germany.

Germany and many other EU countries have more vaccines from AstraZeneca than from Pfizer-BioNTech. Many Germans want the Pfizer shot, and in March 2021 some AstraZeneca vaccine was not administered as people waited for the Pfizer vaccine.

### **Hungary**

The government refused to recognize a December 2020 ruling of the Court of Justice of the

European Union that found the practice of “pushing back” asylum seekers who arrived from Serbia unlawful. In response, the EU border agency Frontex pulled out of Hungary in January 2021.

Hungary has since 2016 pushed back some 50,000 asylum applicants to Serbia, which it considers safe for foreigners to apply for asylum.

### **Italy**

Some migrants who reached Italy were returned to Slovenia to prevent the spread of the coronavirus and then returned via Croatia to Bosnia. Over 1,000 migrants were returned by Italy in this way to Bosnia in 2020.

The government fell in January 2021 amidst disputes over how to spend E200 (\$243) billion in EU aid. The popularity of PM Giuseppe Conte rose during the Covid pandemic toward 60 percent, even as Italy’s debt rose to 160 percent of GDP and the economy shrank by almost 10 percent in 2020. New PM Mario Draghi, who headed the European Central Bank, was entrusted to spend EU Covid relief monies.

### **Portugal**

Center-right President Marcelo Rebelo de Sousa was re-elected to a five-year term in January 2021, but the anti-migrant Chega! (enough) party led by André Ventura won an eighth of the vote, the same share as the Socialist candidate. Ventura attacked migrants and elites, and may be able to turn his populism into a threat to the government of Socialist Prime Minister António Costa.

### **China**

The government in February 2021 discouraged migrants from returning to their home villages during Lunar New Year celebrations or Spring Festival to avoid spreading Covid; the government also discouraged

travel in February 2020 with lockdowns. Some 300 million internal migrants typically travel during Lunar New Year celebrations that feature festive banquets and fireworks.

China’s labor force is expected to have shrunk when census results are released in April 2021, as retirees outnumbered new labor force entrants in 2020. A declining number of births, about 10 million in 2020, is expected to slow economic growth. The one-child policy was abolished in 2016, but the jump to almost 18 million births that year was short lived, and most demographers expect births to continue to decline.

President Xi Jinping in March 2021 asserted that “the East is rising and the West is declining,” and warned that the US was China’s major threat. Xi is expected to win a third term as president in 2022.

### **Korea**

The treatment of 20,000 Asian guest workers on Korean farms became an issue in spring 2021 after a 31-year old Cambodian woman died. The Employment Permit System allows farms to employ Southeast Asians for 70 or more hours a week and wages of \$1,500 a month. Many work in green and tunnel houses, and guest workers are often housed in shipping containers.

The Labor Standards Act that sets maximum hours does not apply to workplaces with fewer than five employees, which means that many farms are exempt. Farm employers say that they are struggling to survive, and cannot pay more or improve conditions.

Over 80 percent of the 200,000 EPS migrant workers in Korea are employed in factories. Others are employed in construction, fisheries and services. About 100 EPS workers a year die in South Korea.

Korea has the world's lowest fertility rate, an average 0.8 children per woman in 2020.

## India

The BJP government of PM Narendra Modi in September 2020 enacted laws that ended a farm marketing system that required farmers in some states to sell commodities to wholesalers in markets or mandis that offered minimum support prices. The goal was to attract new buyers of farm commodities and to raise the prices paid to farmers while increasing investment in agriculture.

About 60 percent of Indians depend on agriculture for most of their income, even though agriculture generates only 15 percent of India's GDP.

Farmers protested the new law and blocked the four major entrances to New Delhi in December 2020 and January 2021. India's Supreme Court in January 2021 blocked implementation of the new law and appointed a committee of experts to negotiate a compromise that would protect farmers while fulfilling the government's goal of encouraging competition among buyers and more private investment in farming.

Farmers were not satisfied, and took over the Mughal residence Red Fort on January 26, 2021, the Republic Day holiday, before returning to the outskirts of New Delhi. Many of the protesting farmers are from the Sikh religious minority in Punjab and Haryana, groups that oppose PM Modi's style of making top-down decisions.

India provided about \$11 billion in farm subsidies in 2019; most went to support minimum prices for rice and wheat. The government affects farmer behavior in two ways, by setting the minimum price and by determining where it will accept rice and wheat, since few delivery points

can increase transport costs. Ending minimum support prices and mandis may attract more buyers, but could also allow a handful of buyers to lower prices via the price offered or the delivery points available.

Modi's government proposed a \$500 billion budget for the April 2021-March 2022 fiscal year. Critics thought that Modi should borrow to counter the estimated eight percent shrinkage in India's economy in 2020, which was due in part to a hastily implemented lockdown in March 2020. With food prices rising, Modi wants to avoid inflation and a downgrading of India's debt, prompting a conservative fiscal policy.

A new wave of app-based lenders who charge high fees for short-term loans is sweeping India, using access to information on borrower phones to harass those who do not repay their loans. Chinese lenders developed app-based lending before the practice was curbed, and some of the Chinese lenders moved their operations to India.

## Japan

An ILO survey found that many Japanese oppose the government's plans to admit more low-skilled migrants. A third say that Japan does not need foreign low-skilled migrants, who they say drain the economy, and should not receive the same wages and benefits as Japanese workers in similar jobs. Over half of the Japanese say that irregular foreign workers should have no workplace rights, while over 40 percent say that migrants commit crimes and threaten Japanese culture. Over half of the Japanese respondents reported that they did not know any migrants and had no interactions with them.

## Malaysia

Disposable gloves made by Top Glove, the world's largest rubber glove maker, were seized by CBP at

the Los Angeles port in March 2021 due to the use of "forced labor" in Top Glove's factories that employ 20,000 migrant workers. Top Glove hired the UK's Impactt Limited to review its migrant labor practices in July 2020, and IL reported no "systemic forced labor" among Top Glove's directly hired workers.

## Thailand

The three million migrant workers in Thailand were almost eight percent of the Thai workforce in 2019. Half of Thais say that Thailand does not need foreign low-skilled migrants, 40 percent say that migrants are a drain the economy. Over 70 percent of Thais say that migrants commit crimes in Thailand, and 60 percent say migrants have a poor work ethic and threaten Thailand's culture. Three-fourths of Thais say that irregular foreign workers should have no workplace rights.

## ANZ

Australia produces 85 percent of its own food, including most of its fruits and vegetables. Farmers in February-March 2021 complained of too few farm workers because the borders were closed to new backpackers, foreign youth who since 2005 have been allowed to work a year in nonfarm Australian jobs if they do 88 days of farm work during their first year. Work in rural construction or mining also qualifies, but over 90 percent of backpackers do their first-year work in agriculture.

Some farmers take advantage of backpackers, knowing that they want proof of farm work to extend their stay, by paying them below the required wage of about A\$24 an hour and charging high rents for temporary housing. The Australian Workers' Union wants a minimum wage so that backpackers and others can more easily understand what they should be paid.



Some 45,000 backpackers were in Australia in 2021, down from the usual 60,000 to 70,000, and some were in urban areas because they had already fulfilled their farm work requirement. Some of the WHMs in the country when Covid struck in 2020 left before their home countries closed their borders, and Australian borders remain closed to new arrivals.

Employment in Australian agriculture peaks at 120,000 in February and falls to less than 100,000 in April. Fruit crops require three-fourths or more of seasonal workers, and Victoria stands out for employing the most seasonal workers.

About 60 percent of seasonal farm workers are WHMs or guest workers from Pacific Islands. Farmers can recruit adult workers from Pacific Islands, but must pay for the worker's quarantine, so only 2,400 were in the country in February 2021. Farmers want Pacific Island workers to be allowed to work while quarantining on their farms rather than paying for two weeks of quarantine in hotels.

Australian farm revenues are expected to be A\$66 billion in 2020-21, and exports are expected to A\$46 billion, 70 percent of farm sales. FVH commodities are worth about A\$15 billion, including 40 percent for fruits, 30 percent for vegetables, 10 percent for nuts, and 20 percent for nursery products and flowers.

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## GLOBAL: COVID, TRADE

Death rates from Covid are much higher in richer than in poorer countries. As of March 2021, there were almost 1,900 deaths per 100,000 residents in the UK and 1,600 per 100,000 in Italy and the US, compared to less than five deaths per 100,000 residents in China, Thailand and Vietnam.

Analysts seeking explanations for why death rates from Covid are higher in rich countries point to data issues, such as underreporting deaths in poorer countries, demographics that mean poorer countries have more younger residents, and more outdoor activities in poorer countries. Some scientists believe that closer proximity to animals and microbes in poorer countries mean more residents have acquired immunity to viruses.

Births fell sharply in 2021 in many countries, and most demographers expect continued declines in fertility in most countries. In 2020, Italy had twice as many deaths as births. Fewer children and more elderly may slow innovation and put downward pressure on interest rates.

World trade in goods was \$18 trillion in 2020, including \$11 trillion in intermediate goods, such as auto parts that were later assembled into vehicles. In spring 2021, a shortage of shipping containers slowed trade and raised costs, as Americans and Europeans ordered more goods produced in Asian factories. The cost of shipping one container from China to Los Angeles is normally \$2,500 or less, but rose as high as \$25,000 in spring 2021. Most shipping containers are made in China, where more are being built.

The Ever Given container ship, which can carry 20,000 containers, ran aground in the Suez Canal in March 2021, blocking ships for six days from transiting a canal that carries 10 percent of the world's trade. The 120-mile long Suez Canal opened after a decade of construction in 1869, and allows ships to move between the Red and Mediterranean Seas in less than 15 hours without locks.

The cost of building the Suez Canal was twice the \$50 million estimate, but tolls paid by passing ships

made it very profitable for French investors. The canal was widened and deepened in 2015 at a cost of \$8 billion. Egypt received \$5.6 billion in canal tolls in 2020.

The garment industry is often the first to create large numbers of jobs for women in poor countries, often rural-urban migrants who earn \$50 to \$200 a month sewing clothes for the manufacturers that retailers and clothing brands contract to sew for them. Activists want the retailers and brands to be responsible for any labor law violations committed by manufacturers. Instead, most retailers and brands rely on third-party auditors to audit their manufacturers to ensure they are in compliance with local labor laws.

The Worker Rights Consortium released a report in April 2021 that charged that clothing manufacturers did not make required severance pay when they laid off sewing workers in 2020 when the pandemic changed buying patterns. The consortium wants retailers and brands to create a global severance guarantee fund that would pay back wages and severance to laid off workers if clothing manufacturers did not.

The US has been a leader in pursuing free trade since WWII, often absorbing many of the adjustment costs as first Japan and then China emerged as manufacturing powerhouses. President Trump changed US policies, and Biden appears ready to continue some Trump policies that reject the conventional wisdom that freer trade provides broadly shared benefits, as with a rising tide lifting all ships.

US advocacy for free trade peaked in the 1990s, when NAFTA was signed and China joined the WTO. US job losses to Mexico and China spurred a rethinking of the benefits of freer trade.

The term BRICs, for Brazil, Russia, India, and China, was coined in 2001; South Africa was added in some formulations. Two decades later, China is the world's second largest economy and India is fifth, but the economies of Brazil and Russia are unchanged.

## OTHER

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### CALIFORNIA AGRICULTURE

California's 70,000 farms sold farm commodities worth \$50 billion in 2019, almost twice the \$28 billion in farm sales of Iowa. The six commodities whose farm sales each exceeded \$2 billion accounted for over half of the state's farm sales: milk, \$7.3 billion; almonds, \$6.1 billion; grapes, \$5.4 billion; nursery and greenhouse commodities, \$4.3 billion; cattle, \$3.1 billion; and strawberries, \$2.2 billion.

Fresno led the state with over \$7.7 billion in farm sales, slightly ahead of Kern with just under \$7.7 billion, Tulare with \$7.5 billion, and Monterey with \$4.4 billion. These four counties accounted for over half of the state's farm sales.

The value of the state's farm exports were \$22 billion in 2019, led by \$4.9 billion worth of almonds, \$2 billion worth of pistachios and \$1.8 billion worth of dairy products that were exported.

Farm sales are divided into broad crop and livestock categories. Fruits and nuts were worth \$21.4 billion, vegetables and melons \$8.2 billion, greenhouse, floriculture, and horticultural specialties \$5.7 billion, and livestock products \$12.3 billion. FVH commodities accounted for 70 percent of the state's farm sales.

Almost 80 percent of fruit and nut sales were from five commodities: \$6.1 billion from almonds; \$5.4 billion worth from grapes; \$2.2

billion worth from strawberries; \$1.9 billion from pistachios; and \$1.3 billion from walnuts. About 56 percent of vegetable and melon sales were from four commodities: lettuce was worth \$1.8 billion (including almost \$1 billion for leaf and romaine); tomatoes \$1.2 billion (including \$0.9 billion for processing tomatoes); and broccoli and carrots were each worth \$0.8 billion.

California produces 90 percent of US strawberries from 36,500 acres in 2021, including almost 80 percent that were planted in fall 2020 to be harvested in the spring and summer of 2021. Ag Pro Robotics of Watsonville developed the Strawbot to carry flats of harvested strawberries from pickers to collection stations, enabling pickers to pick 15 to 20 percent faster. Unlike conveyor belts, workers do not have to be of similar speed to use the Strawbot to convey full flats.

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### US AG, TRADE

USDA Secretary Tom Vilsack said his priorities are Covid, social justice and climate change, and strengthening regional food systems and helping farmers. USDA has 100,000 employees and a budget of \$153 billion a year to operate 29 agencies and offices.

USDA moved the Economic Research Service from Washington DC to Kansas City, Missouri in September 2019, prompting many experienced employees to quit rather than move. ERS, which had 318 permanent employees in October 2018 and 164 three years later, published 37 reports in 2018 and 11 in 2020.

About two percent of US farms, some 35,000, were operated by Blacks in 2017, down from 925,000 or a seventh in 1920. Discrimination in the south and opportunity in the north prompted many Black farmers to migrate north to work

in factories between the 1920s and 1960s. Land trusts help more Blacks become farmers, often using organic methods. There is pressure on USDA to allocate more of the \$6 billion in loans administered or guaranteed by USDA to help farmers.

Farmland prices in the Midwest are rising along with the prices of corn and soybeans. The US has 350 million acres of crop land, and three-fourths is controlled by an eighth of farmers. Many landowners are widows or nonfarm investors such as pension funds. Some tenant farmers pay \$200 or more an acre to rent land that generates less than \$1,000 an acre in gross revenue.

The largest US landowners are John Malone, with 2.2 million acres, and Ted Turner, with two million acres. Bill Gates is the largest owner of farm land, with 242,000 acres owned directly and via Cascade Investments, half in Louisiana and Arkansas. Wonderful Company cofounders Stewart and Lynda Resnick own 190,000 acres of farm land, as does the Offutt Family with 190,000 acres. The Fanjul family owns 160,000 acres of farm land, and the Boswell family 150,000 acres.

Indoor vertical farms that use hydroponics, aquaponics and aeroponics to produce short-season and high-value fruits and vegetables in shipping containers and warehouses near consumers are expanding rapidly. Yields per unit of land inside structures are 10 to 20 times higher than in open fields, transport costs to consumer are lower, and grower prices are often higher for produce grown indoors.

Global sales of farm commodities from indoor vertical farms topped \$2 billion in 2018, and are projected to be \$13 billion in 2026. Plenty Unlimited is a US vertical farm and GoodLeaf Farms is Canada's

largest commercial vertical farming operation.

## Trade

The US is the world's leading exporter of farm commodities, shipping farm goods worth \$150 billion to other countries in 2020 and importing farm commodities worth \$146 billion, using international definitions. The US in 2020 adopted international definitions of agricultural products found in WTO HS Chapters 1 to 24 and parts of HS Chapters 29, 33, 35, 38, 41, 43, 50-53 ([www.wto.org/english/docs\\_e/legal\\_e/14-ag\\_02\\_e.htm#ann1](http://www.wto.org/english/docs_e/legal_e/14-ag_02_e.htm#ann1)).

Previously, about 90 percent of agricultural products were included in the US and WTO lists. The switch to the WTO definition raised US farm imports more than US farm exports, reducing the US agricultural trade surplus.

US farm exports are expected to reach a record \$157 billion in FY21, led by \$27 billion worth of soybean exports, \$14 billion worth of corn exports, and \$7 billion worth of wheat exports. China re-emerged as the leading buyer of US farm commodities, importing meat and corn and soybeans to feed the world's largest stock of hogs.

Dairy exports measured in total milk solids were a record 2.1 million tons in 2020, representing a sixth of US milk production. A quarter of US dairy exports went to Southeast Asia, a fifth went to Mexico and a sixth to China.

The International Trade Commission, in response to complaints from US growers, launched investigations into whether imported blueberries, raspberries, and strawberries are hurting US producers of these berries. Some US vegetable producers are following the lead of Florida tomato growers to complain that rising Mexican exports of bell peppers and other vegetables hurt US producers.

In February 2021, the ITC concluded that imports were not damaging US blueberry growers, and that the lower prices received by some growers reflected an expansion of US production.

The US sheep industry continues to shrink, to 5.2 million in 2020. Some 2.2 million lambs were processed, generating \$1.63 a pound for farmers. Over 60 percent of US lamb is imported. Many sheep graze on public lands in the western states, and rely on H-2A shepherders.

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## FOOD, WINE

Amazon, which bought Whole Foods in 2017, is opening more Amazon Fresh and Just Walk Out stores without cashiers. Amazon Fresh emphasizes low prices, while Whole Foods offers organic produce and specialty meat and cheese at higher prices.

Over 40 percent of US adults are obese. There are many reasons, including more women working for wages and the increasing consumption of food that is processed with salt, sugar and fat so that it can be prepared quickly. Sugar and salt send pleasure signals to the brain more quickly than nicotine because they utilize some of the average person's 10,000 taste buds rather than move through the bloodstream.

The food industry in rich countries has taken advantage of the evolutionary quest for salt, sugar, and fat and included them in processed foods. As a result of snacking between meals, snacks with salt, sugar, and fat provide a quarter of daily calories for most Americans.

Could a drug break the evolutionary desire for salt, sugar, and fat? Novo Nordisk reported in February 2021 that semaglutide, a treatment for Type 2 diabetes, led obese

participants in a trial study to lose 20 percent of their body weight, more than twice the effect of the most common weight-loss drug currently available, phentermine. Bariatric surgery that shrinks the stomach helps people lose 25 percent to 30 percent of their body weight.

Semaglutide is a synthetic version of a naturally occurring hormone that acts on appetite centers in the brain and in the gut, producing feelings of satiety. The cost semaglutide to suppress overeating is likely to be more than \$1,000 a month.

Over 40 percent of seafood is mislabeled. Cheaper fish is often labeled as more expensive fish and farmed fish is sometimes labeled as wild, and more often in restaurants than in supermarkets. A common mislabeling is to serve or sell shark catfish or pangasius farmed in Vietnam and Cambodia as a whitefish such as cod, sole and haddock. Tilapia is often labeled red snapper.

## Wine

California crushed 3.5 million tons of wine grapes in 2020, down from 4.3 million tons in 2019. Growers received an average \$679 a ton, down from \$811 a ton in 2019. The smaller crush in 2020 was due to warm weather that reduced yields and some grapes not harvested due to lack of buyers and smoke taint from fires. The 2020 crush included about 320,000 tons of grapes crushed for concentrate or sweetener.

The 1.8 million tons of red wine varieties crushed were worth an average \$795 a ton, and 1.6 million tons of white wine varieties crushed were worth \$558 a ton. District 4 (Napa) grapes were worth \$4,592 a ton in 2020, and District 13 (Fresno) wine grapes were worth \$315 a ton. District 13 accounted for 1.2 million tons or a third of the 2020 crush.

The wine industry continues to struggle in the US and abroad with too much wine for too few wine drinkers. The closure of indoor restaurant dining reduced sales of high-priced wines around the world. US tariffs on European wine and food in retaliation for Airbus subsidies reduced European wine imports. China levied tariffs on US wines, which reduced US wine exports to China.

relief. Under some proposals, some current debts would be forgiven if governments increased spending to make their infrastructure and people more resilient to climate change. Low- and middle-income countries owed \$8.1 trillion to foreign lenders in 2019.

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## CLIMATE CHANGE

Texas and other southern states experienced unusually cold weather in February 2021 as the Arctic polar vortex, normally kept in Canada by the circulating jet stream, spilled southward. Global warming means more moisture, and when Arctic air spills south, there is more snow and ice.

Leading auto producers announced plans to replace gasoline-fueled cars with battery powered cars, setting off a race to develop batteries that can store more power and recharge faster. China, Japan and Korea are the leading battery manufacturers. China produces 70 percent of the world's battery cells, but the US has many of the startups aiming to develop new and improved batteries.

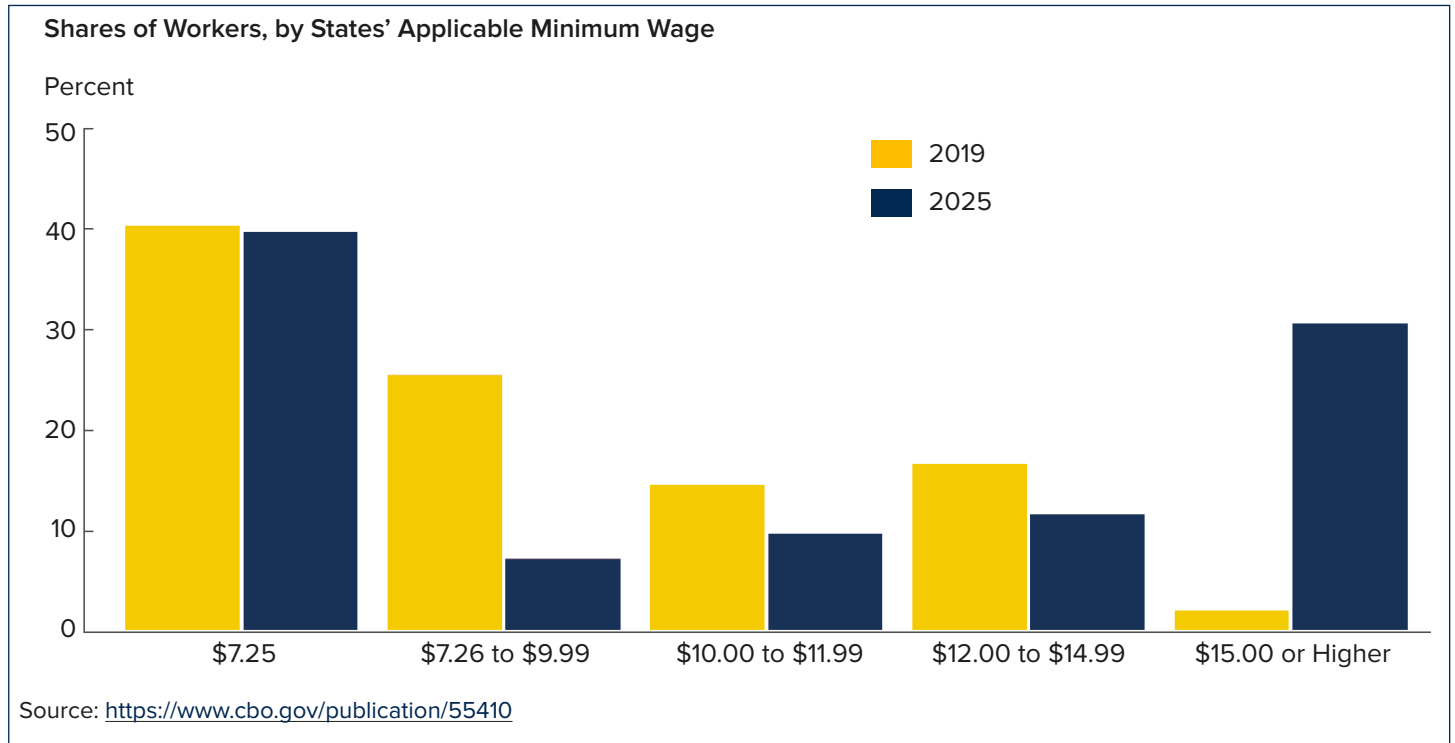
Electric car batteries for a mid-size car cost about \$15,000. Manufacturers say that the cost of batteries for a car must fall to \$7,500 to make electric cars competitive with gas-powered cars without government subsidies. Solid-state batteries that replace the liquid lithium solution that is at the core of most batteries today with solid layers of a lithium compound would weigh less and recharge faster.

Many developing countries have large foreign debts and face problems due to climate change, prompting calls for green debt



## IN 2025, THERE COULD BE A 2-1 DIFFERENCE IN MINIMUM WAGES FOR THE 40% OF US WORKERS IN STATES WITH A \$7.25 WAGE AND THE 30% OF US WORKERS IN STATES WITH A \$15 WAGE

The federal minimum wage has been \$7.25 an hour since 2009. Some states, counties and cities have raised their minimum wages above the federal level, so that 60 percent of US workers in 2019 were in the 29 states with minimum wages above \$7.25. If the federal minimum wage remains at \$7.25, and scheduled increases in state and local minimum wages occur, about 40 percent of US workers will be in states with a \$7.25 minimum wage in 2025 and 30 percent will be in states with a minimum wage of \$15 or higher.



Rural Migration News summarizes the most important migration-related issues affecting agricultural and rural America. Topics are grouped by category: Rural Areas, Farm Workers, Immigration, Other, and Resources.

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