



# The Future of Agricultural Labor in Washington




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Issues Caucus  
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# Washington State Farmworker Demographics




- ✦ Approximately average of 100,000 agricultural workers in Washington State with a seasonal peak of 140,000.
- ✦ 78% of US ag workers were born outside of the US.
- ✦ By extrapolation, 78,000 -109,000 immigrant farm workers in Washington State
- ✦ The best estimate is that 50% of the US agricultural workforce is undocumented. It is assumed that applies to Washington State.

# Economic Impact of Farmworkers in Washington State



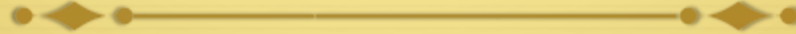
- ✦ \$10.6 Billion contributed by agriculture to Washington State's GDP annually (2016)
- ✦ Approximately \$5.0 billion farm receipts from labor-intensive fruits, vegetables, nuts, nursery, greenhouse and dairy (2016)
- ✦ Total Wages to employees in Washington State Crops and Livestock of \$1,934,838,119 (2015)

# Economic Impact of Farmworkers in Washington State



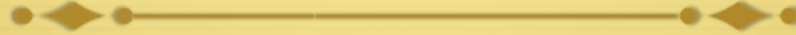
- ✦ If the 50% of our workforce assumed to be undocumented was eliminated due to immigration policy and enforcement, without a legalization option and much more flexible temporary visa programs, the \$5.0 billion in produce and specialty crop farm receipts would drop by almost 50%, at least in the first year.

# Changing labor market



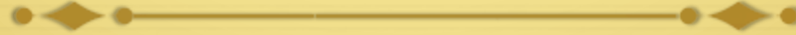
- ✦ More labor demand
- ✦ Longer labor demand by more growers
- ✦ Changing wages and labor cost structure
- ✦ Mechanization is increasingly available and cost effective
- ✦ More labor contractors

# Changing labor force



- ✦ Fewer locals available
- ✦ Fewer Mexican migrants
- ✦ More H-2A Workers
  - ✦ 2018: 25,000 certified workers in 260 individual contracts
  - ✦ 2019: 30,000 + ?
- ✦ More mechanization

# Size of Farms Increasing



- ✦ Allows for economy of scale with higher costs (esp. labor) and new regulations causing more management overhead.
- ✦ Allows for longer employment
- ✦ Allows for more intensive management
- ✦ All of the above factors are conducive to use of temporary visa programs

# The Farm Workforce is Exposed



- ✦ E-verify is a broadly supported requirement in comprehensive immigration bills.
- ✦ The agriculture industry sees E-verify as inevitable.



# The Farm Workforce is Exposed

- ✦ If the 50% of our workforce which is undocumented was eliminated by policy and enforcement, production of labor intensive crops would drop by almost as large an amount unless industry action was taken.
- ✦ E-verify would result in:
  - ✦ More mechanization where feasible.
  - ✦ Broad adoption of a foreign worker programs, (currently H-2A) would one industry reaction.
  - ✦ Some farms changing to non-labor intensive crops.
- ✦ Broad adoption of H-2A or other foreign worker programs would require ramp-up time of several years to replace loss of 50% of workforce. Shortages of seasonal and skilled year-around employees would result unless a ramp-up period was allowed.

# Immigration Reform Approach is Critical

- ✦ The agriculture industry is concerned about an “enforcement only” legislative action.
- ✦ E-verify without a pathway to legal status for current workforce AND improved temporary visa programs must be avoided.
- ✦ Comprehensive approach allows balance of enforcement with legalization and temporary visa programs.

# Current Immigration Proposals for Agriculture

- ✦ Agricultural Guestworker Act
- ✦ Replaces H-2A with a capped guestworker program.
  - ✦ Requires all undocumented workers in current workforce leave the country to become temporary visa workers.
  - ✦ 3-year H-2C visas
  - ✦ Provides a low cap on ag visas
  - ✦ Returning H-2A workers and undocumented workers not counted towards the cap.
  - ✦ Requires E-verify (phased in over 2 years)
  - ✦ Requires employees to buy health insurance

# Future Immigration Legislation



- ✦ Ag Guestworker Act doesn't have enough support in Republican caucus to pass Senate or House. With change in House control there is no chance in House
- ✦ Best guess is that no significant immigration legislation until after 2020 election.
- ✦ Ag industry supported S.714 Blue Card program with legal status for current workforce in 2013.
- ✦ Blue card system better for short duration employment and smaller growers.

# Future Immigration Legislation



- ✦ Ag industry needs to support legal status for current workforce.
- ✦ Ag industry should consider a two-pronged approach for foreign workers – Keep H-2A and add a “Blue Card” system similar to S.714 passed by Senate in 2013.
- ✦ Passage of a comprehensive immigration bill will take bipartisan support, and the involvement of labor.
- ✦ Agriculture needs to keep true to its principles and push for what will work for us.