Labor Issues Facing the Florida Citrus Industry

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Background

- Citrus is the state’s second largest industry, behind tourism.
- Roughly generates 76,000 full-time and part-time jobs.
- Citrus has a $9.3 billion economic impact per year:
  - $3.7 billion wholesale value of fresh and processed citrus products,
  - $1.9 billion in input purchases by the industry,
  - $3.7 billion in consumer spending by industry employees.
Labor Crisis

- U.S. is not producing enough native born workers to fill all the jobs being created in our economy.
- The United States’ misguided immigration policy does not make up for the shortfall:
  - Additional workers must come from outside the U.S.
  - U.S hired farm workforce is more than three-fourths foreign born.
Florida Challenges

- 2/3 of Florida’s voters want tougher action against illegal immigration – regardless of the effect.
- State lawmakers introduced 179 immigration bills addressing employment 1Q2008 – more than double the total number from 2007.
- Florida has the third largest immigrant population in the country – estimated 3.5 million.
- FCM will closely monitor State initiatives during our 2009 legislative session.
Current Situation - Enforcement

- ICE has expanded its worksite activities:
  - In 2007 – increased the amount of fines and civil judgments.
  - Nearly 5,000 combined criminal and administrative worksite enforcement arrests.
  - Worksite arrests for 2006 and 2007 averaged nearly 6 times higher than the average for the prior four years.
- Agriculture involvement in several high profile raids:
  - Swift & Company meat packing plants – 1,300 illegal workers.
  - Pilgrim’s Pride poultry processing plants – 300 employees – with one facility in Live Oak, FL.
  - Agri-processors meat packing plant – 400 arrests.
Administration’s Activities

- Pursuing greater employer accountability, with regard to hiring undocumented workers.

- August 2007 – DHS issued final regulations on its no-match policy – delayed at this time.

- President proposed regulations that would require all government contractors and some subcontractors to use DHS’ E-Verify employment authorization.
• Late 2007, announced a series of reforms they will pursue to address border security.

• Among those reforms are:
  • 18,300 Border Patrol Agents
  • 370 miles of fencing
  • 300 miles of vehicle barriers
  • 105 camera and radar towers
  • Add 1,700 more border patrol agents in 2009.
  • Training hundreds of State and local law enforcement officers to address illegal immigration in their communities.
Recent Reform

• Feb. 2008 - USDOL proposed rules to update H-2A program.
  • Purpose - to provide farmers with an orderly & timely flow of legal workers.

• Program is too expensive.
  • 2008 - many citrus growers had $1500 invested in a single worker before they even picked a single piece of fruit.

• Therefore, usage of the program is low.
  • Currently only a little more than 75K workers participate in the H-2A program – there are an estimated 600K to 800K undocumented immigrant workers on US farms.
Process of H-2A program

- Submission of application to US DOL.

- Provide free housing inspected by OSHA.

- Provide free transportation to Florida and to and from housing and job site.

- Wages must be the highest of the Adverse Effect Wage Rate (AEWR), the federal or state minimum wage or the prevailing hourly wage rate.
  - Florida’s min wage  9-19-08    $6.55 hour
  - Florida’s min wage  7-24-09    $7.25 hour
  - AEWR Wage 2008        $8.82 hour
Proposed changes supported by FCM

- Verification of employment eligibility.
- Allowance of flexibility in piece rates.
- Provision of worker housing through a voucher.
- New Adverse Effect Wage Rate Methodology.
Proposed changes NOT supported

- Additional advertising requirements and expenses.

- Increased certification fees.

- Difficult process for emergency applications.

- Requiring employers to bear costs of recruiting and facilitation of admission of illegal immigrants.
Legislative Fix

- Comprehensive Immigration Reform is needed.

- In lieu of that – temporary version of AgJOBS named the Emergency Agriculture Relief Act – (EARA).
  - Positives –
    - Dedicated Congressional champions
    - Positive media coverage
  - Negatives -
    - Organized anti-immigrant movement

- EARA unfortunately, did not pass in May.

- In addition - Reduce labor needs via Mechanical Harvesting.
Conclusion

- The labor emergency facing American agriculture threatens our stable and reliable food supply.

- U.S. Agriculture, Florida Citrus must have a streamlined guest-worker program!

- Become an FCM Allied Member.

- Join FCM Grassroots Network Now!
  - Email your contact information to info@flcitrusmutual.com.
Thank You!

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