



CALIFORNIA
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A NEW PARADIGM IS NEEDED FOR LABOR RELATIONS IN AGRICULTURE:

CALIFORNIA AGRICULTURE AND FARM
LABOR, 1975-2014



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Introduction and Overview

The main thesis of the present report is that the economic status of California's farm laborers has deteriorated, despite the Agricultural Labor Relations Act and the remarkably positive performance of the industry as a whole. The prospect that ALRA's paradigm of labor versus capital would ultimately benefit most workers has largely been a failure. Labor unions and employers now battle in the courts and state legislature to gain advantage against one another, while many workers' meager economic gains come from increases in the state's minimum wage.

This report reviews the decline of the economic status of hired farm labor in California. All measures of farmworker annual average wage rates, whether reported by surveys of employers or of workers, indicate annual average wage rates, adjusted for inflation, are lower now than they were in 1974. Just as telling, the number of farmworkers with the protections afforded by labor union – management agreements is far fewer today than in 1974.

At the same time, despite repeated droughts, devastating freezes, reports of labor shortages, pest infestations, increasing government regulation, and rising costs of production, the state's farm economy has attained impressive economic returns. These successes were achieved mainly as a result of greatly expanded production of agricultural commodities that rely on hand labor.

Simultaneously, the structure of the state's farm economy became highly concentrated, as measured by the size distribution of agricultural businesses, with an ever smaller number of farms accounting for three-quarters of annual farm sales in successive years. Among farms employing hired labor, there were dramatic shifts in this forty-year period, mostly replacing short-term or temporary direct-hire employees with contract labor. Similar to the greater degree of size concentration of farms, large employers, especially among farm labor contracting businesses, now account for a sharply increased share of farm employment.

Despite the remarkable economic performance of the state's agriculture sector, unacceptably high rates of poverty persist among farm laborer families as well as in communities in which

they are a plurality of private sector employment. Of all California counties, reliance on SNAP (food stamps) and food pantries is greatest in Tulare County, the state's, and the nation's, leader in farm production.

In other parts of the nation alternative forms of concerted action by farm workers have led to improvements in their earnings. Most significantly, these successful efforts have involved mobilizing consumers to leverage food processors, supermarkets and fast food outlets to assume a significant share of the responsibility for improving farmworker wages. Since most of consumers' food dollars go to processors and vendors, not to farmers, it is increasingly apparent they must share responsibility for the wages of those who produce food products.

Based on the information presented in this report, it is clear that a convening mechanism is needed to advance a new paradigm for labor relations in California agriculture. Food marketers, processors, farmers and ranchers, farm workers and farm labor organizations should be brought to the table to inform policy makers on developing mechanisms whereby all parties assume joint responsibility for improving the economic status of farm labor.

Farm labor: then and now

It is indisputable that hired and contract farm workers in California have gained important new protections during the past forty years, including the legally protected right to engage in concerted action to improve their wages and working conditions. But nearly all improvements were outside the framework of the ALRA.

The short-handled hoe was banned in 1975 after a campaign by California Rural Legal Assistance (CRLA) and the United Farm Workers of America (UFW). A few years later, the federal Migrant and Seasonal Agricultural Worker Protection Act established new standards for farm employers ---- including labor contractors ---- who recruited, hired, transported, or housed migrant and seasonal farm laborers. Later, the federal Field Sanitation Standard stimulated widespread adoption of toilets and other sanitary facilities at worksites, although many farms and labor contractors had implemented these practices decades earlier. Eventually, the federal Worker Protection Standard established workplace safety standards for workers on farms where restricted agricultural chemicals (dangerous pesticides) were in use.

Ten years ago, during an outbreak of farmworker occupational heatstroke fatalities, the state adopted the Heat Illness Standard advocated by CRLA and the UFW, and it was later strengthened to address the health risks presented by extremely high temperatures. Other policy initiatives have led to stricter regulation of farm labor contractors (FLC) as well as requiring written workplace safety programs.

Advocates, labor unions and the agricultural industry have together made farm worksites safer in California. Recently, two California farm operators established their own health clinics where their employees can obtain services for various health conditions, including those occurring at home, with modest co-pays.

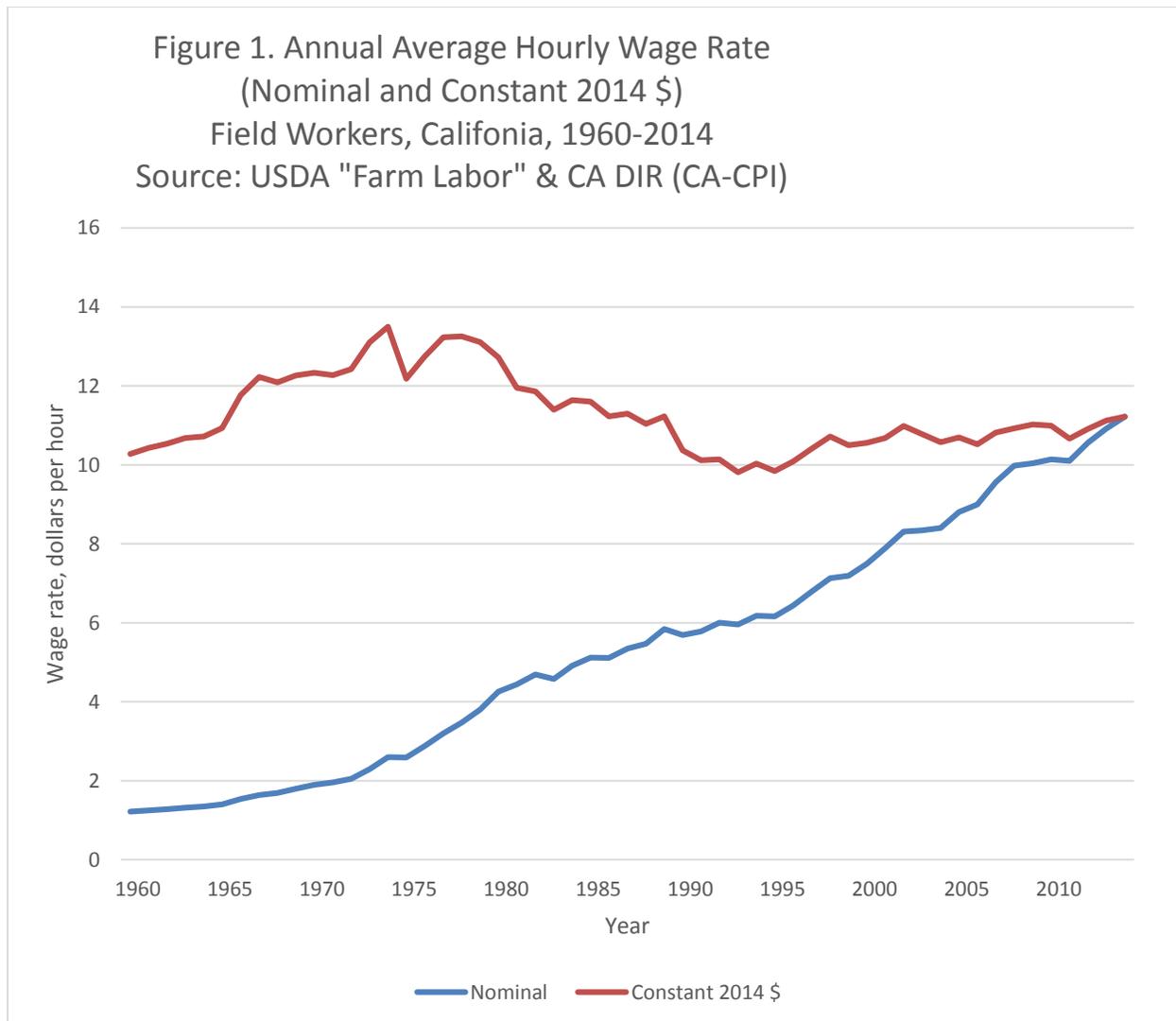
But when it comes to wage rates, earnings and paid employment benefits, the situation of farm labor in California has not improved. There is evidence that wage rates in 2014 compared with those in 1974 (measured in constant 2014 dollars) have declined for direct-hire field & livestock workers.

In 1974, farmers and ranchers reported to the USDA Farm Labor Survey (USDA FLSUSDA) the annual average wage rate for California's direct-hire field & livestock labor (production workers) was \$2.60 per hour (\$13.50 per hour in inflation-adjusted 2014 dollars).¹ But in 2014, California's farmers and ranchers reported the annual average wage rate for direct-hire field and livestock workers was \$11.33 per hour,² or \$2.19 per hour below what was needed to keep up with inflation.

Figure 1 presents the year-by-year USDA FLSUSDA annual average wage rates for direct-hire field labor (production workers only) in California crops since 1960 as reported by farm operators. Both nominal and inflation-adjusted wage rates are presented.

¹ See "Average Wage Rates for Field and Livestock Workers Combined, States and Regions, 1974-1980," published by the United States Department of Agriculture (ERS-NASS) as electronic file flbulwg1.xls and distributed, on demand, via a 3.5" floppy diskette. The file was originally published in Lotus 1-2-3 format and converted to Excel format by the author. As noted in that document, "Estimates by State and Region, for the various methods of pay and types of workers begin with 1974." Adjustment for inflation to 2014 dollars was accomplished by reference to the California Consumer Price Index published by the California Department of Industrial Relations. Cf. <https://www.dir.ca.gov/OPRL/CAPriceIndex.htm>

² See USDA, *Farm Labor*, November 20, 2014, "Annual Average Wage Rates – Regions and United State: 2013-2014," p. 24.



An independent measure of the 40-year change of farm labor wage rates compares them with wage rates for production workers in California manufacturing jobs.³ That ratio, in both 1974 and 2014, was identical: 54.2%, meaning that farm production workers made no progress in improving their earnings relative to other production workers in the state in the last forty years.

Reports of wage rates from the USDA FLS can be compared with other reports. Notably, the National Agricultural Workers Survey (NAWS) of the U.S. Department of Labor, which conducts interviews with crop workers who provide seasonal agricultural services in California ---- both direct-hire and contract labor ---- finds the annual average wage rate for the period 2011-2012

³ Annual average hourly earnings in Manufacturing are reported by the California Department of Employment Development, Labor Market Information Division. The USDA/NASS Farm Labor survey reports annual average field labor wage rates.

was \$9.06 [Gabbard et al. 2015]. In contrast, the USDA FLSUSDA annual average wage rate for direct-hire field labor during the same two-year period, as reported by employers, was \$10.33.⁴

The California based Farm Employers Labor Service (FELS) surveys farm operator wages and benefits, administered through several industry associations, including the Western Growers Association. For 2012, the FELS survey reported annual average wage rates for the direct-hire, manual labor job categories: General Laborer 1, \$10.19, and General Laborer 2, \$9.58 [Farm Employers Labor Service. 2013].

The FELS survey also reported average wage rates paid by labor contractors who worked for the farm operations surveyed. Reported average labor contractor wage rates were: General Laborer 1, \$9.88, and General Laborer 2, \$9.85. The FELS reported 44.59% of respondents had hired labor contractors for production.

It is likely the range in values of the different reports of annual average wage rates can be partially attributed to the differences in the populations sampled. The USDA FLSUSDA sample is of crop & livestock farm operators who directly employ field laborers. During 2011 and 2012 the USDAFLS did not include a sample of labor contractors. The FELS survey included reports for both crop and livestock farms, such as dairy farms, and is likely to rely primarily on larger farm businesses. The NAWS survey is the only survey based exclusively on reports from crop workers themselves, including those working for farm labor contractors.

Associated with deterioration of real wage rates between 1974 and 2014 was a precipitous reduction of the number of workers represented under collective bargaining agreements. Farm laborers covered by union contracts sharply declined from the UFW's estimate of "...about 48,000 jobs..." in the pre-ALRA period of the early 1970s to just a few thousand today.⁵

Benefits for year-round employees are more extensive than for seasonally employed workers. The only recent survey with comprehensive consideration of employer paid benefits is the 2012 FELS survey, which indicated a little less than half of employers (45%) provided health insurance for their year-round employees as well as an annual bonus or profit-sharing, and more than half (55%) provided paid holidays [Farm Employers Labor Service. 2013]. But seasonally employed workers fared less well. Just 4% of employers provided health insurance for these workers, about 7% paid an annual bonus or profit-sharing payment, and about 11% provided paid holidays.

⁴ See USDA *Farm Labor*, issues dated November 17, 2011 (p. 16) and November 19, 2012 (p. 24). The wage rates for field labor were \$10.10 and \$10.56 in the two years, respectfully. The average is \$10.33.

⁵ Miriam Pawel, *The Union of Their Dreams. Power, Hope, and Struggle in Cesar Chavez's Farm Worker Movement*, Bloomsbury Press, 2009, p. 81, provides the estimate of 48,000 jobs. By 2015, according to Mike Johnston, there are probably fewer than 5,000 farmworkers covered by union-management agreements.

California farms: then and now

The quinquennial Census of Agriculture provides information that, by happenstance, coincided with the year prior (1974) to enactment of the ALRA as well as a recent year (2012). Table 1 provides benchmark snapshots of the state's farms in those two years, just before enactment of the law governing farm labor relations, and long after.

The most important points determined in this comparison are:

- acreage of harvested cropland was nearly the same;

but *large* increases for:

- the amount of harvested fruits and vegetable (millions of tons);
- the fraction of total farm sales accounted for by labor-intensive Fruit, Vegetable and ornamental Horticulture (F-V-H) crops;
- the acreage of land in orchards (trees and vines);
- the square-footage of land devoted to ornamentals and crops grown under glass (greenhouses) or other types of cover.

Not described in Table 1 is the large increase of the number of dairy cows in the state's herds, amidst a sharply diminished number of farms maintaining them. California today is the nation's leader in the production of fluid milk.

The expansion of labor-intensive⁶ farm productions is best summarized by the fact that the physical volume of fruit and vegetable production – which is independent of commodity prices – has nearly doubled since 1975, from about 21 million tons per year to about 40 million tons per year by 2012.⁷ If this were a measure of the amount of California-produced autos or refrigerators, it would be front-page news, but since it is lettuce, melons, nectarines, grapes and strawberries, among many others, it merits far less attention.

⁶ The term *labor intensive*, as used in the present report, refers to agricultural commodities for which labor costs, including both direct-hire and contract labor, is a plurality of all production expense. Typically, these commodities are berries, fresh-market vegetables, melons and sweet corn, and fresh market fruits, as well as ornamental horticultural products and crops grown under glass or other forms of cover.

⁷ See California Department of Food and Agriculture, *Agricultural Statistical Review*, Sacramento, 2013. For some earlier years, the title varies slightly, as *Resource Directory*. For 1975, see U.S. Department of Agriculture, *Agricultural Statistics 1975*, U.S. Government Printings Office; Chapters IV & V.

**Table 1. California Agriculture: Then and Now
Selected Findings, 1974 and 2012**

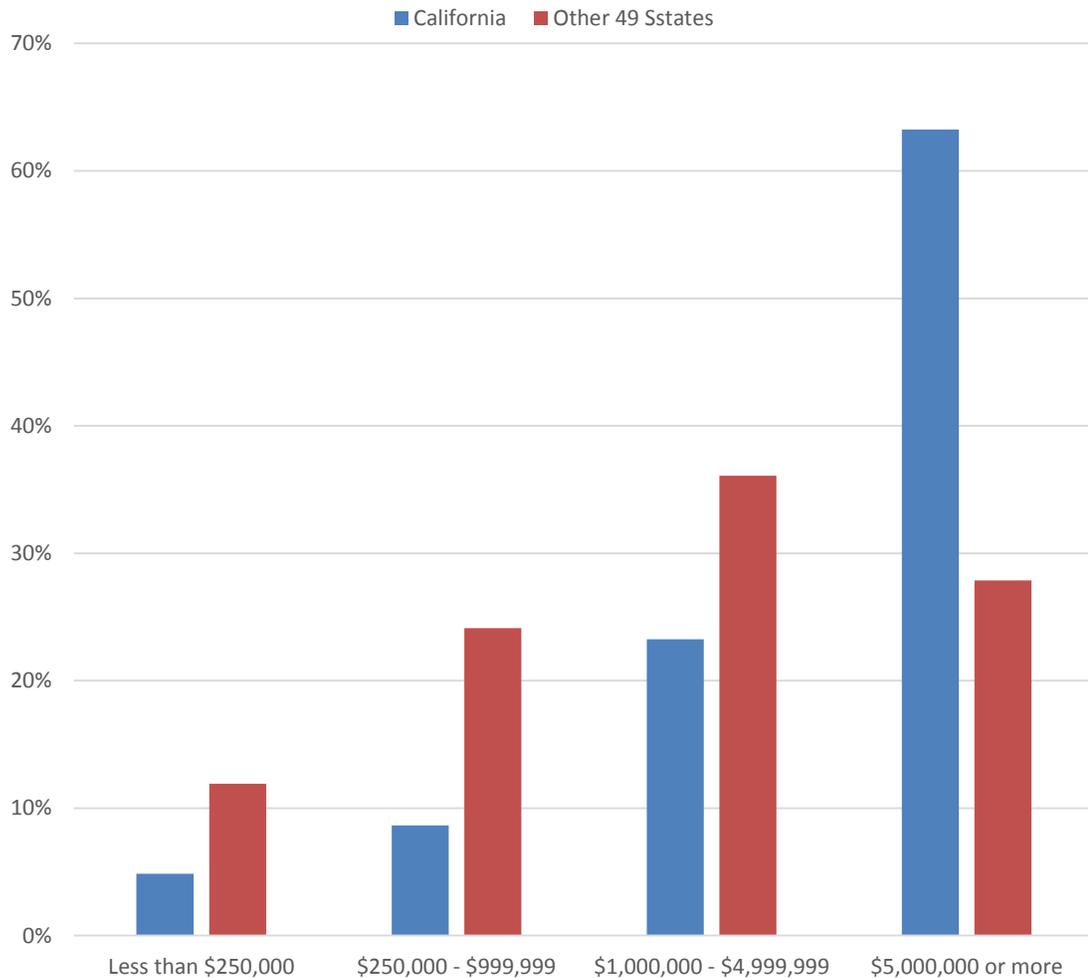
Source: Census of Agriculture, 1974, 2012

<i>Category</i>	<i>1974</i>	<i>2012</i>	<i>Change</i>
Harvested cropland (acres)	8,307,246	8,007,461	-4%
Fruits & vegetables harvested (million tons)	21	40	+90%
F-V-H crops sales as percent of all farm sales	46%	62%	+35%
Land in orchards: trees and vines (acres)	1,769,821	3,138,943	+77%
Land in vegetables, melons & sweet corn (acres)	740,426	985,735	+33%
Ornamentals and crops grown under glass or other types of cover (sq. ft.)	98,582,284	198,104,789	+101%

A note of caution: Comparisons based on data from just 1974 and 2012, while convenient for this purpose, do not take account of externalities that may have unusually affected farm production in those specific years, such as drought and exceptionally high prices for some agricultural commodities.

A measure of the impressive economic performance of California agriculture is the increase of farm cash receipts from the sale of agricultural commodities during this period. In the 1974, sales were about \$7 billion (\$34 billion in 2012 dollars), while the corresponding figure in 2012 was \$43 billion [Martin. 2015]. Thus, California farm operators realized real sales growth of 26%.

Figure 2. Share of Sales from Crop & Livestock Farms
By Size of Sales per Farm, 2012
California vs. Other 49 States (combined)
Source: 2012 Census of Agriculture, USDA/NASS



What is even less widely known, but remarkable, is the degree to which farm production became ever more concentrated in California. By 2012, California's largest farms, each with at least \$5 million in farm cash receipts, had a 63% share of all farm sales in the state (Figure 2). In all of the other states combined, farms of that size had less than a 28% share of all farm sales. California's 64,200+ small farms, which accounted for 82% of all farms, each with less than \$250,000 in sales, had a combined total of just 5% of farm sales.

Size concentration is important in the context of the present paper because many of the largest produce farms are vertically integrated – described as grower-packer-shippers – and more likely

to negotiate year-round supply contracts directly with supermarket chains, fast-food vendors, fresh-cut processors, and other large-volume purchasers. While benefitting from economies of scale, these arrangements may result in these large grower-packer-shippers farm operations becoming more vulnerable to the concerns of customers of vendors, especially regarding food safety. The UFW sometimes relied on this vulnerability to focus boycott activities, as was the case of their boycott of Red Coach brand lettuce grown by the Bruce Church firm during the late 1970s protracted labor dispute.

Most small-scale produce farms tend to be more reliant on niche marketing, produce brokers and direct sales to consumers. Direct sales of agricultural products to individuals for human consumption increased slightly from 0.3% of all farm sales in 1978, the first year this was tabulated by the Census of Agriculture, to about 0.4% in 2012. More significant the number of farms reporting direct sales increased from about 8% of the state's farms in 1978 to 11% in 2012.

Since 1982, the Census of Agriculture has measured size concentration directly: imagine ranking all California farms by the amount of their annual revenue from the sale of agricultural commodities. Then consider the cumulative total of sales of farms, starting with the one with the largest cash receipts, and then adding to the cumulative total those farms descending in size, until reaching a cumulative sales total equal to 75% of the farm sales of the state as a whole. This would determine the minimum number of farms that account for 75% of sales.

Over time, in California, this measure shows a doubling of the degree of size concentration among farms in California since 1969.⁸ At this rate of increasing concentration, by the year 2047 just one farm would account for 75% of farm sales in the state.

Table 2. Fewest Number of Farms Required to Account for 75% of All Sales, California

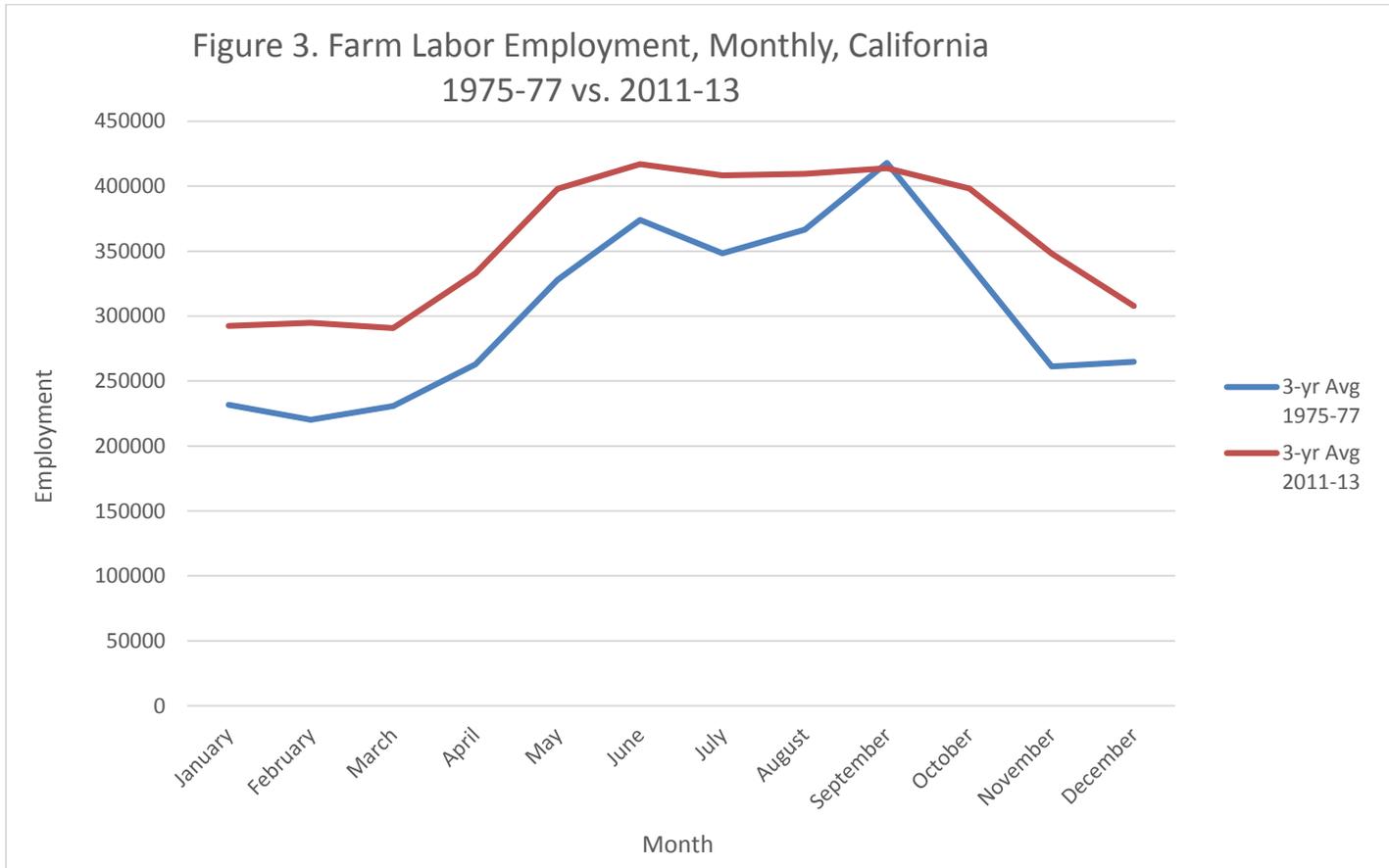
Source: Census of Agriculture, 1974 (1969 data), 1992, 2012

<i>Year</i>	<i>Number of farms</i>	<i>Percent of all farms</i>
1969	7,382	9.48%
1992	5,301	6.82%
2012	3,256	4.20%

⁸ The 1974 Census of Agriculture for California reported that in 1969, there were 77,872 farms and those with sales of \$100,000 or more, numbering 7,382 farms, together accounted for 74.8% of all farm sales in the state (cf. Table 4. Farm Income and Sales: 1974, 1969, and 1964). Because those farms in 1969 that had sales of \$100,000 or more accounted for three-fourths of farm sales made it possible to measure the degree size concentration in exactly the same way as was first utilized in the Census of Agriculture in 1982 and in subsequent years.

California farm employment: then and now

The changes in farm employment since 1975 show both an overall increase as well as a change in the seasonal pattern: instead of a peak of employment in September of each year, now there is a six-month “peak period” that extends from May through September (Figure 3). In all but September, each month’s employment was greater in recent years as compared with the earlier period.



There are a number of factors responsible for the seasonal changes: increased acreage of trees and vines that require annual pruning; both earlier and later varieties of a various fruit and vegetable crops, including nearly year-round harvesting of some annual crops such as strawberries. Less well-known are the increased prevalence of hand planting of nursery-bred starter plants instead of machine seeding, now widespread in processing tomato production.

Partially offsetting factors are those that have led to reductions in labor demand, such as mechanization and the substitution of agricultural chemicals for hand labor to clear weeds from plantings of some crops. Notable are the increase of mechanical harvesting of raisin grapes and glyphosate applications in fields planted to GMO cotton varieties.

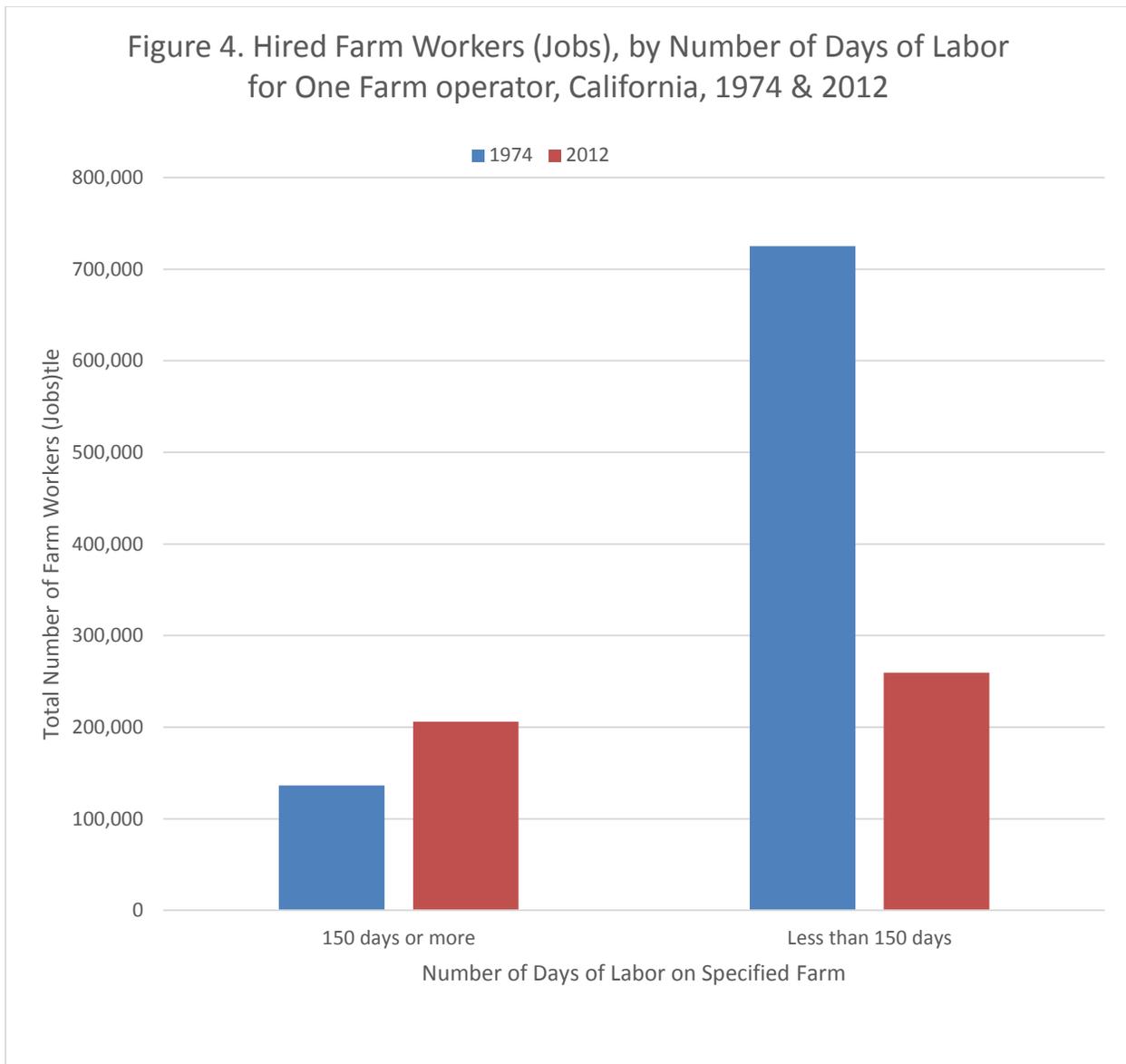
Overall, there have been substantial changes in agricultural employment between 1975 and the present: self-employment of workers (farmers and ranchers, including unpaid family workers) has sharply declined. Direct hire farm labor employment has declined, while labor contractor employment has sharply increased, as have other types of agricultural service employment.

**Table 3. Agricultural Employment (FTE)
California, 1975 & 2013**

Source: EDD; USDA & Census ACS (*)

<i>Category</i>	<i>1975</i>	<i>2013</i>	<i>Change (%)</i>
Farmer & Family	70,600	42,500 (*)	-40%
Direct Hire	241,300	203,000	-16%
Contract Labor	35,000	137,350	+292%
Other Agricultural Services Labor	33,900	66,250	+95%
Total	380,800	449,100	+18%

The increase in employment of longer duration direct-hire farm labor in the past four decades has been described, specifically the number of direct-hire workers employed by one farm operator for 150 days or more in the year [Martin. 2015]. The Census of Agriculture provides reports from farm operators concerning the number of persons hired directly by one farm operator for 150 days or more, and, separately, for the number of persons directly hired by one farm operator for less than 150 days. Since an individual worker may find short-term, seasonal employment on two or more farms, the aforementioned reports actually refer to the number of *jobs* filled, not to precise numbers of *individual workers*.



Between 1974 and 2012, the number of direct-hire farm workers (jobs) employed by one farm operator for 150 days or more increased by 51%, to a total of 205,851 (Figure 4). This finding is consistent with the monthly employment report earlier in Figure 3, in which the “peak period” of farm employment during 2011-2013 was six months in duration as compared to just one month in 1975-1977. In sharp contrast, there are now fewer direct-hire farm workers (jobs) employed by one farm operator for less than 150 days (Figure 4). The total declined substantially, by 64%, to 259,571.

At first sight, the latter findings might seem to be implausible, apparently contradicting the finding of vastly larger production of labor-intensive crops. But fewer short-term, direct-hire workers (jobs) have been supplemented by a large increase in contract laborers. As indicated in

Table 3 (above), the number of contract laborers (FTE) has increased more than three-fold between 1974 and 2012.

Today, most short-term jobs on California farms are filled by agricultural service company employees (contract laborers). The most recent data available that describes this pattern of employment is from the final year in which USDA's farm labor survey (published quarterly as *Farm Labor*) included information furnished by agricultural service employers (see Table 4, below).

In all four calendar quarters of 2010, the number of direct-hire farm laborers who were employed by one farm operator for fewer than 150 days was significantly exceeded by the number of farm laborers furnished by agricultural service firms. Table 4 summarizes these findings by comparing the number of workers (jobs) in three categories of employment: hired for 150 days or more by one farm operators; hired for fewer than 150 days by one farm operator; and agricultural service workers.

Table 4. Direct-hire Farm Employment, by Days Hired, and Agricultural Service Worker Employment, California, 2010

Source: USDA/NASS, *Farm Labor*, 2010 Quarterly Publications

<i>Survey week</i>	<i>Workers – 150 days or more</i>	<i>Workers – less than 150 days</i>	<i>Agricultural service workers</i>
Jan. 10 – 16	111,000	18,000	90,000
Apr. 11 – 17	121,000	19,000	101,000
Jul. 11 – 17	171,000	38,000	140,000
Oct. 10 – 16	157,000	36,000	143,000

In each of weeks reported, the number of agricultural service workers is between three and five times greater than the number of workers directly-hired for less than 150 days. Notably, in the first two of the weeks reported, the number of workers employed for 150 days or more exceeds the sum of the workers employed for less than 150 days plus agricultural service employees. This reflects the large number of workers in full-time, year-round farm employment.

California farm employers: then and now

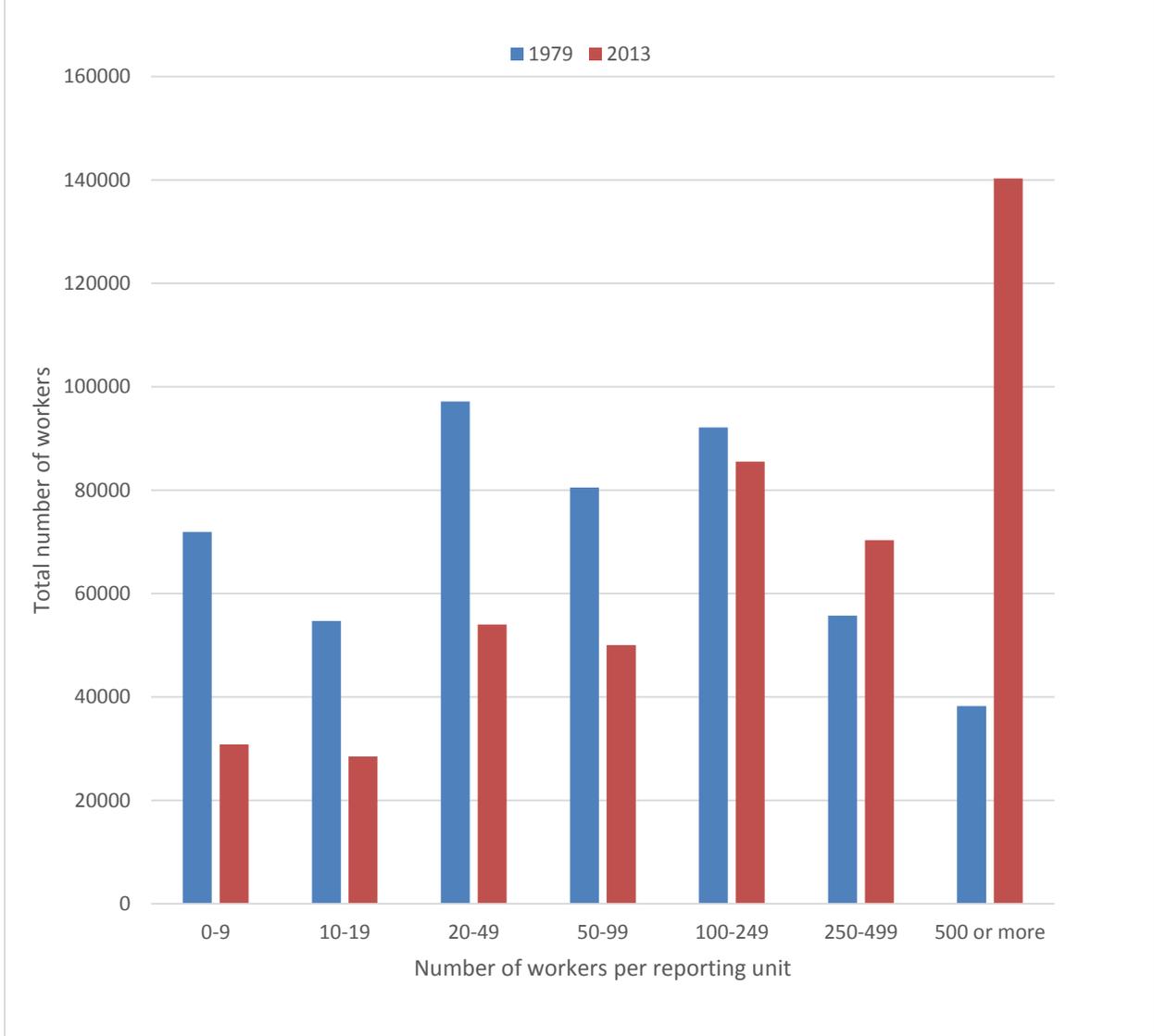
Size concentration among employers increased substantially over the past four decades. During September 1979, 8% of farm laborers worked for an employer with at least 500 persons on the payroll. By 2013, 30% worked for employers of that size.

The increased size concentration among employers of farm labor – both farm operators and agricultural service companies – parallels the increase of size concentration among California farm operators. While the number of farm and ranch employers with 500 or more employees during September grew by half between 1979 and 2013, increasing from 28 to 41, the number of agricultural service businesses----mostly FLCs---- having 500 or more employees quadrupled, increasing from just 21 to 93.

Moreover, the total number of workers employed by agricultural service business----mostly FLCs---- with at least 500 workers during September of 1979, more than tripled in September 2013, increasing from 38,000 to more than 140,000 (Figure 5). In 1979, nearly two-thirds of hired farm workers worked for employers who had fewer than 100 employees. By 2013, two-thirds of farm laborers were employed by those with 100 or more workers.

What's important in the present context is that labor contractors, as distinct from farm management companies, are not recognized for collective bargaining purposes under the ALRA. Thus, the employment sector in agriculture that has experienced the most rapid growth does not exist, as far as agricultural labor relations are concerned.

Figure 5. Hired and Contract Farm Workers by Size of Reporting Unit, California, September 1979 (Total = 490,500) & 2013 (Total = 459,500)
Source: EDD/LMID



Poverty amidst plenty: many farm worker families live in poverty

The most recent NAWS data, based on interviews during the 2009-12 fiscal years, provide a direct measure of the unacceptably high level of poverty among farmworker families: 21% of

families had incomes below the official federal poverty level.⁹ But this measure understates the extent of poverty in the state because it does not take account of the higher cost of living in California vs. the U.S. as a whole. In addition, the NAWS only considers workers who reported U.S. income in the year prior to the year in which the interview was conducted, thereby---for sensible statistical considerations--- excludes data from newly arrived migrants whose current income is likely to be lower than the average for all farmworkers.

California's Tulare County led the nation's 3,000+ counties in agricultural production during 2013 with \$7 billion in farm cash receipts from the sale of agricultural commodities [Tulare County. 2014]. Net cash income from the county's farming operations averaged a reported \$146,000 per farm in 2012.¹⁰

It is one of the many ironies of California agriculture that Tulare County ranks worst in the state in the proportion of its families in poverty, estimated to be 25% in 2012.¹¹ Tulare County is also one of just three counties in the state in which the rate of family poverty exceeded 20% for each of the last three decennial censuses: 1990, 2000 and 2010. The other two counties with that distinction were Imperial and Kings, both important agricultural regions.

Despite the great abundance of food production in Tulare County, the Census Bureau reported that one-fourth of its households relied on SNAP (food stamps) during the prior twelve months in attempting to meet their families' needs.¹² And an estimated majority of the county's families use food pantries.¹³

Yet Tulare County is not the political subdivision of the nation with the numerically largest reported employment of farm workers. That distinction belongs to Congressional District 21, a broad swath of southern San Joaquin Valley farm land, mostly west of Hwy 99, stretching south from the border of Fresno and Madera counties to southern Kern County.

The Census estimates for CD 21 as of 2013 report 73,874 FTE employment in the industry sector dominated by agriculture, which was more than 87% greater than employment in any other industry sector of the district.¹⁴ No other Congressional District has more full-time-equivalent

⁹ See Schenker MB McCurdy SA Riden HE Villarejo D. *Improving the health of agricultural workers and their families in California*, UC Global Health Institute, University of California, 2015, p. 7, Table 2, NAWS 2008-12, California.

¹⁰ See United State. Department of Agriculture. *Census of Agriculture 2012*. California. State and County. Chapter 2, County Data, Table 4. Net Cash Farm Income of the Operations and Operators: 2012 and 2007, pp. 279ff.

¹¹ See Census Bureau, 2013 American Community Survey 1-Year Estimates, Table DP03. Selected Economic Characteristics, accessed 11/4/14.

¹² Ibid.

¹³ Data provided by Dr. Sarah Ramirez, Executive Director, Food Link.

¹⁴ See Census Bureau. 2013 American Community Survey 1-Year Estimates. Table DP03. Selected Economic Characteristics, accessed 9/27/14.

annual average employment in agriculture, and none has as large a share of its total private employment in that sector.

The large number of workers in agriculture is easily understood by the fact that CD 21 ranks first in the nation in the production of fruits, tree nuts and berries, and second in the nation in the production of vegetables, melons, potatoes and sweet potatoes. It also ranks first in the nation in the production of milk from cows.¹⁵

As was the case for Tulare County, family poverty is endemic in CD 21: some 26% of all families live in poverty, including 41% of all children under the age of 18.¹⁶ Per capita income in CD 21 was \$13,870, less than half that for the state as a whole.¹⁷

An extraordinary measure of the extent of farm worker family poverty in this district is that ten of its communities reported per capita income below that of Mexico. In each of these ten communities, an absolute majority of private-sector employment is in the industry sector dominated by agriculture: Allensworth, Avenal, Cantua Creek, Earlimart, Huron, Mendota, Raisin City, San Joaquin, Teviston and Tranquillity.¹⁸

Discussion and Conclusions

During the ARLA's initial 6-months, hundreds of union representation elections were conducted and numerous labor-management agreements signed. Annual average wage rates for farmworkers rose dramatically. Notable is the rise in wage rates during 1965-80 (see Figure 1above) when the United Farm Workers of America's successful international boycott of California table grapes led to the first-ever union contract for table grape workers in 1970. After 1975, with ALRA and new union contracts in many crops, wage rates remained high for at least five years. Research indicates organized labor's successes were an important factor in wage gains throughout the state's farms [Martin et al. 1986].

The industry fought back, leading to prolonged struggles in the legislature, the courts, and in the agency itself. A pro-employer ALRB General Counsel was appointed in 1983, and the agency's budget was slashed. By 1986, pro-labor members of the ALRB were a minority. Labor-

¹⁵ See United States. Department of Agriculture. *2012 Census of Agriculture*, Congressional District Profile, Congressional District 21, accessed 4/30/15.

¹⁶ See Census Bureau. 2013 American Community Survey 1-Year Estimates. Table DP03. Selected Economic Characteristics, accessed 9/27/14.

¹⁷ The Census Bureau reported per capita income for California families to be \$29,513 in the 2013 ACS report DP03.

¹⁸ See Census Bureau. 2008-2012 American Community Survey 5-Year Estimates. Table DP03. Selected Economic Characteristics, accessed 9/29/14. A separate file was retrieved for each community listed.

management agreements expired, pro-union farmworkers were fired or blacklisted without recourse, and the General Counsel publicly campaigned against union activities.

The United Farm Workers of America, led by Cesar Chavez, responded to the anti-union administration of the law by pouring substantial resources and effort into a struggle to beat back pro-employer actions. The UFW stopped organizing in the fields to focus on defending the law.

The post-1980 decline in real wage rates indicated in Figure 1 is likely associated with losses of union contracts in the table grape and fresh vegetable industries as well with the decision of the UFW to pull back from direct organizing [Wells and Villarejo. 2004]. By 1982, lobbying and seeking political influence over ALRB decision-making became the union's principal priority.

But this strategy has not worked.

Even later, the lowest trough in Figure 1 during the early 1990s corresponds to the post-legalization period of the 1986 Immigration Reform and Control Act that resulted in more than one million previously undocumented farm workers obtaining authorization for U.S. employment (SAW visas leading to green cards). A several-year period of an increasing surplus of farm laborers in California was one outcome, resulting declining wages.¹⁹

One important aspect of the great increase in labor contracting that has not received adequate attention is the failed efforts of the Census Bureau and USDA/NASS to develop statistically stable surveys of farm labor contractors. Two attempted surveys in the 1970s were considered failures owing to a lack of response and a large number of returned surveys from addresses of discontinued businesses. This multi-billion-dollar industry is the largest not represented in the quinquennial economic censuses.

A new paradigm is essential to improve the incomes of farm labor families

There is a constructive and creative alternative to labor-management antagonism. Farm worker organizations, themselves, pioneered the mobilization of consumers to pressure food system vendors, whether processors, supermarkets or fast food chains, to underwrite improvements in farm labor earnings. This approach has relied on boycotts outside the framework of traditional labor-management relations. It is well-known that farmers and ranchers do not command the major share of consumer food expenditures.

¹⁹ For documentation and discussion of this, see California Institute for Rural Studies, *Too Many Farm Workers in California? The Evidence from Wage Trends*, August 1990.

The first notable instances of this alternative form of concerted action were developed in the 1970s by the Farm Labor Organizing Committee (FLOC), initially among processing tomato workers in the Midwest. The national boycott of Campbell Soup Co. sought to bring the company to the table to underwrite a significant share of improved farm worker wages. Some years later, FLOC used the same tactic to force Vlasic Pickle Company to underwrite improved earnings for cucumber workers in North Carolina.

In Florida, since the mid-1990s the Coalition of Immokalee Workers (CIW) has mobilized nationwide consumer pressure on large corporations like Wal-Mart to directly supplement tomato harvester earnings by an additional penny per pound. Wages increased up to 17%, depending on picker productivity. And all Florida tomato workers benefited, not just CIW members.

The CIW agreement with Wal-Mart contemplates expanding coverage in the future to other produce items, not just tomatoes. While the primary focus of this form of concerted action is to raise farm worker earnings, other changes in workplace conditions have also been developed under CIW agreements, including formal grievance procedures, workplace safety education, and training about sexual harassment in the workplace----all on paid company time.

More recently, consumer petitions to U.S. food vendors, stimulated by a dramatic *Los Angeles Times* exposé, directly led to increased wages for 30,000 Mexican farmworkers in Baja California's produce export industry. Their main leader was Fidel Sanchez, a veteran of CIW organizing, and they mounted the same tactic as CIW, i.e., seeking to directly persuade major supermarkets to underwrite their demands. At least one grower-packer-shipper with operations in the affected region commented privately that a vendor contacted the firm directly wanting answers to the workers' complaints.

This shows that representatives of farm labor, farmers, food processors, and food vendors can be brought together in a new paradigm if farm workers are organized and empowered. Farmers and farm worker organizations need to recognize this opportunity and their common interests. Farmers and ranchers need workers. Workers and farmers have a common interest in coping with the current drought, in the immigrant rights crisis driving the farm labor shortage, and in the quality of rural housing and healthcare.

Unlike direct worker-grower discourse about wages and working conditions, the effective mobilization of consumers has become effective in some circumstances because some vendors realize they are the principal point of contact for consumers' relationship to the modern food system. If consumers can be persuaded that improvements in farm labor wages and working conditions are a necessary component of food purchase choices, then underwriting those improvements may become a wise business choice.

If these considerations were not problematic enough, California agriculture is also facing new challenges:

- development of adequate irrigation supplies in a political context in which urban residential use and environmental concerns are increasingly taking precedence over agricultural needs;
- addressing food safety concerns on the farm and in the food processing industry;
- nitrate contamination of groundwater basins in both the Salinas Valley and the Tulare Lake Basin that may threaten the future of agriculture in both regions;
- failure of policy makers to agree on significant immigration reform to address the fact that 60% of crop workers in California tell Department of Labor interviewers that they lack authorization for U.S. employment, and even leaders from important agricultural areas of the state ignore pleas from farm employers as well as from worker organizations;
- an impasse in the state's policy-making process in which neither employers nor worker organizations are able to fully prevail;
- implementation of the Affordable Care Act that in January 2016 will extend the employer-provided health insurance mandate to those with 50 or more FTE;
- the relative decline of agriculture's importance in the state's economy (now just 2% of the state's GDP, half as large today as was the case in 1975) and the decline in the agriculture's share of private-sector employment in the state.

Progress to improve the economic status of farm labor families requires cooperation among all the major players in the food system: farmers and ranchers, food processing companies, supermarkets, fast food vendors, and farm labor organizations.

It appears to the author that farm labor organizations are the weakest link among the major players in the food system at the present time. With fewer than 5,000 farmworkers represented by collective bargaining agreements, and employers choosing to fight for every possible advantage in the courts and the state legislature, there is an obvious imbalance of labor as compared to the corporations that now dominate the food system. Only when farmworkers are organized and empowered will cooperation of all participants in the food system become meaningful.

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