California’s Drought, Impact on Labor: Perspectives from Farm Labor Contractors

Guadalupe (Lupe) Sandoval
California Farm Labor Contractor Association

www.calflca.org
916.505.0946 – Lupe@calflca.org
About FLCs

• Use of FLCs is growing – approaching 50% of paid farm labor

• Increase in year-round operations, but still focused on seasonal labor demands

• **Highly regulated (state and fed)**—MSPA, and stringent licensing and continuing education requirements.

• Increasing regulations from agencies including DLSE, Cal OSHA, Dept. of Workers Comp., etc.

• Ag producers rely on FLCs to provide seasonal and even year-round labor.
Fruits & Vegetables Harvested
California, Annual (tons), 1969-2009
Source: NASS CASS
Employment, Farm Labor Contractors, Annual Average California, 1975-2008, Source: BLS-CEW & EDD
Farm Labor Employment, Monthly, California, 1975-77 vs. 2007-09

Immigration and Farm Labor
Source: Philip Martin: “Immigration, Farm Workers, & the Food System”

- Early 1980s: 3-5 million unauthorized in US. 20-25% of CA farm workers = unauthorized; Enforcement = worker chase; % unauthorized workers reflected perishability (more unauth in citrus, fewer in lettuce and strawberries)

- 1987-88: IRCA legalized 1.1 million unauthorized farm workers (SAWs), streamlined H-2A program = streamlined, & created new RAW

- Expectation: farm wages & labor costs UP
  - Raise wages to retain newly legalized SAWs OR
  - Build housing to obtain H-2A guest workers

- But farm labor costs fell as unauthorized workers with false documents spread throughout USA; ample supply of workers supports ag expansion
Historic 2014 Drought

- CA: 9 million acres of irrigated crop land, including 5 million acres in SJV; 600,000 acre Westlands
- Estimating lost farm jobs: $1 million reduction in farm revenue associated with 20 to 50 fewer jobs.
- SJV water: 15 million acre feet of water/year used; 10 million from local inflows, 4 million via Delta, 1 million+ from groundwater overdraft. Less Delta water + overdrafting = reduced irrigated acreage, from 5 million to 3.5-4 million.
Historic 2014 Drought

• Which crops disappear, and what implications for farm workers?
  – High water & lower value crops down, orchards and some veggies up; from cotton & hay & pasture to nuts, fruits, and veggies
  – Some crop land will be lost to salinization & urbanization

• Farm worker cities, where 25-35% of jobs are in ag, are likely to be hard hit.
  – Already high unemployment rates of 25%+ even in summer
  – Many adults from rural Mexico, low levels of education make it harder to find/attract nonfarm jobs;

• Less water makes conditions in farm worker cities worse, but more water will not solve farm worker poverty
One of the poorest cities in California, Parlier’s population is nonetheless increasing more than 4% per year. Mayor Luis Patlan (first from left) has succeeded in attracting new industries such as Marco, which manufactures corrugated boxes. Marco Vice President Dave Bryant (second from right) poses with three of the plant’s 300 employees.
Current Labor Shortages?
Pew Hispanic Center – April 2012 Report

Five-Year Migration Flows Between the U.S. and Mexico, 1995-2000 and 2005-2010
(in thousands)

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<th>U.S. to Mexico</th>
<th>Mexico to U.S.</th>
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<td><strong>1995 to 2000</strong></td>
<td>670</td>
<td>2,940</td>
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<td><strong>2005 to 2010</strong></td>
<td>1,390</td>
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As California farmworkers age, a labor shortage looms

www.sacbee.com  2013/03/10

• ....per CFBF, over 70 percent of state ag producers anticipate a worker shortage starting this spring and worsening... Some officials estimate the labor force could fall by more than 80,000 farmworkers – down from the 450,000 workers whom farmers have come to rely on for the peak harvest of late summer.

• Tighter border enforcement
• Danger of cartels involved in human trafficking
• Improving economy in Mexico, including US farming operations
One person’s tragedy, means opportunity for another...

- Reduced planting, reduced jobs, reduced agricultural income for some...
- FLCs who may have suffered labor shortages may find more workers available.
- Growers in higher value crops (Napa/Sonoma wine grapes) hope for labor migrations.
- Challenges of affordable housing, and seasonal demands for labor.
CFLCA and FLC Efforts & Concerns

1) Share Labor

• FLCs do not live in isolation – a community of farmers, FLCs, mayordomos, and farm workers
• Common for FLCs to subcontract work to other FLCs
• FLCs often refer excess workers to other FLCs
CFLCA and FLC Efforts & Concerns

2) Share Information

- CFLCA conducts continuing education programs throughout the year, throughout the state.
- FLC 8-Hour Education programs include updates on laws and regulations and other critical updates.
- CFLCA publishes a quarterly newsletter
- CLFCA hosts conferences, including annual Ag Labor Issues Conference, March 20, Harris Ranch – see: [www.calflca.org](http://www.calflca.org) for info
3) AB 60 – Drivers ‘licenses’ for undocumented – increased mobility, &

- Soon legal right to drive, allowing some farmworkers to avoid Raiteros. HOW FAR?
- Some concern regarding the costs, versus benefits of transportation:
  - $6 - $9 per day for ride – VERSUS:
  - Costs of:
    - Licensing
    - Vehicle
    - Gasoline
    - Insurance
    - Maintenance
4) FLCs as Source of Info

- FLCs provide needed info to workers:
- AB 10 Minimum wage increases
- AB 60 limitations, license not valid for employment purposes
- Affordable Care Act, and Covered California
SACRAMENTO – With California experiencing its worst water shortage crisis in modern history, Governor Edmund G. Brown Jr. today joined Senate President pro Tem Darrell Steinberg and Assembly Speaker John A. Pérez to announce legislation to immediately help communities deal with the devastating dry conditions affecting our state and provide funding to increase local water supplies.
Calif. Drought Legislation: signed

• **Assisting Californians Disproportionately Impacted by the Drought**
  • $25.3 million from the General Fund for food assistance,...
  • $21 million from the General Fund and federal funds for housing related assistance for individuals impacted by the drought.

• Information received by CFLCA and FLCs will be shared with the workforce.
CFLCA can help

• Updated information to FLCs through FLC 8-Hour Programs
• E-Blasts to our members and interest lists
• Outreach via our conferences and meetings
• Newsletters
• Information provided on our website

• Requires sharing of information from state agencies, ag associations, and other interest groups
Many thanks

• Don Villarejo, Consultant, Researcher
• Phillip Martin, UC Davis,
  http://migration.ucdavis.edu