

Who uses H-2As? Examining program growth by sector and employer type

Presentation for Farm Labor: Demand, Supply, Markets at U.C. Davis

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Preview of Presentation

- Agricultural Guest Worker Programs and H-2A
 - History of guest workers
 - Program administration and rules
- Research Findings
 - Program growth across all agricultural sectors and regions
 - Rapid growth among farm labor contractors
 - H-2A wage growth on par with farmworker wage growth
 - Contract lengths decreasing





Background

- U.S. workforce in agricultural
 - 30% in 1920, 2% today
- Great migration in early 1900s
- Braceros program I (1917-1920)
- Braceros program II (1942-1964)
- BWI Program (1943-1951)
- H-2 Program (1952-1986) INA
- H-2A Program (1987-present) IRCA



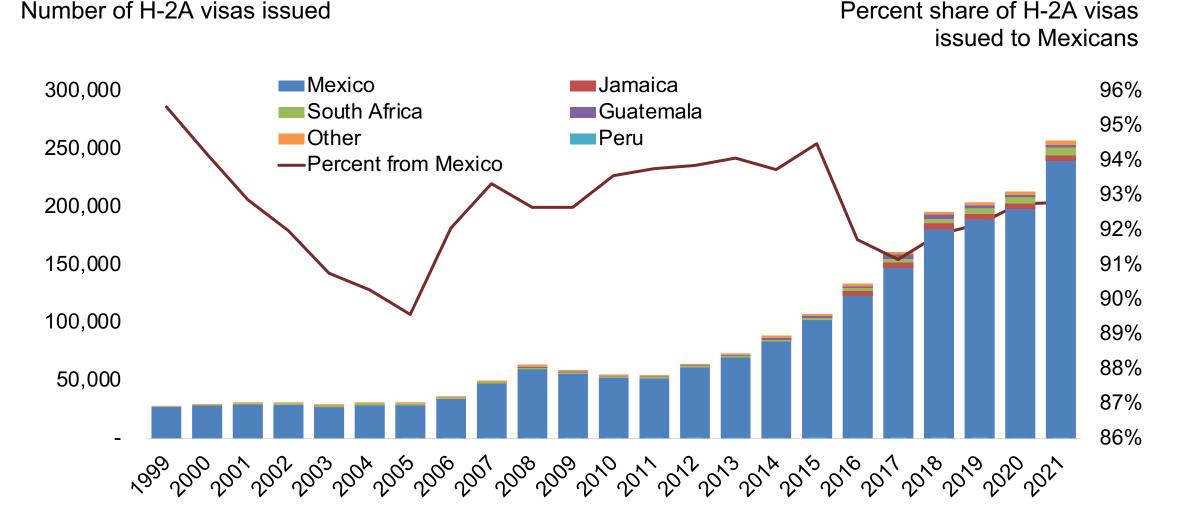
Braceros circa 1945 (Wikicommons)



Background

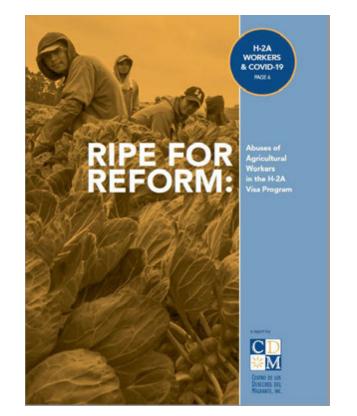
- Administered jointly by three agencies
 - DOL (U.S. Department of Labor)
 - DOS (U.S. Department of State)
 - USCIS (U.S. Citizenship and Immigration Services)
- Follows strict rules
 - '60-minute rule'
 - Three-quarter guarantee rule
 - Must pay H-2A Workers and corresponding domestic workers the adverse effect wage rate (AEWR)

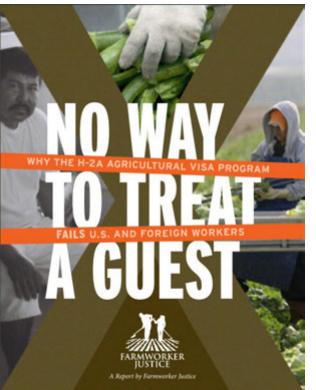
Number of H-2A visa admissions by country of origin



Source: U.S. Department of State: Nonimmigrant Visa Issuances by Visa Class and by Nationality, various years. https://travel.state.gov/content/travel/en/legal/visa-law0/visa-statistics/nonimmigrant-visa-statistics.html

Common criticisms of the program





- Labor Advocacy
 - Debt
 - Abuses
 - "Hurts" domestic workers
- Bureaucratic
- Expensive



Agricultural Sectors

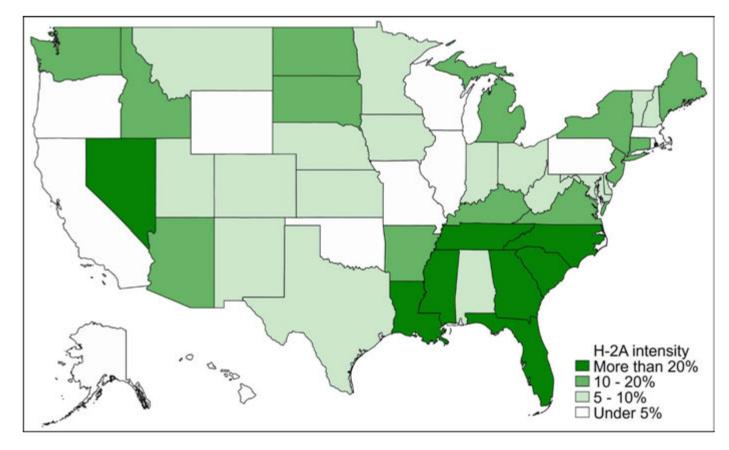
- Fruit and tree nuts
- Vegetables and melons
- Field crops
- Greenhouse and nurseries
- Animal products



H-2A share of total labor expenditures is highest in the Southeast

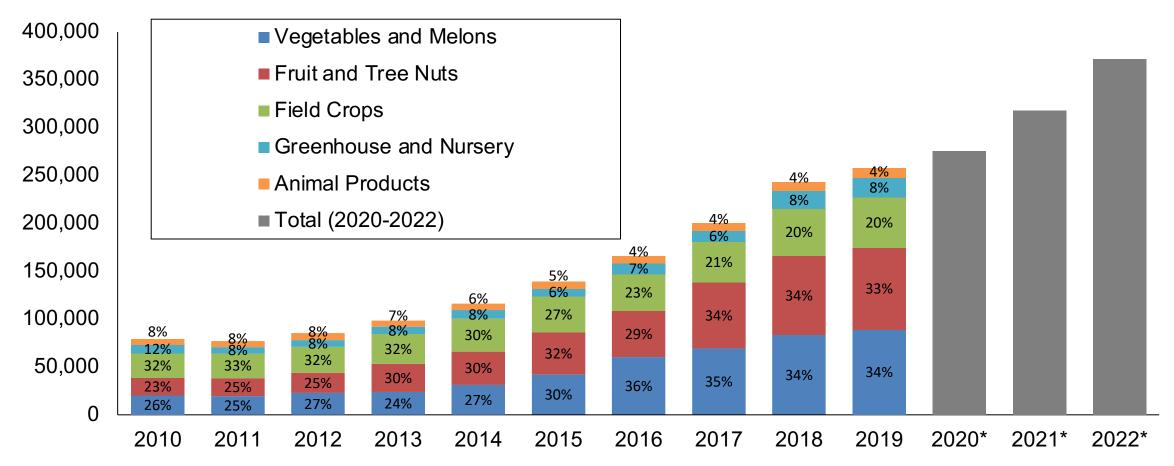
- Top 6 H-2A employing states account for 55% of all H-2A certifications (FL, GA, WA, CA, NC, MI)
- H-2A intensity ratio is not commensurate with levels
- The Southeast is the most H-2Aintensive region in the United States, program is expanding on west coast.

H-2A share of total hired labor expenditures, FY 2022



H-2A certifications by sector

Number of H-2A certifications



Note: Percentages may not add to 100 due to rounding

*sector level disaggregation not available for most recent years

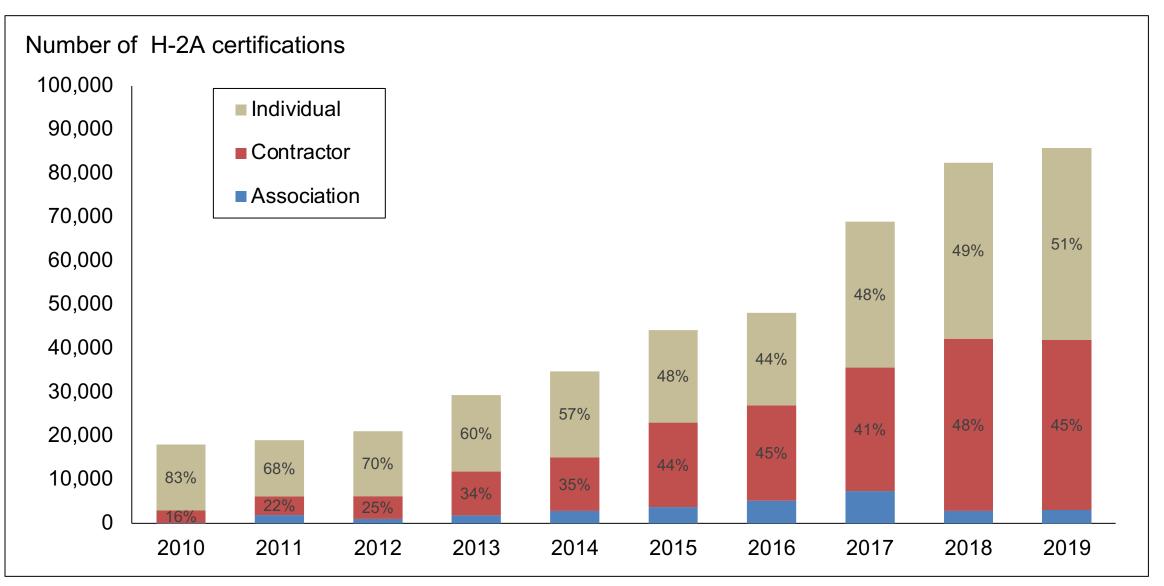


Three types of employers

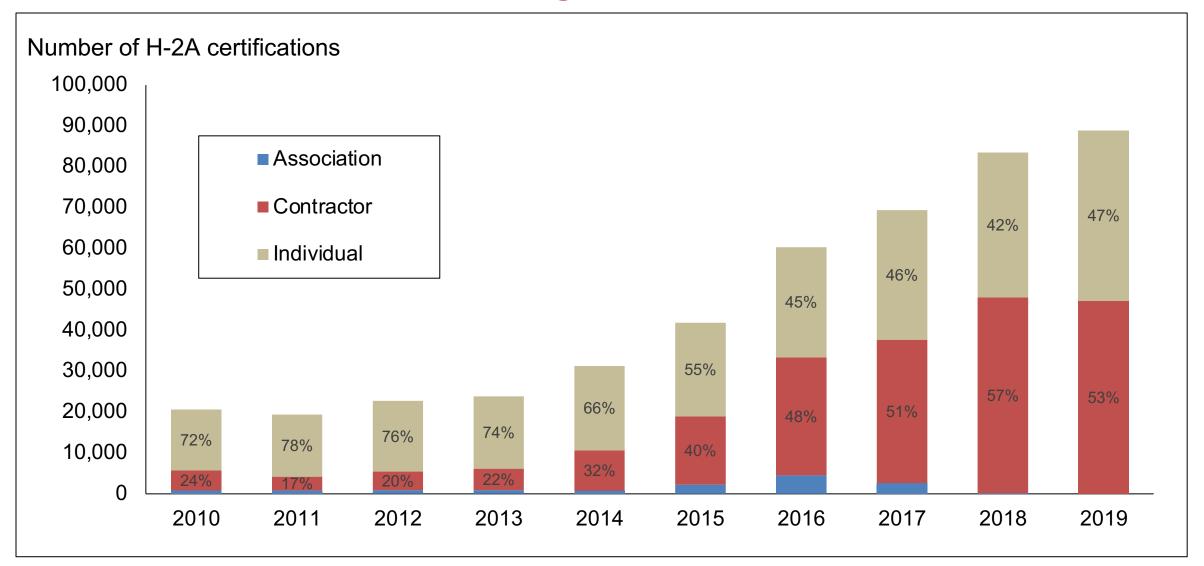
- Individual firms (employer and end user)
 - e.g. Peri & Sons Farms
- Growers associations
 - e.g. NCGA, WAFLA
- Farm labor contractors
 - e.g. Fresh Harvest Inc.



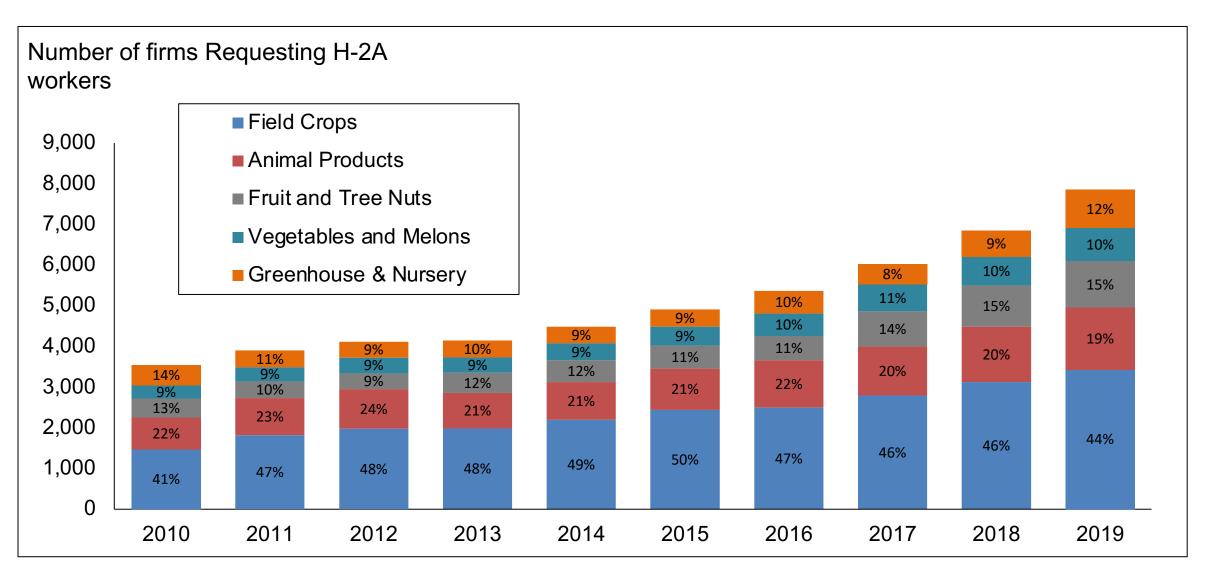
Fruit and tree nuts sector certifications by employer type



Farm labor contractors now majority of certifications in vegetables and melons sector

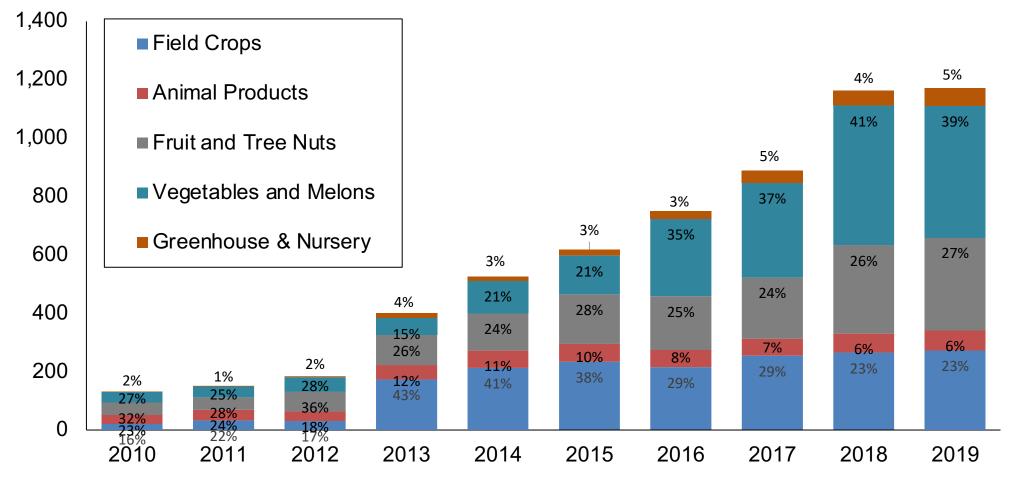


Number of individual firms requesting H-2A increased 70%



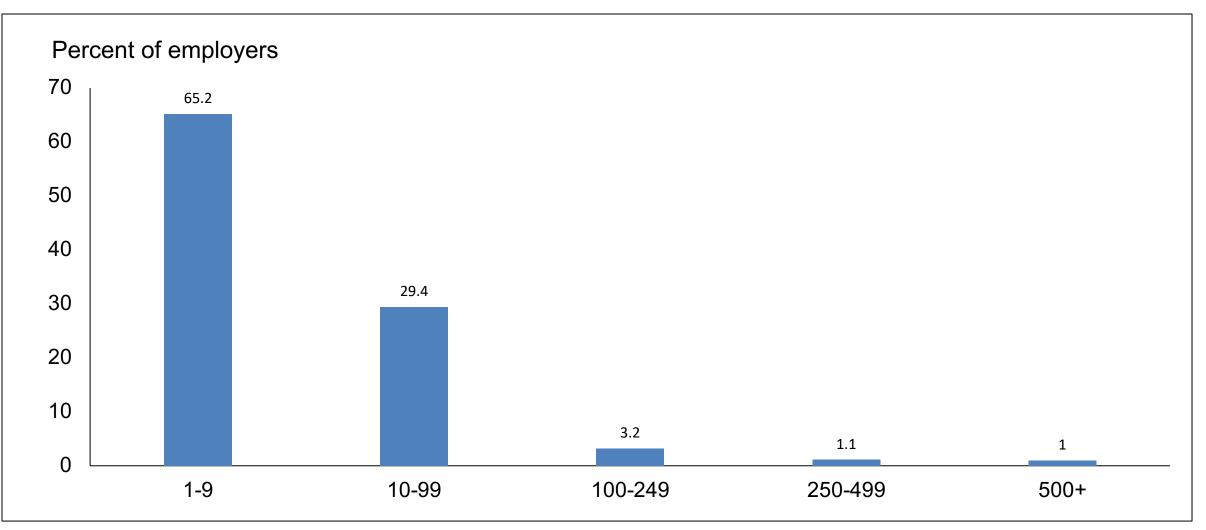
Number of FLC worksites using H-2A increases nearly 800%

Number of firms employing H-2A



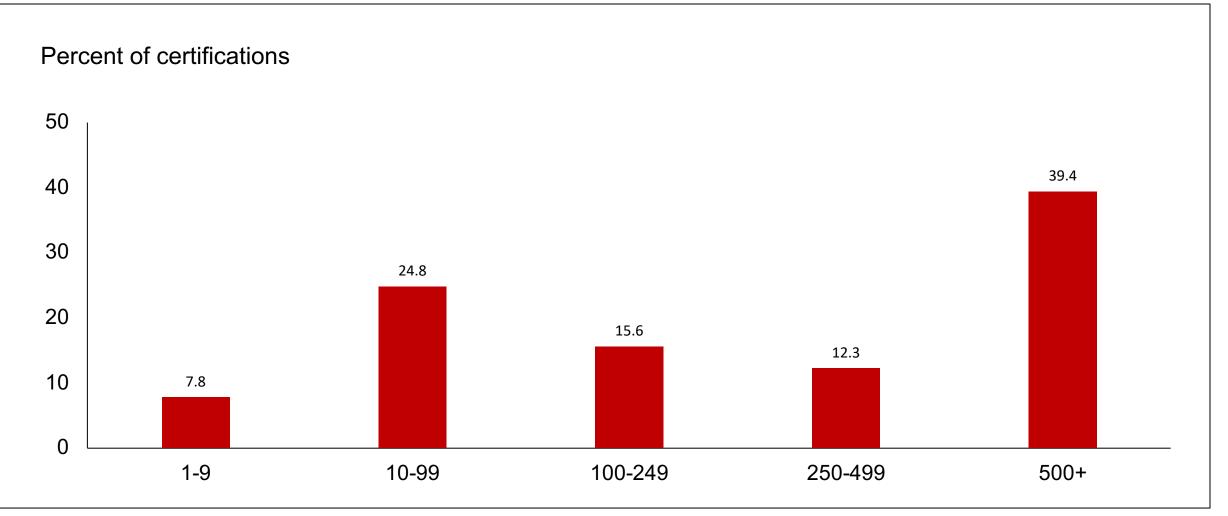
Note: Each worksite served by an FLC is counted as a separate employer

Two thirds of employers in FY2022 were firms in the 1-9 and 500+ size ranges



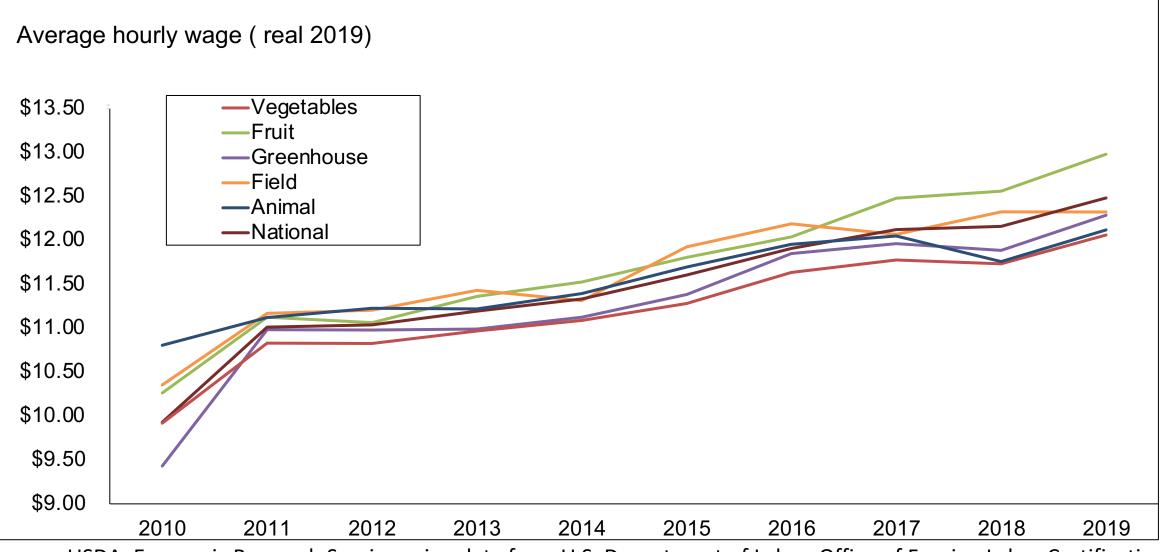
Note: Around 12,000 H-2A employers

Around 110 H-2A employers, each certified for 500+ jobs, accounted for 40% of all jobs in FY 2022

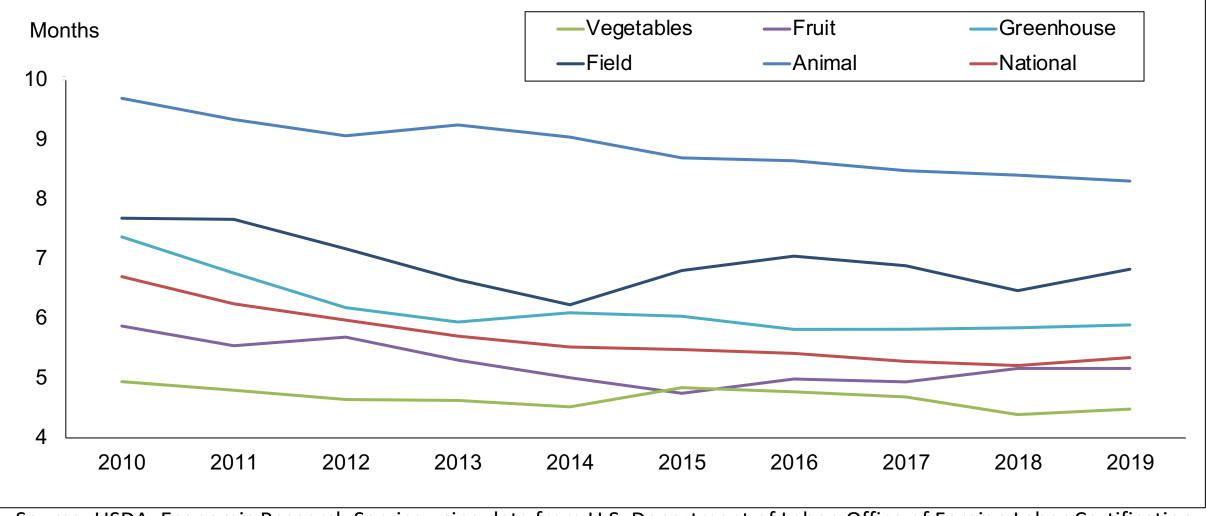


Note: Around 370,000 H-2A certifications

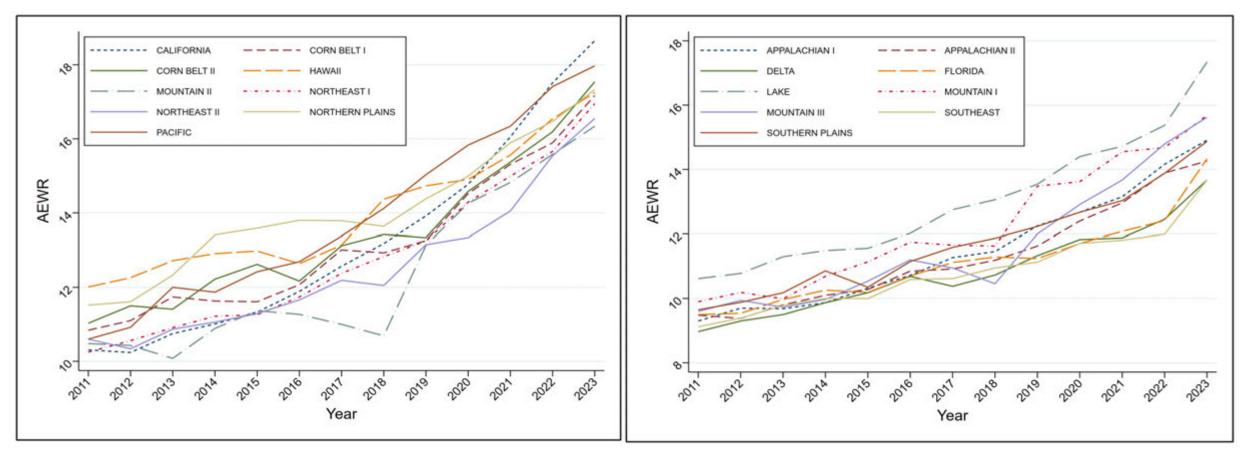
Real average hourly wage of H-2A workers by sector



Average contract duration fell from 6.7 to 5.3 months (2010-2019)



H-2A wages increased in all regions



- AEWRs rose 4% a year on average
- AEWR highest on West Coast and Midwest, lowest in Southeast



Concluding Remarks

- Dramatic uptake in H-2A labor certifications (369%)
- Growth strongest in fruit and vegetable sectors
- Rapid program expansion among FLCs
- Real wages offered increased by 26%
- Average contract length decreasing
- Most firms are small but largest firms requested 40 percent of certifications



Thank you for your attention!

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