

## Trump Administration Plan Would Cut Pay For Essential Farm Workers

The U.S. Agriculture Department's decision to suspend a farm labor survey could lead to lower minimum wages in the fields.

October 3, 2020

Dave Jamieson

The low-wage farm workers who've put food on America's dinner tables throughout the <u>coronavirus pandemic</u> could soon see a pay cut courtesy of the <u>Trump administration</u>.

The U.S. Department of Agriculture is moving to phase out a quarterly survey that helps determine wage rates on farms that use the H-2A guestworker program.

The pay rate comes from a survey known as the adverse effect wage rate, or AEWR. It varies by region, and is meant to reflect the prevailing wage farms are offering. In most situations, H-2A employers have to pay workers according to the AEWR, the state minimum wage or the federal minimum wage — whichever is highest. The idea is to keep farmers from paying guestworkers lower rates than they would pay Americans to do the same job.

AEWRs range from \$11 to \$16 this year, whereas the federal minimum wage is still just \$7.25 per hour. The AEWR is usually the highest of the possible rates, except in areas with robust local minimum wages, like California. That may help explain why growers aren't huge fans of it. A recent analysis by the libertarian Cato Institute found that the difference between the AEWR rate and the minimum wage in each state averages 57%.

If the administration suspends collecting data for the AEWR without another plan in place, many farms would be allowed to pay lower wages to field workers as early as next year.

Labor groups are warning that such a move would depress income for foreign workers and U.S. citizens alike. Farms that use the H-2A program are required to pay at or above those wages not just to the visa holders, but to U.S. workers employed in similar roles.

Bruce Goldstein, president of the advocacy group Farmworker Justice, said poor guestworkers from Mexico and other countries are paid so little back home that they will accept any wage in the U.S. By pushing the legally required minimum wages lower, he said the Agriculture Department could end up displacing U.S. workers.

"We're talking about a couple hundred thousand farm workers potentially affected by this, both U.S.-born and guestworkers," Goldstein said. "Wages are already low and this would allow them to be even lower. It undermines the whole point of the protections in the law."

The Agriculture Department's intention to suspend the survey was <u>listed</u> in the federal register this week and first reported by Business Insider.

The National Council of Agricultural Employers tried to <u>sue</u> to prevent wage hikes under the AEWR from happening in 2019. A lobbyist for the American Farm Bureau Federation penned an <u>op-ed</u> earlier this year arguing that the wage rates grow too fast and and the methodology behind them is faulty: "The real adverse effect to consider is the American farmers' ability to stay open for business and compete against imports from countries with lower labor costs."

Early in the pandemic, NPR <u>reported</u> that White House chief of staff Mark Meadows and Agriculture Secretary Sonny Perdue were exploring ways to help farmers by lowering the wages of H-2A workers.

Daniel Costa, an immigration law expert at the Economic Policy Institute, said that scrapping the survey could let the government use a different data source starting next year, and that it is almost certain to produce lower wage rates than the AEWR. Most workers would see their pay go down, particularly in the Southeastern states where the weak federal minimum wage prevails, he said.

Costa said the maneuvering by the Agriculture Department is consistent with Trump's other policies on guestworker programs. The White House has said it wants to limit such programs to help U.S. workers, but in reality the number of visas for low-wage workers has <u>grown</u> under Trump's watch, providing a pipeline of cheaper labor. Lowering pay could make the programs even more enticing.

"The wages should be fair," Costa said. "If you set the wages so low that no [U.S. worker] will ever apply for these jobs, then yeah, you're creating a labor shortage that leads to a justification for more guestworkers."

HuffPost asked the USDA if it has a plan to replace the AEWR with another wage metric but did not receive a response on Friday. The Labor Department announced in July 2019 that it planned to <u>overhaul the H-2A program rules</u> to use a different survey from the Bureau of Labor Statistics, but no such rule has been finalized.

According to the USDA, the average wage of a farmworker in the U.S. last year was \$13.99, well below the \$23.51 average outside of agriculture. Fifty-seven percent of farmworkers were of Mexican origin. Although they are less likely to be U.S.-born than workers in other fields, more than half were U.S. citizens.

It's possible that the Trump administration will let the 2020 wage rates produced by earlier surveys carry over into next year. In that case, many workers would not see a wage increase, but their earnings at least would not go down.

But the United Farm Workers Foundation fears that if the survey disappears then the wage rates in most regions will default to the state or federal minimum. That could cost some workers a few dollars an hour, amounting to a huge drop in income over the course of a year.

Leydey Rangel, a spokesperson for the group, said cutting pay would be an awful way to reward field workers who've risked contracting coronavirus for months in order to maintain the food supply.

"Really what the Trump administration here is doing is they are slashing farmworker wages in the middle of a global pandemic," Rangel said. "This is the same federal government that declared them 'essential."