

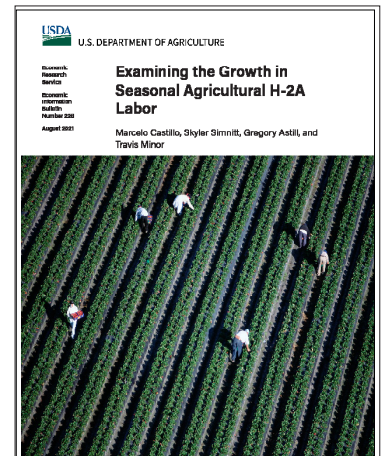


# Examining the Growth in Seasonal Agricultural H-2A Labor

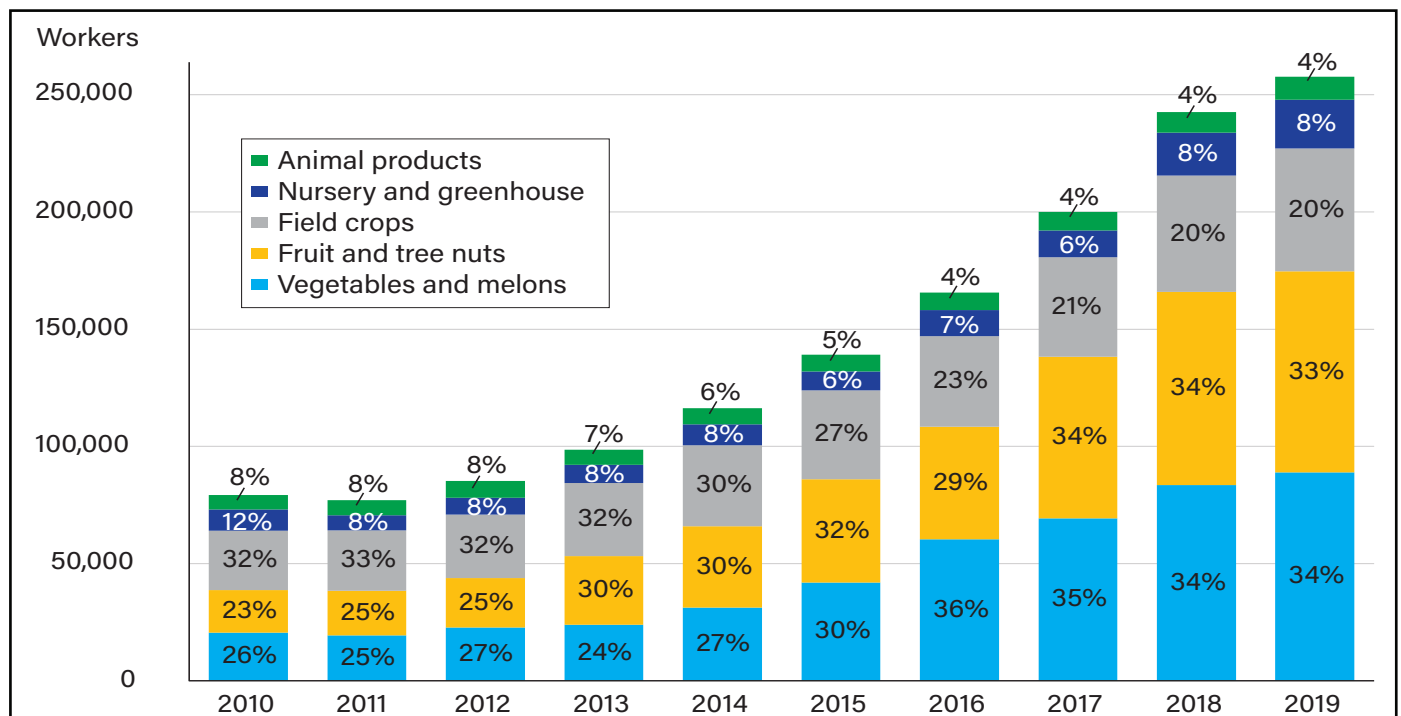
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## What Is the Issue?

Labor availability is an increasingly important issue for agricultural producers considering the evidence of recent tightening of U.S. farm labor markets. A decline in labor availability is especially challenging for producers of labor-intensive crops such as fruits and vegetables requiring harvesting by hand; seed corn requiring detasseling; tobacco requiring curing; crawfish requiring shelling; or nurseries requiring pruning and repotting. The H-2A Agricultural Guest Worker Program allows producers to hire non-immigrant foreign labor for short-term contracts. U.S. agricultural producers increasingly use the program to hire workers, though information is scarce regarding trends in sectoral use, geographic composition, and the types of employers that use the program. This report examines how H-2A use varies across agricultural sectors, geography, and the types of firm requesting H-2As.



## H-2A certified workers by sector, 2010-19



Note: Percentages may not add to 100 due to rounding.

Source: USDA, Economic Research Service using data from U.S. Department of Labor, Office of Foreign Labor Certification.

ERS is a primary source of economic research and analysis from the U.S. Department of Agriculture, providing timely information on economic and policy issues related to agriculture, food, the environment, and rural America.

## What Did the Study Find?

- The number of certified H-2A positions increased from 79,000 in 2010 to 258,000 in 2019 (see chart above). H-2A employment increased in most regions and sectors.
- H-2A employment growth was particularly strong in fruit and tree nuts and vegetables and melons. The combined share of H-2A positions certified in these sectors increased from 49 to 67 percent.
- H-2A employment by farm labor contractors (FLCs) expanded dramatically from 2010 to 2019. The FLC share of H-2A employment increased from 15 to 42 percent. FLC shares increased in all sectors though increases were more pronounced in fruit and tree nuts, and vegetables and melons.
- H-2A workers helped produce a wide array of labor-intensive commodities. The following commodities had the highest use of H-2A in 2019:
  - Vegetables and melons (34 percent of total H-2A certifications): melons, tomatoes, lettuce, sweet potatoes, cucumbers, onions, and peppers.
  - Fruit and tree nuts (33 percent): apples, blueberries, strawberries, citrus, cherries, and peaches.
  - Field crops (20 percent): tobacco, seed corn, and sugarcane.
  - Nursery and greenhouse (8 percent): nursery and greenhouse, Christmas trees, pine straw, and hemp.
  - Animal products (4 percent): open range livestock (including sheep, goats, and cattle), bees, crawfish, and horses.
- Most employers offered to pay H-2A workers hourly wages no greater than the region-specific adverse effect wage rate (AEWR), which is a minimum wage for H-2A workers set by the Department of Labor. Inflation-adjusted H-2A wages (in 2019 dollars) increased for all sectors from 2010 to 2019, on average by 26 percent.
- From 2010 to 2019, the average duration of an H-2A labor contract decreased from 6.7 to 5.3 months, a 20 percent decline. The nursery and greenhouse, and animal products sectors showed the most pronounced decreases.
- In 2019, H-2A employment was highest in States heavy in fruit, vegetable, and melon production such as Florida, Washington, Georgia, California, and Michigan; tobacco growing States such as North Carolina and Kentucky; and crawfish and sugarcane producing States such as Louisiana. While most of the growth from 2010 to 2019 came from these large employers, H-2A employment increased in nearly every State.
- Growers in different States use the H-2A program with widely different intensities (as measured by the ratio of H-2A full-year jobs to total labor expenditures). Intensity is high in the Southeast and low in California and Texas.

## How Was the Study Conducted?

To generate the H-2A summaries by sector, we use publicly available H-2A case disclosure data. The U.S. Department of Labor provides online access to records of all H-2A applications by fiscal year, dating to FY 2006. For 2010-19, the data contain the applicant name and contact information, the number of positions to be certified, contract length, job title, and primary crop. Unfortunately, the quality and scope of these data are not always consistent over time. Primary crop names, which we use to assign sectors to applications, are missing for FYs 2010, 2013, and 2014. Moreover, information identifying which type of employer filed the application (individual firms, FLCs, and growers associations) is not available before 2013. To deal with these challenges we employ several methods described in the Appendix.