



# RURAL CALIFORNIA REPORT

A publication of the Working Group on Farm Labor and Rural Poverty  
California Institute for Rural Studies, P.O. Box 530, Davis, CA 95617  
221-1/2 G Street, Suite 4, Davis (916) 756-6555

January 1989

Volume 1 Number 1

## Introducing Our Newsletter

Welcome to the first issue of *Rural California Report*, a new bi-monthly publication of the Working Group on Farm Labor and Rural Poverty of the California Institute for Rural Studies (CIRS). We hope that you will find the articles and descriptions of newly published materials to be useful in your work. We especially welcome your comments and suggestions on how this publication can be made more helpful to you.

The Working Group on Farm Labor and Rural Poverty was formed in summer 1987 by professors at the University of California in collaboration with CIRS, utilizing the support of the Ford and Rosenberg Foundations. The original intent of the project was to encourage research on farm workers, the rural poor, and related issues in California, and to carry on research in cooperation with interested community groups. To this end, a board of six was formed consisting of three academics and three community representatives, and the principle was established that all future boards, conferences, and dispersal of funds should be similarly administered. The Working Group is based at CIRS, and is coordinated by David Runsten.

Over the course of the last year, it became apparent that greater resources were needed for outreach to the community groups serving farm workers, and that a research effort that was not better coordinated with the community would suffer from the same failings of many past efforts. For this reason we have created a "pilot" community outreach program with a full-time staff member, Luis Magaña.

The Working Group has four main goals:

1. To encourage and support policy-oriented research on rural labor and poverty in California;
2. To bring together academics, activists and policy-makers, both to define the research agenda and to carry on a continuing dialogue over policies;
3. To encourage, fund and assist action-oriented research by community groups in rural California;
4. To act as a clearinghouse for information on rural labor and poverty in the West.

*Rural California Report* represents an important step in implementing the last-stated goal. We hope that you will find it helpful.

Produced by Don Villarejo, Luis Magaña & Phyllis Woodbury

---

---

## CONFERENCES

Title: *Farmworkers in this Nation: Reflections and Future Outlook*

Date: April 4-7, 1989

Location: Austin, Texas

By: Texas Department of Agriculture  
National Council of La Raza --  
National Farmworker Center

Midwest Assoc. of Farmworker Organizations

An agenda will be available by February 20. Rooms have been reserved at the conference site, Holiday Inn-Townlake (512) 472-8211 at conference rate of \$44.

For information, contact Olga L. Moya at the office of the Commissioner of Agriculture, P.O. Box 12847, Austin, Texas 78711 (512) 463-7427.

.....

Title: *Migrant Health...Cost of Neglect, Dividend of Care*

12 th Annual Migrant Health Conference

Date: April 26-29, 1989

Location: Indianapolis, Indiana

By: National Association of Community Health Centers, Inc.

For information, contact Carmen Baba-Dijols or Dan Cardenas

National Association of Community Health Centers, Inc.,  
1330 New Hampshire Avenue, N.W., Suite 122  
Washington, D.C. 20036 (202) 659-8008

---

---

## Luis Magaña Joins Staff

We are pleased to announce that Luis Magaña joined the staff of the Working Group on Farm Labor and Rural Poverty in November 1988. Sr. Magaña will be working directly with community groups and interested individuals in the San Joaquin Valley. He has a long history of service to farmworkers and is a recognized community leader in Stockton. He is establishing a new office for the program in the northern San Joaquin Valley.

# Farm Restructuring & Employment

by Don Villarejo

---

When California Department of Employment Development (EDD) staff began interviewing Fresno County grape workers in a 1988 wage survey one of the most interesting findings was completely unexpected. The interviewers found that up to 90% of the workers on a given grape farm did not know the identity of their employer. This reflects not ignorance on the part of workers but instead little known and fundamental changes in the nature and composition of farm employers in California.

Reports to EDD of direct hire employment by California crop farm employers shows a steady decline throughout the 1980's. The decrease is most pronounced for vegetable and melon farms and amounts to 25%. By contrast, total production has been sharply increasing in the same period. In the case of California vegetables, total production increased by about 20% in the 1980's.

This paradox of rising production accompanied by declining direct employment by farm operators is only understandable when we consider indirect employment. Careful examination of the available data shows that at least 40% of all hired farm work in California is now performed by employees of labor contractors, farm management companies, packing house operations and other businesses that are essentially providers of services to farm operators. Thus, the decline of direct farm employment reflects the increasing importance of these other types of agricultural employers in California.

The available evidence suggests that the most rapidly increasing segment of non-farm employers is labor contractors. Total reported employment by California farm labor contractors increased by over 20% in the single year period 1986 to 1987. While there has been a steady increase in farm labor contractor employment throughout the 1980's, the greatest increases have occurred in the most recent years. In the San Joaquin Valley it appears that workers employed by labor contractors now perform an actual majority of hired labor in fruits and vegetables during peak season.

An important consequence of these findings is that some data sources for California agriculture give fundamentally unreliable data on hired farm labor. For example, the Census of Agriculture collects data on agricultural employment by farm operators but not by farm management companies or fresh produce field packing operations. Overall, it is found that total hired farm-worker wages and employment for California crop farms are at least 70% larger than reported by the Census of Agriculture.

We have obtained wage reports for agricultural employees reported through the Workers Compensation Insurance system in California. These reports are

classified by type of work activity and not by type of employer. They provide an independent source of wage data. All types of employers, whether direct farm employers or the firms supplying services to farm operators, are included on an equivalent basis. On the other hand, wage reports for workers are separated by type of work activity because risks differ for different types of work activity. Thus, wages paid for work in vineyards is reported separately from those for work in vegetable fields.

The Workers Comp wage reports suggest that there are 31,815 employers in California, both farm operators and service providers, who hire persons to perform farm labor. The most striking feature of the data is the extreme degree of size concentration among agricultural employers. Just 1,031 agricultural employers, or 3.2% of the total of 31,815, account for a majority (53.2%) of all wages reported paid to California farmworkers. The average farm payroll of these largest farms is \$1.5 million per year.

Analysis of the Workers Comp data shows that the largest share of wages paid for hired farm labor is in vegetables (24%), followed by

---

*...at least 40% of all hired work is now done by workers employed by labor contractors, farm management companies, packing house operations...*

---

vineyards (16%), orchards (14%) and horticultural crops (11%). Surprisingly, total dairy farm wages are greater than those paid for such labor-intensive crops as strawberries.

An important finding of the analysis of the Workers Comp data is that citrus and fresh fruit packing houses are among the most important employers of workers in both vineyard and orchard work. This analysis is possible because citrus and fresh fruit packing work is treated as a separate risk as compared with the various categories of field work. It is therefore possible to examine employers reporting payrolls in at least two categories, one being either citrus or fresh fruit packing. While comprising less than 3% of employers of vineyard workers, those with packing operations account for nearly 20% of all wages paid for vineyard work.

It is also found that packers with vineyard or orchard payrolls comprise a very large share of the biggest employers. Of 41 employers reporting orchard wages in excess of \$1 million per year, some 21 are citrus or fresh fruit packers. Similarly, of the 63 employers paying more than \$1 million per year of vineyard wages there are 23 that are citrus or fresh fruit packers.

By careful examination of these wage reports by employers with packing operations, we find that we can account for nearly half of the discrepancy between wages paid for hired farm work reported in the Census of Agriculture versus those reported in other data sources. It is likely that further refinement of this analysis would account for much of the remaining discrepancy. We interpret this to be direct evidence that wages paid for agricultural work by businesses that are not farm operators, such as fresh fruit or citrus packing houses, accounts for the great majority of "missing" wages that are not re-

ported by the Census of Agriculture discussed above.

Another major issue arising in the analysis of farm employers is that associated with the high turnover of such employers in recent years. For example, of the twenty largest farm businesses identified in a 1978 study, some thirteen have gone out of business or have been acquired by other firms. While no definitive study is available data from Dun & Bradstreet show that nearly 900 farm businesses declared bankruptcy during the "farm debt crisis" in the 1984-87 period. Since this represents about 10% of all farm bankruptcies in this period while California has only 4% of all U.S. farms, it should be clear that the state's share of farm bankruptcies was disproportionately large.

On the other hand, other factors have led to increases in the number of certain types of agricultural employers. Recent regulations intended to limit the amount of federal water subsidies (to eligible water recipients) to the equivalent of 960 acres worth of irrigation water per farm have stimulated "paper farm" divisions in California's Central Valley. Farm management companies have been established to operate the new 960-acre entities. **W a g e reports for the 3rd Quarter of 1987**

*...the most rapidly increasing segment is labor contractors.*

for the San Joaquin Valley show that there are now 141 more farm management companies reporting wages paid than in 1983, before the new regulations went into effect.

This discussion suggests that substantial changes are taking place, both in the composition of businesses conducting farming and in their relationship to the agricultural labor market. The need for further research is perhaps most urgent in the case of farm labor contractors. This segment is both large and increasing the most rapidly.

*Summary of report given at Farm Labor Conference in Fresno, May 1988. The entire report, with commentary by three discussants, is available from C.I.R.S.*



## **LOS ULTIMOS EN SER CONTADOS Y LOS PRIMEROS EN PRODUCIR**

por Luis Magaña

Fue hasta la media noche del pasado 30 de noviembre cuando se cumplió el plazo fijado por el Servicio de Inmigración y Naturalización (INS) para que trabajadores del campo sin documentos que habiendo trabajado por lo menos 90 días durante 1985-86, sometieran aplicación para legalizarse bajo un programa especial para trabajadores del campo (SAW) que fue incluido en el Acta de Reforma y Control de Inmigración (IRCA) aprobada en 1986.

Durante el último día, en las dos oficinas de legalización que se encuentran en el valle de San Joaquin, cientos de campesinos se daban prisa a entregar sus aplicaciones, muchos con un rostro de satisfacción, otros se les veía la angustia y la desesperación, que se mezclaba entre los reporteros de los medios de comunicación que se encontraban por ser el último día.

Manuel Ramirez Conesco fue el último campesino en todo el valle agrícola de San Joaquin en entregar ese día su aplicación, pero su caso particular revela la realidad del indocumentado para lograr acogerse a la legalización.

Manuel de 44 años, que luchó hasta el último momento por conseguir los requicitos, es originario de México de donde ha venido por muchos años ha trabajar en diversos trabajos agrícolas. Tuvo que estar insistiendo al agricultor por sus comprobantes de trabajo, además se le habían extraviado documentos sobre su identidad que le fueron enviados desde México.

Ese día como otros, Manuel se levanto a las cuatro de la mañana para ir a las labores del campo sin importarle la densa neblina y la baja temperatura. Solo trabajó ese día pocas horas podando arboles de almendra y le cobro al agricultor lo que le debía, pero no logro comple-

tar los \$185 dolares para pagar la cuota al Servicio de Inmigración para meter su aplicación, pero aún así y sin tener medio alguno de transporte decidió salir a Stockton caminando.

Al pasar por la ciudad de Manteca, Manuel, le pidió un "aventon" a un policía el cual le fue negado, pero en cambio le ayudo a encontrar un taxi que con una pequeña donación que Manuel le ofreció, decidió llevarlo a Stockton.

Después de tres horas, y apesar de la neblina y sin saber la dirección, el taxi dejo a Manuel en las puertas de la oficina de legalización a escasos cinco minutos antes de la media noche.

Manuel nunca se entero de alguna agencia que le ayudara en llenar su aplicación, un voluntario en esos momentos se ofreció y se la lleno quién fue el mismo que le presto los \$45 dolares que le faltaban para completar los \$185. Ya pasaba de la media noche y Loren Montgomery, Jefe de la oficina de legalización, ya no quería esperar más, pero Manuel por medio de interprete le insistió y el Sr. Montgomery accedió a esperar unos minutos más mientras alguien corrió a buscar una tienda abierta para comprar el giro.

Los minutos pasaban y por fin decidieron no esperar más y Manuel tuvo que salir preocupado, justo en ese momento llegó corriendo la persona con el giro, Manuel se regresa y toco la puerta introduciendo el giro por una rendija de la puerta.

Después de unas horas, Manuel se encontraba trabajando con sus compañeros, que muchos de ellos no lograron reunir los requicitos y teniendo el derecho a legalizarse.

Ese día, los periodicos locales publicaban grandes reportajes sobre el último día de legalización en forma superficial, pero sin informar la verdadera situación que para muchos campesinos significo el aplicar y peor aún sin mencionar el futuro incierto de los miles de trabajadores que no pudieron reunir lo requerido o el dinero para los tramites. Lo ironico es que estos trabajadores que luchan por sobrevivir y que aún no son tomados en cuenta, son los primeros en producir y en contribuir enormemente a la economía nacional.

## Resources

---

*SHORTCHANGED: Recent Developments in Hispanic Poverty, Income and Employment; November, 1988.*

Center on Budget and Policy Priorities  
236 Massachusetts Avenue, N.E.,  
Suite 305  
Washington, D.C. 20002  
(202) 544-0591

According to Robert Greenstein, Director of the Center on Budget and Policy Priorities, "The current economic recovery appears to be benefitting Hispanics much less than other groups...Hispanics are the only racial or ethnic group whose poverty rate remains at or close to recession levels." While Hispanic income levels dropped dramatically during the recession of the early 1980's, Hispanic families since 1982 have made up only half of their income losses.

After an introductory overview, the report examines this phenomenon in four sections -- Hispanic Poverty; Hispanic Income; Hispanic Employment and Wages; and Federal Budget Policy in the 1980s: Its Effect on Hispanic Americans.

---

*FARM WAGE SURVEY: Fresno County Grape Harvest Wage Survey -- 1988.*  
State of California, Employment  
Development Department

*FARM WAGE SURVEY: San Joaquin County Peach Harvest Wage Survey -- 1988.*  
State of California, Employment  
Development Department

These surveys were prompted by concern

over the effect that IRCA (Immigration Reform and Control Act of 1986) may have on the supply of farm labor after employer sanctions go into effect in December 1988. While supplying data on wage rates, these surveys were also meant to be a "proving ground" for EDD's survey methods.

The Fresno County grape harvest was surveyed because "it is the largest labor-using crop activity in California." The San Joaquin County peach harvest was chosen for factors that made it favorable for survey methods. Both reports describe their methodology, and the findings are illustrated with charts and tables.

---

*TRENDS IN HUMAN RESOURCE MANAGEMENT - 13: Time to Start Pitching in for the RAW Program, October 1988.*

Howard R. Rosenberg,  
Cooperative Extension Specialist  
Agricultural Labor Management, Dept. of  
Agricultural & Resource Economics  
UC Berkeley

This report lays out the background of the RAW program, putting it into the context of IRCA's provisions for regulating the supply of farm labor. It describes the calculations that will be used to determine the number of alien workers to be admitted under the RAW program, and explains the new requirements for record keeping and reporting. Included is a section entitled, "How to Meet the Reporting Obligations in 1989." The appendix consists of a copy of a Work-Day Report (Form ESA-92) from the Federal Register.

*Cancer in Humans and Potential Occupational and Environmental Exposure to Pesticides, May 1988.* Selected abstracts prepared by Marion Moses, M.D.

P.O. Box 22579  
San Francisco, CA 94122  
(415) 731-6569

A brief description of the findings of a series of studies reported in various journals, including title, author, date and publisher. This paper is divided into four sections: Mortality Studies, Case-Control Studies, Cancer in Children, and Case Reports.

---

*Comments on Worker Protection Standards for Agricultural Pesticides: 40 C.F.R. Parts 156 and 170*

United Farm Workers of America (AFL-CIO), Farm Labor Organizing Committee, National Farm Workers Health Group  
California Rural Legal Assistance  
National Farm Worker Ministry

"After more than 40 years of intensive use of pesticides in agriculture, with minimal regard for worker safety, it is unfortunate that the first major attempt to address pesticide protection of agricultural workers should be the weak and timid standard being proposed." So it begins.

This commentary is broadly divided into three sections: summary and overview, section-by-section analysis, proposed changes in the regulations' text.

The proposed regulations are printed in the Federal Register, Vol. 53, No. 131, dated July 1988.

California Institute for Rural Studies  
P.O. Box 530  
Davis, CA 95617



Nonprofit Org. U.S. Postage PAID Permit No. 126 Davis, CA 95617
---