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H-2A TEMPORARY AGRICULTURAL WORKERS ON SMALL FARMS: CASE STUDY OBSERVATIONS AND LESSONS LEARNED

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Abstract
The experiences of two small farmers in their efforts to employ and retain temporary agricultural workers through the H-2A Program were documented through an illustrative case study. Interviews of the farmers were conducted regarding the measures that they had to take in preparing for, employing, housing, hosting, managing, and financing the workers. These temporary agricultural workers were sought in support of these farmers’ continued participation in an initiative to assist small and limited-resource farmers in supplying produce to a major retailer. It was concluded that there are at least four priority areas for employing H-2A workers: planning, applying, maintaining compliance, and financing; and that, small farmers need to be strategic in employing H-2A workers to be profitable.

Keywords: Small Farmers, Temporary Agricultural Workers, H-2A Program, Commercial Supply

Introduction
Robinson et al. (2017) documented a project to assist small and limited resource farmers to aggregate and supply produce to a large, commercial buyer, Walmart. This project was initiated in 2011:

“The [project] was designed to provide technical support to train at least 200 farmers on best practices in marketing produce to large companies such as Walmart. Activities included specialized training, workshops, and informational group meetings, and overall awareness of market opportunities. The specialized trainings included food safety standards and food safety certification requirements, efficient production techniques, harvesting, grading, packaging, refrigeration/cold chain requirements, transportation, fiscal responsibility, financial management, record-keeping, and insurance and product liability.”

Karki et al. (2017) in their assessment of the impact of this project on the household economy of small and limited resource farmers in Alabama, reported as a social impact that:

“[The project] created employment not only for family members, but also for people in the community. Virtually, there were no farm jobs available on the identified farms through agribusiness before the [effort] was introduced in 2011. As of 2016, the [effort] has supported and created 254 seasonal jobs over four years (sic) period…”

As the project increased in the volume contracted to be supplied, the farmers exhausted their capacity of accessible and employable local community domestic and migrant workers. As a solution, they sought to employ temporary agricultural workers through the H-2A Program. These smaller farmers knew that the larger farmers in their communities routinely employed H-2A workers – along with their domestic and migrant workers – but they had been rarely seen on small farms.

A cursory search of the Internet for the terms “H-2A Temporary Agricultural Workers” returns the U.S. Department of Labor (US DOL) Employment Law Guide’s description of the program: “The
H-2A Temporary Agricultural Program establishes a means for agricultural employers who anticipate a shortage of domestic workers to bring nonimmigrant foreign workers to the U.S. to perform agricultural labor or services of a temporary or seasonal nature.” Further examination of the webpage reveals more information about the “Basic Provisions/Requirements”:

“Before the U.S. Citizenship and Immigration Services (USCIS) can approve an employer’s petition for such workers, the employer must file an application with the Department stating that there are not sufficient workers who are able, willing, qualified, and available, and that the employment of aliens will not adversely affect the wages and working conditions of similarly employed U.S. workers. The statute and Departmental regulations provide for numerous worker protections and employer requirements with respect to wages and working conditions. The Department’s Wage and Hour Division has responsibility for enforcing provisions of worker contracts” (US DOL ELG, 2016).

Furthermore, the USCIS webpage describes the “H-2A Program Process” in three steps:

“Step 1: Petitioner submits temporary labor certification application to the U.S. Department of Labor (DOL). Before requesting H-2A classification from USCIS, the petitioner must apply for and receive a temporary labor certification for H-2A workers from DOL. For further information regarding the temporary labor certification requirements and process, see the Foreign Labor Certification, Department of Labor Web page.

Step 2: Petitioner submits Form I-129 to USCIS. After receiving a temporary labor certification for H-2A employment from DOL, the petitioner must file Form I-129 with USCIS. With limited exceptions, the petitioner must submit original temporary labor certification as initial evidence with Form I-129. (See the instructions to Form I-129 for additional filing requirements.)

Step 3: Prospective workers outside the United States apply for visa and/or admission. After USCIS approves Form I-129, prospective H-2A workers who are outside the United States must:

Apply for an H-2A visa with the U.S. Department of State (DOS) at a U.S. Embassy or Consulate abroad and then seek admission to the United States with U.S. Customs and Border Protection (CBP) at a U.S. port of entry; or

Directly seek admission to the United States in H-2A classification with CBP at a U.S. port of entry, if a worker does not require a visa in cases where an H-2A visa is not required” (US CIS, 2018).

However, the two small farmers in this case study undertook many more steps than just three criteria mentioned above in their efforts to employ H-2A temporary agricultural workers. This case study presents a summary of those steps in four major areas: planning, applying, maintaining compliance, and financing.
**Literature Review**

Vaughan et al. (2017), in a case study of small farmers selling produce to a commercial buyer, reported data gathered on these farmers’ expenses for labor in comparison to a benchmark set through regional economic research. It was found, specifically for a squash crop, that the farmers were expending $488 per acre for labor, just over one-quarter of the amount that the average commercial farm was spending, $1,770 per acre (University of Georgia, 2009). However, the benchmark was based on a greater yield per acre than found on the small farms.

The US DOL (2012) published the “Employer Guide to Participation in the H-2A Temporary Agricultural Program.” This guide described the H-2A Program as:

“The H-2A Program is authorized under the Immigration and Nationality Act (INA) and allows a U.S. employer to hire foreign workers on a temporary basis to perform agricultural work when there are not sufficient U.S. workers available. Before the Department of Homeland Security’s U.S. Citizenship and Immigration Services (USCIS) can approve a visa petition for H-2A workers, the employer must first receive a temporary labor certification from the Department.

The Department’s Office of Foreign Labor Certification (OFLC) within the Employment and Training Administration is responsible for receiving and processing employer-filed H-2A applications, and ensuring as a condition of certification that qualified U.S. workers are not available for the job and the employment of temporary foreign workers will not adversely affect the wages and working conditions of U.S. workers similarly employed. The Department’s Wage and Hour Division is responsible for enforcing the terms and conditions of the agricultural work contract and worker protections under the H-2A Program.”

Luckstead and Devadoss (2019) reviewed the H-2A Program, identifying practical issues and difficulties in hiring guest workers, and trends in certified H-2A workers and wages paid. They highlighted the importance of guest workers for U.S. agriculture, particularly for labor-intensive sectors. They identified labor scarcity in the U.S. farm sector as a perpetual problem and stated that the H-2A program helps to fill the labor shortages. Luckstead and Devadoss recommended that further streamlining the H-2A program would assist farmers to facilitate the hiring process for timely agricultural operations – although the process of hiring H-2A workers has become easier – postulating that this would mitigate crop losses experienced by farmers. They pointed out that other studies have observed that a better functioning H-2A Program is considerably less expensive than immigration control policies and will also provide an incentive for employers to secure more guest workers. They stated that this would not only address labor shortages, but also lessen the incentives for unauthorized entry.

Bampasidou and Salassi (2019) discussed aspects of concern to farm operators and farm managers in regards to labor. They concluded that a more comprehensive investigation of labor shortages, particularly the reasons they are more prominent and potential solutions, is needed. Bampasidou and Salassi presented a discussion on immigration policies and provide possible adverse labor market effects that would result should an increasing H-2A labor force continue; they suggested that, to date, no measure providing a solid solution has been introduced. They also suggested that, from a policy-making perspective, efforts should be directed towards the development and evaluation of guest worker program, in order to introduce more effective and efficient solutions to labor shortages. Finally, they observed that the majority of the discussions have focused on the
increased paperwork that H-2A requires, the length of time needed for applications to be examined, and the term of employment for the H-2A workers.

Martin (2019) examined the role of the H-2A Program in California Agriculture. Martin found that the top requesters of certification to fill jobs with H-2A workers are employer associations and labor contractors. Martin stated that although the agricultural labor force needed in California is one of the largest in the nation, California farm employers have traditionally shunned the H-2A program, arguing that the state’s wide array of labor-intensive crops and complex farm labor market were ill-suited for a guest worker program requiring advance planning and employer-provided housing. He presented a history of unsuccessful attempts to modify or provide an alternative to the H-2A Program over the last few decades. Martin concluded that the dim prospects for enactment of a new or modified H-2A program, coupled with rising minimum wages in major farm labor states, has many farmers convinced that their options are labor-saving mechanization or accommodating current regulations and employing H-2A guest workers.

**Methodology**

**Illustrative Case Study**

As described for a prior study by Vaughan et al. (2017), this study followed the illustrative case study method. The author, therefore, uses identical wording to describe what illustrative case study is. Illustrative case studies, as defined by Becker et al. (2015, p. 5), are “primarily descriptive... typically utilizing one or two instances of an event to show what a situation is like.” Morra and Friedlander (1999, pp. 9-10) described the illustrative case study as a type of descriptive case study:

> “These case studies primarily describe what is happening and why, to show what a situation is like. This is especially useful to help interpret other data that may be available, such as survey data. The World Bank’s Operations Evaluation Department has many examples of this type of case study. Its study of structural and sectoral adjustment (Jayarajah and Branson, 1995) sampled and reviewed 99 loan operations in 42 countries, and provides an annex with case studies of 5 countries... Illustrative case study sites are usually selected as typical or representative of important variations. They provide the realism and vividness of anecdotal information. The number is kept small to help keep the reader’s/user’s interest. Data often include visual evidence. Reports may use self-contained, separate narratives or descriptions. In using the illustrative case study, the challenge is in selecting the instances. The case or cases should adequately represent the situation. Where considerable diversity exists, it may not be possible to select a “typical” site.”

The event, or case, in this study, was the effort of two small farmers to employ H-2A temporary agricultural workers on their farms to harvest produce during the 2018 summer season.

**Data Sources and Analysis**

Interviews were taken from a representative of both small farms. These interviews were conducted with open-ended questions followed by follow up questions. Notes were taken from the interviews and compiled. The interviews took place in private and lasted several hours. The majority of the questions involved the process for employing the H-2A temporary workers, primarily the process involved as well as the logistics with bringing them to the farm. Several questions concerned how the farmers met the standards for the living quarters. In addition, the farmers were asked about the workers themselves, their quality of work, etc. No questions were posed regarding comparisons of the H-2A workers with domestic workers, however, this
information was volunteered. The notes from the two interviews were combined to find the common priority areas, and these findings are reported here.

Results: Case Observations and Lessons Learned

Lesson 1: Planning - Start early
The US DOL’s (2012) “Employer Guide to Participation in the H-2A Temporary Agricultural Program” recommends that an applicant to the program start applying 75 to 60 days before the date of need. However, the planning process needs to start earlier as the farmer needs to determine several details involved in the application such as: how many workers they will need; how much funding they can obtain; what their revenue will be and when will it come, etc. Of course, much of this information is easily obtained or estimated by an experienced farmer that has a continuing contract and can make these determinations without much effort.

In this case study, the two farmers obtained a contract to sell squash, yellow straightneck squash, and green zucchini to a commercial buyer. These are crops in Alabama that are grown in a split season due to the hot and dry weather in the midpoint of the summer. Therefore, the weeks where harvesting could be accomplished were known and the associated planting dates were also known. However, the contract negotiations for volume produced went from the winter into spring, and it was not known until the summer season how much the contracted volume would be in 2018, and accordingly, how much labor would be needed.

Once the contracted volume was agreed upon with the buyer, the two farmers worked together to estimate how much labor would be needed at each of the farms. It was estimated that ten (10) workers would be needed at each farm to harvest the acres that would be planted to meet the volume, considering the soils, availability of irrigation, etc. Ultimately, the farmers had difficulty in getting through the lengthy application process in time to employ H-2A workers for the first half-season in early summer and requested workers for the last four months of the summer season, from August to November. Also, due to some financing issues, only one of the farmers chose to and was able to successfully complete the application process.

Lesson 2: Applying - Seek legal, technical, or recruiting assistance when and where necessary
The US DOL outlines four steps necessary for obtaining a temporary labor certification from the OFLC under the H-2A Program. These steps include: filing a job order with the State Workforce Agency (SWA); filing an H-2A Application with the Chicago National Processing Center (NPC); conducting recruitment for U.S. workers, and; completing the Temporary Labor Certification Process. The fifth step is to submit the completed US DOL paperwork with a Form I-129, Petition for a Nonimmigrant Worker to the USCIS on a prospective workers behalf.

The process of completing the voluminous paperwork can be daunting to any farmer, and most farmers hire a labor contractor or an attorney to complete the paperwork and oversee the process. In fact, doing so is so routine that the forms include fields for the preparer’s information. Moreover, at least three levels and department of government must be contacted to complete the process: the State Workforce Agency, the US DOL Chicago National Processing Center (Chicago NPC), and the USCIS.

There are several different forms to be completed, and, all together, comprise dozens of pages. The forms are available online in an electronic format, and some can even be filled online, however, that may quicken, but not lessen the amount of work. For that reason, labor contractors and
attorneys charge upwards from $10,000 for their services. For an additional fee, they will also hire a broker to recruit your labor in the foreign country and assist them with the U.S. Customs and Border Patrol (US CBP) paperwork needed to enter the United States.

In this case study, the two farmers attempted to complete the paperwork without costly legal or technical assistance. However, this effort was slow and time-consuming as much of the information on the forms requires further research on how to complete. It was not an easy process for them, but they got through the first, State-level, stage of the application process. The Federal level paperwork was even greater, and after consulting with other, larger, farmers, they were directed to a firm in Georgia that assist farmers to employ H-2A temporary agricultural workers. The cost would have been $10,000, however, they had completed the State portion and started the Federal portion, and the price was reduced to account for their progress. The firm completed and submitted their paperwork to the US DOL in Chicago and to the USCIS.

Fortunately, one of the farmers was able to recruit the workers directly in the foreign country, Mexico. The prospective employees were friends and relatives of one of the farmers that resided in two regions in Mexico. The ten Mexican nationals were selected not just on the basis of relationship, but also on their agricultural knowledge and demonstrated work ethic. Because there was no need to hire a recruiter, the cost of doing so was saved. However, it was still necessary to hire assistance in Mexico for the workers to complete the US CBP paperwork and schedule appointments at the U.S. Consulate to obtain a visa to enter the U.S. Altogether, nine of the ten men were approved to enter the U.S. One of the farmers traveled to the U.S. border to transport the men safely and directly to Alabama.

Lesson 3: Maintaining Compliance - Follow the guidelines exactly
The H-2A Temporary Agricultural Worker Program has strict demands for compliance from the employers. State DOL may at any time visit the work site or the worker living quarters. These demands are strict to protect the workers from exploitation or abuse while residing in the U.S. As to the worker living quarters, there are Occupational Safety and Health Administration (OSHA) standards that must be met before the temporary agricultural workers arrive for work. Each state may have their own higher standard for these living quarters, but the OSHA standard is extensive. For example, the State of Mississippi publishes their checklist for employers to use to review the living quarters (MSDES, n.d.). The standards are very comprehensive and include requirements for the housing site, the housing itself, water supply, toilet facilities, sewage disposal, laundry, handwashing, and bathing facilities, lighting, refuse disposal, insect and rodent control, first aid, and some general regulations. In this case, at the time that application was made to the State DOL, both farmers were planning to have H-2A workers, and both farmers obtained the State standards to use to review the planned housing. After making some minor improvements to the living quarters, both farmers passed on-site inspections from the State DOL. One farmer reported that the State DOL required the installation of a screen door and returned to make sure that it was installed before approving the property.

It should be of interest to note that the H-2A Program requires compliance on several different levels. Employers must follow the guidelines for employing H-2A workers and penalties for not doing so can be severe. The US DOL Wage and Hour Division (WHD) publishes an “H-2A Compliance Review,” which gives mandates for compliance in areas such as recruitment, assignment for work, housing, payment, transportation, work conditions, and inspections (US DOL WHD, n.d.). In this case, the farmer that was able to employ the workers was very
conscientious about following the mandates of the US DOL. The farmer was able to articulate much of the requirements and gave examples of how compliance was met and maintained. There were no incidents of non-compliance reported in the interviews.

**Lesson 4: Financing - Prepare for all expenses and cash flow**

The U.S. DOL Wage and Hour Division clearly outline the fiscal responsibilities of employers of H-2A temporary agricultural workers in its Fact Sheet #26 (US DOL WHD FS, 2010). In introducing the program, they state:

“The Immigration and Nationality Act (INA) authorizes the lawful admission of temporary, nonimmigrant workers (H-2A workers) to perform agricultural labor or services of a temporary or seasonal nature. The Department of Labor’s regulations governing the H-2A Program also apply to the employment of U.S. workers by an employer of H-2A workers in any work included in the ETA-approved job order or in any agricultural work performed by the H-2A workers during the period of the job order. Such U.S. workers are engaged in corresponding employment.”

The Fact Sheet also outlines the “Employer Contractual Obligations” pertaining to rates of pay, written disclosures on the work contract to the H-2A worker, guarantees, and inbound and outbound expenses, among other obligations.

In this case, the farmers had a very thorough understanding of their financial obligations to the H-2A workers, both in the process of employing them and in compensating them. The agreement for the produce entailed a significant volume which the farmers knew that they would not be able to meet without additional labor, and such labor was not locally available. Employing H-2A workers was the best available solution, although there was a significant amount of financial burden.

The farmers had both applied for government farm loans to have the start-up costs for filing, transportation, and more importantly, to account for the delay between payment of the H-2A workers and the payment from the buyer. In fact, the start-up costs, even with the reductions from partial completion of the forms and recruitment through family and friends, still amounted to around $15,000 to $18,000. These costs included those to: upgrade the housing, purchase transportation for the H-2A workers, hire the firm to complete and file the forms with the fees to the government; purchase workers compensation insurance; advertise the positions domestically; hire assistance for completing the US CBP forms in Mexico for the prospective workers; transporting the workers from the U.S. – Mexico border to Alabama, and; providing advances to the workers for food and other expenses in the first few weeks.

Once the workers began working on the farm, the majority of the expenses were incurred. The labor contract was negotiated at a pay rate of $10.95 per hour, for a minimum of 35 hours per week. However, the workers at the small farm typically worked 50 to 60 hours per week. Typically the workers worked a five-and-a-half day work week (half the day on Saturday). For the nine H-2A workers that were employed, this amounted to a bi-weekly payroll of about $10,000, or about $5,000 per week.

The contract guaranteed that the workers would be paid at least 75% of the total contract amount for all weeks employed. In this case, for the four-month period contracted, the workers were assured of receiving the equivalent of the minimum rate for three of the four months. The farmer took on, at a minimum, this financial obligation.
As for the government loans, one of the two farmers was not fully approved for the requested loan amount and was not able to employ the H-2A workers; the other farmer was able to employ them. Cash flow quickly became a problem, as there is a delay between delivering the produce and being paid for it. Many small farmers are more accustomed to immediate payment—“cash on the barrelhead”—and not the typical “net 30” or “net 60” commonly associated with commercial business. Most of the medium or larger farmers have access to the resources to “float” that time difference; few small farmers, particularly tasked with such an accelerated payroll cash outlay, would be able to do so.

The farmer was, however, able to obtain the financing to pay the workers through conventional and personal loans, and continued to pay the workers, on time. As payments from the buyer began to cycle in from the first shipments, the burden decreased but was not entirely alleviated. For the farmer, it was a stressful financial hardship to undertake such significant financial obligations. Ultimately, the farmer was able to pay for the workers, but at the time of this writing, the amount of the profit from the season is not known.

**Discussion**

The small farmers in the case study undertook an enormous effort to plan, apply, house, manage, and finance the H-2A temporary workers. Along with that effort was a substantial financial obligation to file the forms, upgrade the housing, transport, and, of course, compensate the workers. However, the farmers stated that the productivity and reliability of these H-2A workers far exceeded that of the domestic workers to which they had access. The farmer that employed H-2A workers estimated, for example, that the local workers could harvest 10 acres in about five days, where the H-2A workers would harvest the same 10 acres in about a day and a half. In fact, the worker remarked that the time required for the work to be accomplished was significantly overestimated; they almost didn’t have enough work for the H-2A workers to do. Also, several of these workers were seasoned farmers themselves, owning their own small farms in Mexico, and were able to help with the management of the other workers.

The farmer also noted some of the issues commonly found with domestic workers such as them not being dependable, not being available when they had money, issues with sobriety, having a short work day. Many of these issues were not prevalent with the H-2A workers, although their tenure was not without incident – the farmer had to dismiss three of the workers for a number of work-related issues, most likely due to absence from home.

However, the farmer did note a few unexpected benefits from employing the H-2A workers. Although this may not be typical of all H-2A workers, those employed by the small farmer took the initiative to do other tasks on the farm when the harvesting was completed. Also, the remarks given by the farmer indicated that the relationship between their family and the H-2A workers grew from that of employer-employee to host-guest, where a friendly relationship had formed.

It should also be noted that, as pointed out by the farmer who recruited the workers, the opportunity to come to the U.S. represents a great financial boon to these men. Although there is the hardship of the journey through the border and to the worksite, and the absence from family, the short-term assignment represents an about three-fold increase in pay from that typically available in Mexico. This is analogous to the short-term assignments in Middle Eastern countries, such as Abu Dhabi, Dubai, or Kuwait, often taken by American citizens.
Conclusion
The multi-staged process of employing H-2A temporary agricultural workers is a daunting task, which for a small farmer entails an outlay of a significant amount of time and money. Between filing the forms – or hiring a firm to do so – upgrading the housing, providing transportation, and most of all, paying the premium compensation to the workers, there is a substantial financial obligation to be borne by the farmer. Nevertheless, given the right circumstances and a considerable amount of planning, the financial benefits can greatly outweigh the initial investments and continuing costs.

From the findings of this study, the recommendations for small farmers who anticipate the need for additional agricultural labor and are considering using the H-2A Program would be to: (1) manage time well and plan accordingly; (2) fully assess capabilities to complete the process or alternatively, use resources to hire a firm; (3) farmer should have a full understanding of the obligations required to host H-2A workers as they are very different from those for domestic (or undocumented) workers, and; (4) allocate or obtain the financial resources needed for the H-2A workers as they will likely be much greater than the minimum obligation contracted.

Although the finding of greater levels of productivity yielded by the H-2A workers (perhaps, triple in comparison with domestic workers) was anecdotal in this study, as it was not rigorously quantified, it represents a potential planning guide for determining the number of workers that a small farmer would actually need. Medium and large farmers have routinely employed H-2A workers much to the benefit of being able to expand and maintain their businesses. Small farmers also have that opportunity, at a lesser scale, but require a more strategic approach to ensure that the cost associated with the workers do not overtake the potential profits.

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