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California farm workers and the SAW legalization program

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There are some indications that the Special Agricultural Worker program has been too successful

The Immigration Reform and Control Act of 1986 (IRCA) provides that workers with 90 days of qualifying work in the 12 months ending May 1, 1986, may become legal U.S. residents under the Special Agricultural Worker (SAW) program. This article reviews the characteristics of workers reported by California farm employers to unemployment insurance (UI) authorities in 1985 to project SAW applications.

California farm employers reported nearly 906,000 workers in 1985 (table 1). Analysis of a 5% sample of these workers shows a farm payroll of \$2.8 billion and 10.5 million weeks of farm work. The "average" worker earned \$3,100 for 12 weeks of work. Three-fourths of all workers had just one farm job in 1985; the

237,000 with more than one farm job averaged 2.2 each. About 12% of all workers were migrants, and 25% were seasonal workers. These UI figures include all those employed on California farms—farm workers, supervisors, clerks, and accountants. About two-thirds of the total were farm workers.

SAW legalization requirements cannot be translated directly to determine how many workers in the UI data will qualify for legal status. SAW applicants should be limited to those who did enough weeks of work for or had sufficient earnings with a seasonal agricultural services (SAS) employer in 1985-86. There were 115,000 to 188,000 such workers in the 1985 UI data. By August 1988, however, there were

433,000 California SAW applicants. These figures suggest that employers did not report large numbers of farm workers to UI, or that many nonqualified workers applied for SAW status, or both.

The data

California unemployment insurance laws require employers who pay \$100 or more in wages during a calendar quarter to report the names, Social Security numbers, and earnings of their employees and to pay a tax of 3% to 6% on the first \$7,000 of each employee's earnings. We obtained a 5% random sample of all workers who were reported at least once by a crop, livestock, or agricultural services employer in 1985. Of the 1.2 million workers reported,

only 906,000 were employed on crop or livestock farms or by "farm" agricultural service firms. The others worked for pet or landscape services or multi-establishment employers, such as retailers who also own a farm.

The UI information is the best available "census" of people employed on farms, but it has several shortcomings. First, not all of the employees reported by farms have farm-worker occupations. About a third of the unemployed workers claiming UI benefits on the basis of work on farms have nonfarm occupations such as clerk or mechanic. Second, the UI worker analysis is based on Social Security numbers. If a substantial proportion of farm workers use several numbers, the UI figures inflate the number of farm workers and lower the average earnings and weeks worked. Finally, some employers may not report all their workers or wages. The number of farm workers, wages, and weeks in the UI data is not verified unless workers file UI benefit claims.

TABLE 1. Workers employed on California farms in 1985

Characteristic	Farm workers	SAS workers
Workers	905,860	806,000
Farm earnings (\$billion)	2.8	2.2
Average (\$)	3,088	2,756
Farm weeks (million)	10.5	8.7
Average	11.6	10.8
Workers earning <\$1,000	373,780 (40%)*	349,760 (43%)*
Avg. farm earnings (\$)	255	250
Avg. farm weeks	2.3	2.2
Migrant workers†	112,640 (12%)	110,680 (14%)
Avg. farm earnings (\$)	3,408	3,346
Avg. farm weeks	17.2	17.1
Seasonal workers†	252,400 (28%)	224,660 (28%)
Avg. farm earnings (\$)	3,259	3,221
Avg. farm weeks	15.4	15.4
Workers earning \$12,500-\$19,999	108,700 (12%)	45,540 (6%)
Avg. farm earnings (\$)	9,868	9,145
Avg. farm weeks	28.6	25.3
Workers earning \$20,000 or more	50,620 (6%)	41,780 (5%)
Average farm earnings (\$)	13,600	11,956
Avg. farm weeks	22.4	20.5

SOURCE: Special tabulation of 1985 Quarterly Employer Reports to California Employment Development Department, 1987.

* Percent of all farm or SAS workers; percentages do not add up to 100% because not all workers earning \$1000-\$12,500 satisfied definitions of migrant (at least two farm jobs in two counties) or seasonal (\$1000-\$12,500 and 5-30 weeks' farm work).

† 301,560 migrant and seasonal workers were employed on California farms and 272,660 on SAS farms.

Farm workers in 1985

The 906,000 workers reported by employers in 1985 averaged \$3,100 for 12 weeks of work on farms. However, the differences within the work force limit the usefulness of such averages. The UI data group workers by earnings or weeks worked. UI believes earnings are more reliable than weeks worked, because they are the basis for employer tax payments and UI enforcement activities.

Employers reported low earnings for most workers on their farms. In 1985, about 40% earned less than \$1,000 from all farm and nonfarm jobs; two-thirds earned less than \$4,000. Those earning less than \$1,000 averaged \$250 for 2 weeks of farm work. These workers earned only 3% of all farm earnings and contributed just 8% of all farm weeks worked, but they represented 41% of the farm work force.

Most workers who earned less than \$1,000 had just one short job on a farm and then dropped out of the work force. About 36% of these casual workers did more than 3 weeks of farm work, but less than 1% did more than 18 weeks.

Many discussions presume that most farm workers are migrant or seasonal workers. There is no official definition of these terms. For this analysis, we define migrants as persons with at least two farm jobs in two counties. We define seasonal workers as those who did 5 to 30 weeks of work on farms or "farm" agricultural services (equivalent to about 25 to 150 days) and who had farm earnings of \$1,000 to \$12,500 in 1985. These definitions are similar to those developed by the U.S. Department of Agriculture (USDA) to analyze farm worker data from the December Current Population Survey.

Migrants made up 12% of the work force, and seasonal workers 28%. This suggests that most workers employed on California farms are neither migrant nor seasonal; only when these definitions are

applied to relatively small subgroups do the majority fit those definitions.

Migrant and seasonal workers do satisfy farm-worker stereotypes. Most migrants did less than 6 months of farm work and earned \$3,000 to \$4,000. The 113,000 migrants averaged \$3,400 for 17 weeks of farm work; the 252,000 seasonal workers averaged \$3,300 for 15 weeks. Most migrant and seasonal workers hold several jobs. The migrants averaged 3.8 farm jobs each, the seasonals 2.2 jobs each. (Half of all seasonal workers had just one farm job; those with two or more jobs averaged 3.5.) The jobs of migrant and seasonal workers were concentrated in the second and third quarters of 1985; about 70% were employed during those quarters, but only 23% of the migrants and 12% of the seasonal workers were employed during all four quarters.

About 6% of all workers employed on farms earned more than \$20,000 in 1985. Most of these also did a substantial amount of nonfarm work. For example, persons with total earnings of \$20,000 or more in 1985 averaged \$35,400, but only \$13,600 was from farm employers. These highest paid employees included managers of corporate farms, supervisors and accountants, and others with nonfarm occupations.

SAW workers

The UI figures assign workers to the primary commodity of their employers (that which generates 50% or more of farm sales). Under IRCA, only illegal alien workers who did field work in "seasonal agricultural services" (SAS) may apply for SAW legal status. SAS have been defined to include most edible crops and a few nonedibles such as Christmas trees.

SAS employers reported 806,000 workers to UI authorities in 1985, and their characteristics were very similar to those of all workers employed on farms (table 2). SAS workers include many low earners.

TABLE 2. California workers employed in seasonal agricultural services (SAS) in 1985

Distribution	SAS workers	Per-cent	SAS earnings	Per-cent	SAS weeks	Per-cent	Avg. earnings	Avg. weeks
		%	\$	%		%	\$	
By SAS earnings:								
Less than \$1000	467,260	58	124,725,820	6	1,098,000	13	267	2.3
1000 to 3999	187,680	23	406,023,460	19	2,329,540	28	2,163	12.4
4000 to 7499	72,580	9	400,414,980	19	1,831,800	22	5,517	25.2
7500 to 12,499	42,560	5	412,440,120	19	1,553,240	19	9,691	36.5
12,500 to 19,999	23,640	3	365,334,300	17	983,640	12	15,454	41.6
More than 20,000	12,280	2	414,198,160	20	595,460	7	33,729	48.5
Total	806,000	100	123,136,840	100	8,391,680	100	2,634	10.4
By SAS weeks:								
18 to 40	114,980	14	706,179,120	33	3,103,280	37	6,142	27.0
3 to 40	408,640	51	1,178,851,820	56	5,418,600	65	2,885	13.3
3 to 17	293,660	36	472,672,700	22	2,315,320	28	1,610	7.9

SOURCE: Special tabulation of 1985 Quarterly Employer Reports to the California Employment Development Department, 1987. Table is based on a 5% random sample of the 1,199,920 workers (Social Security numbers) reported at least once by a California farm employer in 1985.

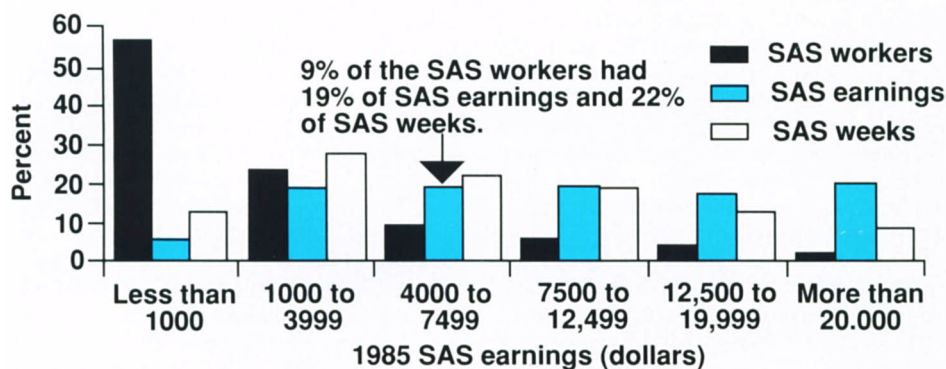


Fig. 1. California seasonal agricultural services (SAS) workers distributed by 1985 earnings.

About 12% of the SAS workers are migrants, and 25% are seasonal.

There is considerable interest in how many SAS workers may qualify for the SAW program. The program requires illegal alien workers to have done at least 90 days of field work in seasonal agricultural commodities between May 1, 1985, and May 1, 1986. The UI data do not permit a direct translation of these requirements to estimate the number of qualifying workers. The requirements can be approximated, however, with 1985 UI earnings and weeks-worked data by assuming that January through April employment patterns were similar in 1985 and 1986.

One conversion is from the SAW requirement of at least 90 days of qualifying work to UI data on weeks worked for SAS employers. The UI data can isolate persons who had at least 18 weeks of work (90 work-days) with an SAS employer in 1985. However, to leave out farm managers, clerks, and other non-field workers, an upper limit on weeks worked must be set. USDA defines anyone employed 150 or more days on one farm as a regular or year-round worker. We used 40 weeks (200 work-days) as the upper limit, because few field workers are likely to find employment 5 days a week over extended periods. (Most SAW applicants reportedly need at least 25 weeks to obtain 90 days of SAS employment.)

The workers employed 18 to 40 weeks by SAS employers are one description of SAW applicants. About 115,000 workers fit that category in 1985, averaging \$6,100 for 27 weeks of SAS work. Most of these workers conformed to the seasonal farm worker stereotype; three-quarters earned \$1,000 to \$7,500, averaging \$4,400 for 25 weeks of SAS work. Only half of the 18- to 40-week SAS workers had more than one farm employer in 1985, suggesting that

many SAW applicants will need to list only one employer to satisfy the 90-day work requirement. About two-thirds of these workers fit the definition of seasonal workers, but only one-quarter fit the migrant definition.

Alternatively, the category of SAW applicants can be approximated by isolating the workers who had qualifying earnings from SAS employers in 1985. SAS earnings are hard to translate into days of farm work, especially because a day of farm work for the SAW program is defined as one hour or more. However, the SAW program permits applicants to estimate their days worked on the basis of earnings. Some SAW applications, for example, say that the estimated 100 days of qualifying work was based on 1985 earnings of \$4000, an hourly wage of \$5, and an average of 8 hours' work per day.

Farm workers are paid either hourly or piece-rate wages. Hourly wages average \$4 to \$5, piece-rate earnings \$5 to \$6 per hour. Hourly workers usually work 8 hours or more daily, while piece-rate workers average 6 to 7 hours. Assuming a minimum \$30 daily wage, SAS workers would have to earn at least \$2,700 from SAS employers to qualify for SAW status. Based on earnings data, roughly half of the workers who earned \$1,000 to \$3,999 from SAS employers in 1985 (93,840 workers), all those who earned \$4,000 to \$7,499 (72,580), and half of the \$7,500-to-\$12,500 group (21,280), or a total of 187,700, were potentially SAW-eligible workers.

This analysis of the data reported by SAS employers to UI authorities in 1985 suggests that 115,000 to 188,000 workers in California could fit into the SAW category. Of course, not all of these SAW-eligible workers were illegal aliens; a September 1987 survey found that farm employers believed 42% of their seasonal workers

were illegal aliens who would apply for the SAW program. Applying this percentage to the UI data yields 48,000 to 78,000 SAW-eligible workers (*California Agriculture*, May-June, 1988).

According to the UI data, the SAW program has been too successful. As of August 1988, about 433,000 SAW applications had been filed in California, 54% of all SAW applications nationally. The SAW program is now expected to generate a million applicants before it ends on November 30, 1988. In August 1988, the Immigration and Naturalization Service had completed reviews of 267,000 SAW applications, and approved 88% of them. INS has said that the approval rate may drop as more fraudulent applications are identified; it suspects fraud in half of the "open" SAW cases. However, even a 70% approval rate applied to 500,000 applications in California would yield 350,000 SAWs. This is more than most observers anticipated and more than would be expected if less than half of the 188,000 workers in the UI data were illegal aliens. The number of SAWs is also surprisingly high, because some illegal alien farm workers become legal U.S. residents under the general legalization program.

Conclusions

This study suggests that the Unemployment Insurance data conflict with the SAW data. That is, either California farm employers reported only a third of their 1985 employees, or two-thirds of the SAW applications are fraudulent. There may also be a combination of underreporting and fraud.

It should be emphasized that this conclusion is only tentative; the UI data may cause underestimation of those eligible for the SAW program, if workers used several Social Security numbers in 1985 to accumulate SAS weeks and earnings. If they did, the earnings cut-off we used would be too strict. In one sample, about 20% of the SAW applicants had more than one Social Security number in 1985-86. The numbers eligible for SAW status may also be larger than suggested by the UI data if SAW applications filed in California included qualifying work done in other states. However, only 2% of the California SAW applications in one sample included any work done outside of California.

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