

THE ROLE AND RESPONSIBILITY OF USDA
IN AGRICULTURAL LABOR POLICY

A report by the
Agricultural Employment Work Group
for the
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PREFACE

This report presents a consensus view of the appropriate role of USDA in agricultural labor policy, resulting from discussions of the Agricultural Employment Work Group. After more than two years of meeting, the group has come to the conclusion that increased involvement of USDA in agricultural labor policy on behalf of employer, worker and public interests is the single most important recommendation of the Group's work to date. This paper contains specific proposals for implementing this recommendation.

The Agricultural Employment Work Group (AEWG) was organized by the U.S. Department of Agriculture to study labor issues in the nation's agriculture. A major impetus for the organization of the Work Group was the hostile and confrontational atmosphere that existed in the farm labor arena and which threatened the welfare of all those at interest: growers, farmworkers, and society. The Work Group is charged with making recommendations to the U.S. Department of Agriculture (for transmittal to other agencies as appropriate) on ways to improve the agricultural labor environment. It is a unique combination of representatives of agricultural employer and farmworker interests, agricultural labor economists and personnel specialists, and government representatives.

The initial report of the Work Group, entitled Agricultural Labor in the 1980's: A Survey with Recommendations provided a consensus view of the nature of the agricultural labor problem in the United States and general approaches toward resolving it. Since that time the Work Group has been involved in more detailed examination of several of these recommended areas of action in order to develop specific suggestions for implementing its general recommendations. It has also discussed aspects of the agricultural labor problem not dealt with in the initial report.

The Agricultural Employment Work Group is supported through a cooperative research agreement between the U.S. Department of Agriculture and the Center for the Study of Human Resources of the University of Texas at Austin. Dr. Robert Glover, Director of the Center, is Project Director and Chairman of the Work Group. Dr. James Holt, an agricultural labor consultant, provides staff support for the Work Group. This statement was written jointly by Glover and Holt with substantial input from members of the Work Group. It has been rewritten four times to incorporate revisions recommended by the Work Group. Members of the Agricultural Employment Work Group who participated in the preparation of this report, and their affiliations, are as follows:

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IN AGRICULTURAL LABOR POLICY

As part of its role as an active advocate for agriculture, USDA needs to develop a systematic agricultural labor policy which considers both producer and worker interests in promoting a healthy, viable and profitable future for the industry. Two primary goals offer a solid framework on which such a policy can be built:

- (1) an adequate and productive supply of labor to facilitate agricultural production; and
- (2) an adequate level of income and quality of life for persons employed in agriculture.

These two goals are so interrelated that one cannot be achieved without the other. The needs of both employers and workers must be served, because the well being of each group (and the health of the industry as a whole) is in the long run inextricably bound to that of the other.

Both goals are extensions of historic missions of USDA. The first goal recognizes the critical importance of labor in agricultural production and the responsibility of USDA to assure adequate supplies of agricultural products at reasonable cost to consumers. The second goal recognizes the Department's longstanding concern with the economic welfare and quality of life of America's farmers and logically extends that to the increasing proportion of the farm work force that works for wages and salaries as its share of farm income.

In fact, USDA is already involved in agricultural labor issues in several significant ways; for example:

- USDA's economic research and statistical programs collect data and conduct research on farmworkers and agricultural employment.
- The Farmers Home Administration has responsibility for a farmworker housing program.
- The USDA General Counsel is often involved with other government agencies in legislative and regulatory policy formation on agricultural labor issues. For example, the General Counsel has been active in developing the Administration's policies on immigration control and on revisions to the Farm Labor Contractor Registration Act and its regulations.
- USDA and the Land Grant Colleges conduct research on mechanization, farm management techniques and technical and scientific matters affecting labor utilization, productivity and cost.
- In some states, the Cooperative Extension Service system provides various services to farmworkers and conducts or coordinates programs to improve the labor management skills of farm employers and to upgrade the occupational skills of farmworkers.

What is missing is a systematic policy framework for USDA to conduct its activities with respect to agricultural labor. The "ad hoc" mode of operating which has characterized the Department's agricultural labor activities in the past should now be replaced with an institutionalized mechanism to develop and implement a coherent policy toward agricultural labor.

This paper speaks to the need for a permanent mechanism in the Department to address agricultural labor issues systematically. It identifies what the mechanism might be, how the mechanism might be

institutionalized, and illustrates how it might work. The paper does not advocate the details of what agricultural labor policy should be. We recognize that the content of agricultural labor policy involves value questions that are resolved at any given time in the political arena.

The Need for a USDA Agricultural Labor Policy

Hired labor is an essential agricultural production input, an important production cost, and a major source of employment and income for many of our nation's citizens.

- An estimated 850 thousand farmers paid more than \$12 billion in wages to hired agricultural labor in 1980.
- Hired labor accounts for one in every twelve dollars of farm production expenses (and up to two of every three dollars in some commodities).
- More than 2.4 million workers received some or all of their income from hired farmwork in 1981.

The past two decades have witnessed rapid industrialization of the agricultural industry and rural areas. The size of the hired labor force on individual farms is increasing, and hired labor accounts for an increasing proportion of the work performed on farms. The exclusions and exemptions from coverage by labor legislation and social programs which long applied to farmworkers recently have begun to be eliminated. The social, economic and public policy environment within which the agricultural employment relationship takes place is vastly different from what it was as recently as twenty years ago. In this new environment, it is vitally important to farmers and farmworkers that USDA have a permanent, institutionalized mechanism for systematically addressing agricultural labor issues.

Human inputs and resources are as vital to the future of agriculture as capital and natural resources. Policies to insure an adequate supply of productive labor for agricultural production and to promote the well being and development of those who work in agriculture are as important to the future health of the agricultural industry and the nation as is, for example, existing policies to assure the wise use of our scarce soil, water and other natural resources, or policies to expand international markets for U.S. agricultural exports.

Furthermore, efficient management of American agriculture, and the maintenance of cost competitiveness in the world economy, demands efficient utilization of labor. A high level of labor management skills is essential to an economically viable U.S. agricultural industry.

The increased importance of hired labor to agriculture has not yet been reflected in USDA's programs and institutions. There is no systematic policy framework within which USDA's already considerable agricultural labor activities operate. And there is no mechanism for assuring USDA's involvement in the wide array of legislation, regulation, policy and programs developed outside USDA, which have a significant economic impact on agriculture.

Elements of a Mechanism

The principal missions of USDA in agricultural labor policy would be to

- (1) coordinate and evaluate existing USDA agricultural labor activities,
- (2) develop and recommend changes in USDA programs when needed, and (3)

represent the Department to other government agencies in the development,

implementation, evaluation and alteration of programs affecting agricultural labor. These missions require coherent policy goals and objectives, an information base, and a capacity to monitor, evaluate and develop recommendations for changes in the programs of USDA and other agencies.

The Agricultural Employment Work Group recommends the following steps for conducting agricultural labor policy:

1. Prepare a clear statement of the mission of USDA with respect to agricultural labor.
2. Maintain an information base designed to monitor the performance of the agricultural labor system.
3. Assess the performance of the agricultural labor system on a continuous basis, identifying existing and emerging problems.
4. Develop appropriate strategies for dealing with the problems identified.
5. Cooperate with appropriate personnel in USDA and other agencies to develop and implement appropriate strategies for solving the problems identified.
6. Monitor and evaluate implementation of solutions.

These recommendations are consistent with USDA's present operating mode. USDA currently has department-wide goals and objectives and a process for generating them; however, no current goals and objectives address agricultural labor policy. The Department has a statistics and research staff which develops and maintains a knowledge base in many areas related to agriculture and rural America and serves the policy-making process by evaluating alternative solutions. The Department also operates programs which are or may become

appropriate mechanisms for dealing with some agricultural labor problems, including research (physical and social science), education (cooperative extension), regulation and action programs (such as FmHA farmworker housing). In other words, many of the elements are already in place, and USDA has taken some action on agricultural labor issues. However, such action has been taken in a piecemeal, incremental fashion that has occurred in the absence of a policy framework. What is missing is an explicit recognition of agricultural labor as a concern of USDA, the explication of policy goals and objectives and an institutionalized mechanism for implementing agricultural labor policy.

Institutionalizing the Mechanism

The current leadership in USDA, recognizing the importance of impending agricultural labor issues, assigned the task of developing agricultural labor policy for the Department to the Office of the General Counsel. This assignment, which was recognized as an ad hoc arrangement, responded to the reality that there was no immediately obvious "right place" in the Department to locate the function. Also, the most pressing farm labor issues facing the new Administration -- especially immigration control and farm labor contractor regulations -- were legislative and required legal expertise. Fortunately for the Department and the agricultural industry, the General Counsel recognized the critical importance of these issues and has exhibited extraordinary diligence in developing USDA policy to deal with them.

While this temporary arrangement has worked well because of the interest and dedication of the current General Counsel, a more permanent

agricultural labor policy mechanism is needed. Agricultural labor policy must be a stable, visible function in the Department's organizational structure and the Department must have a continuing capability to anticipate and surface emerging issues before they become crises. This can best be accomplished by a small permanent staff drawing on the statistical, research and program resources already existing in the Department.

To institutionalize the agricultural labor policy function within USDA, the Agricultural Employment Work Group recommends that:

1. The Secretary of Agriculture explicitly adopt agricultural labor policy as a legitimate concern of USDA.
2. An Office of Agricultural Labor Policy be created under the Assistant Secretary for Economics to coordinate agricultural labor policy for USDA. Staffing requirements for this office are estimated to be two professionals and a secretary. This staff could draw on the research and operating programs as necessary. To get started, the following steps must be undertaken by the staff:
 - (a) Develop a mission statement on the role of USDA with respect to agricultural labor, outlining goals and objectives. Once developed, the mission, goals and objectives must be officially adopted by the Department and incorporated into its regular departmentwide goals and objectives.
 - (b) Evaluate the available information base regarding agricultural labor to assure that appropriate information is obtained to adequately measure and assess performance in the areas of the goals and objectives adopted.
 - (c) Develop relationships with each of the USDA program areas currently operating labor-related programs to begin communication regarding current activities and emerging problems. Also, examine other USDA programs for potential impact on agricultural labor and interject labor policy as a departmentwide concern.

- (d) Establish relationships with the agencies outside USDA currently operating programs related to agricultural labor to develop communications on current activities and emerging problems.
- (e) Establish a capability to evaluate programs and recommend changes
- (f) Establish dialogue with agricultural employers and farmworker interests along the lines of the Agricultural Employment Work Group.

The Need for Interdepartmental Cooperation

Federal agricultural labor issues inevitably fall in the sphere of interest of more than one governmental agency. They are clearly agricultural concerns, and at the same time clearly labor concerns. Sometimes they are even more fractured. Farmworker housing, for example, is legitimately an agricultural, labor and housing issue. While there may be better and worse ways for dealing with such issues, there are no inherently "right" or "wrong" ways. We feel, for example, that agricultural labor regulation and enforcement are most appropriately handled by the Department of Labor as part of its employment standards enforcement, and that job matching services to farmworkers are most appropriately provided by the Job Service. Other activities, such as upgrading farmers' labor management skills, conducting research aimed at improving labor productivity in agriculture, and improving instream housing for migratory framworkers are appropriate functions of USDA.

However, no matter which agencies administer programs affecting agriculture and agricultural workers, it is always important that these programs be conceived appropriately and carried out effectively. This will require coordination and consultation among various units of government,

both Federal and non-Federal, and between government and the private sector. Because most current governmental programs pertaining to agricultural labor are carried out by other agencies, USDA's appropriate role often will be limited to consultation in the design, promulgation and execution of programs, and to educating other agencies about problems affecting agricultural employers and farmworkers. We believe that this function is important, since failure to consult with USDA in the design and implementation of programs in the past often has exacerbated agricultural labor problems.

The staff of the proposed Office of Agricultural Labor Policy will need to establish good informal working relationships with individuals in other departments who deal with agricultural employment issues. Formal arrangements will be needed infrequently and generally best developed on a case by case basis. However, because so many agricultural labor issues involve both the Departments of Agriculture and Labor, we recommend that the Secretary meet with the Secretary of Labor to discuss USDA's interest in agricultural labor, the institutional mechanisms needed to address it, the vital need for interdepartmental cooperation and the creation of a standing interdepartmental consultative committee to discuss issues of mutual concern.

USDA/USDL Cooperative Agenda

During the course of its deliberations, the Agricultural Employment Work Group identified numerous issues on which consultation and collaboration between the Departments of Agriculture and Labor is critically needed. Indeed the following list could provide an initial agenda for the proposed interdepartmental discussion:

Data Issues

1. Examination of needs for data and information on farm employment and farmworkers for policy and program operating purposes.
2. Establishment of common definitions of terms and concepts for statistical purposes and program administration.
3. Examination of the possibilities for interdepartmental collaboration in statistical programs.
4. Establishment of an "early alert" system to provide prompt intelligence on both technological changes in production likely to affect employment and changes in labor market conditions likely to affect the availability of agricultural labor.

Labor Standards and Labor Law Enforcement

5. Uniform and equitable enforcement of agricultural and general labor laws across all jurisdictions and industries.
6. Establishment of reasonable occupational safety and health standards in agriculture and development of a research program to provide appropriate objective information to set future standards.
7. Establishment of reasonable standards for pesticide protection and of training activities needed to protect farmworkers and development of a research program to provide appropriate objective information to set future standards. (This effort should also involve the Pesticide Farm Safety Program in the Environmental Protection Agency).

Farmworker Training Programs

8. Consideration of changes in farmworker programs to facilitate training of farmworkers for upgraded jobs within agriculture.

Farmworker Housing

9. Coordination of the Department of Labor's Farmworker Housing Assistance Program with the Farm Labor Housing Programs operated by Farmers Home Administration. (This coordination should also be extended to farmworker housing programs in the Department of Health and Human Services).

Temporary Worker Program

10. Consultation on the development of reasonable regulations and enforcement procedures for a modified Temporary Worker Program.

In addition, USDA should be responsive to agenda suggestions from the U.S. Department of Labor. Indeed, the Department of Labor is likely to participate in consultation only to the extent that it is a joint process.

Summary

We recommend that USDA adopt a systematic policy framework under which to conduct its activities with respect to agricultural labor. The "ad hoc" mode of operating which has characterized the Department's agricultural labor activities in the past now should be replaced with an institutionalized mechanism to develop and implement coherent policy toward agricultural labor.

In summary, we recommend:

1. The explicit adoption of agricultural labor policy as a legitimate concern of USDA.
2. The development and institutionalization of a mechanism for formulating and implementing this policy through the creation of an Office of Agricultural Labor Policy under the Assistant Secretary for Economics.
3. The establishment of a permanent consultative mechanism on agriculture labor issues with the U.S. Department of Labor.

Implementation of these measures will provide guidance and legitimacy to the Department's current activities related to agricultural labor. It also will help USDA address the interrelated goals of achieving (1) an adequate and productive supply of labor to facilitate agricultural production and (2) an adequate level of income and quality of life for persons employed in agriculture. The results will benefit agricultural employers, farmworkers and society at large.