

COVID-19 and American Agriculture: Labor and Specialty Crops

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AMERICAN FARM BUREAU FEDERATION®

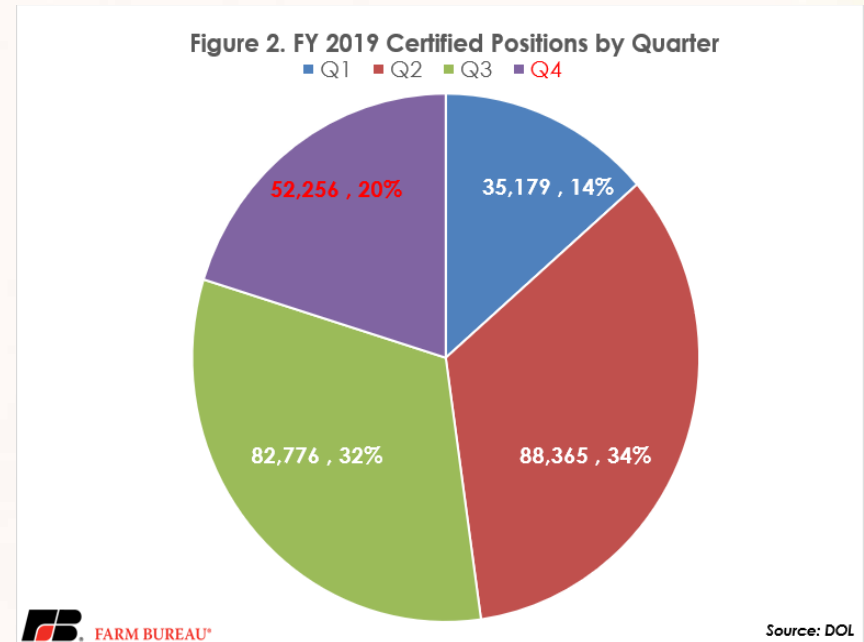
COVID-19 Labor Availability

- H-2A Guest Worker Program
 - Consulates closed.
 - Mexican consulate interview waivers
 - Expanded interview waivers from 12 months applicability to 48 months
 - Mission Mexico issued 88.2 percent of all H-2A visas in FY2019
 - Lockdowns in other countries still presented problems.
 - South Africa, Peru, and Jamaica



Agriculture Labor and COVID-19

- Pandemic shutdowns came at critical time for agriculture.
- Q2 and Q3 are peak months for H-2A employment.



Labor Demand

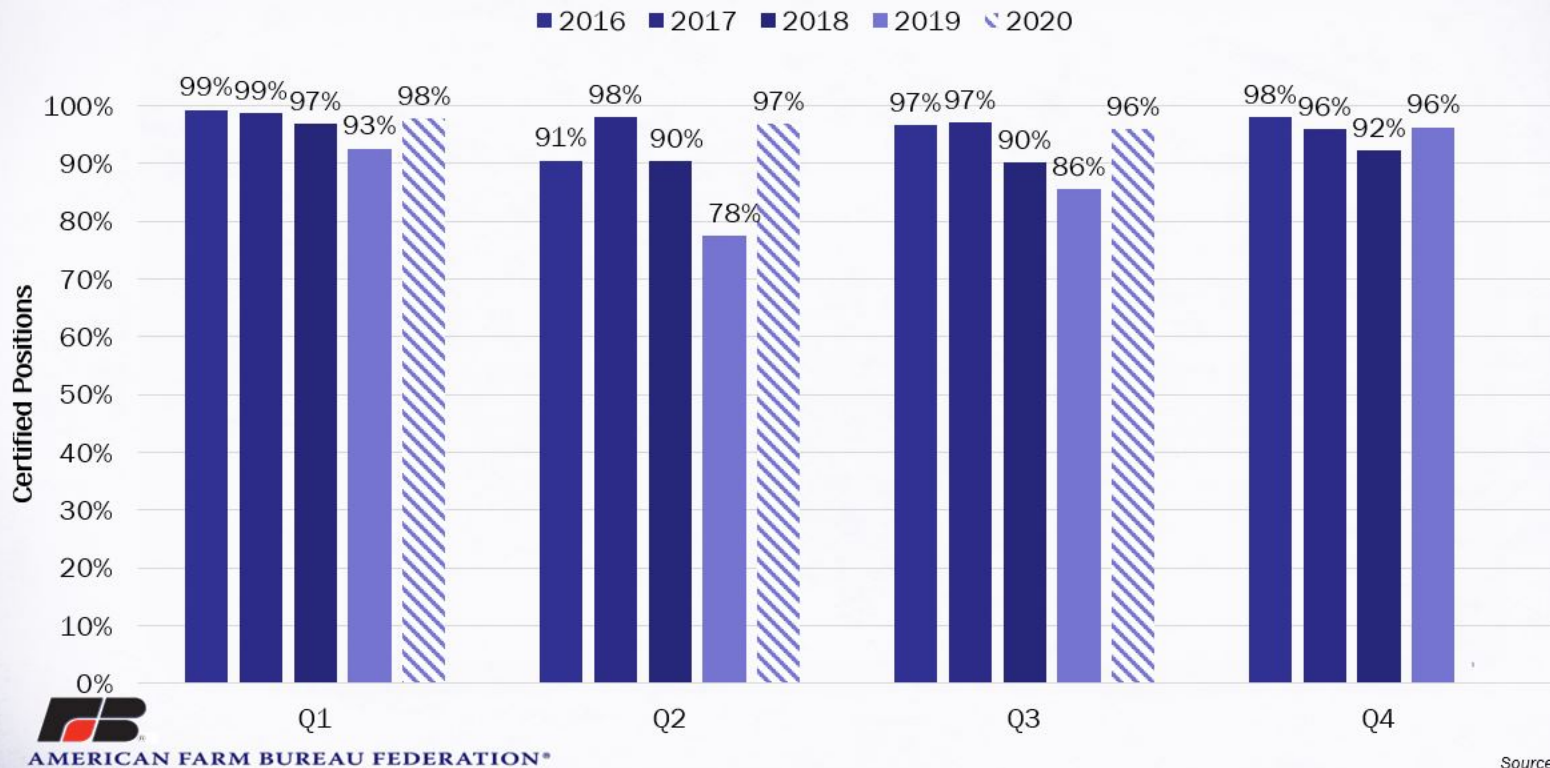
Q3 data indicates that H-2A applications continued to increase, even during the pandemic.

Figure 1. H-2A Program Q3 Certified Positions and Percentage Increase from Previous Year



Timeliness

Figure 3. H-2A Applications Processed “Timely”, FY 2016-2020



Essential Workers

- Food supply chain workers quickly deemed essential.
- CISA published Critical Infrastructure Workforce Guidance.
- State governments could use CISA guidance as tool, but not required to adhere to it.



CDC COVID-19 Guidance and Checklist

- It is critical to keep agricultural workers healthy.
- Guidance provides a range of options.
 - Cohort
 - Infection prevention training
 - Social distancing
 - Screening and monitoring workers
 - Sanitation protocols
 - Cloth face coverings
 - Housing

COVID-19 Issues

- Complying with COVID guidance creates unaccounted for expenses.
- Some states have enforced mandatory COVID standards too.
- Advocacy:
 - PPE and vaccine prioritization
 - Housing
 - Testing availability and result timeliness
 - Cost offsets



Specialty Crops



Pandemic Shutdowns

- Shutdowns caused major disruptions in service industry.
 - Tourism
 - Hospitality
 - Restaurants
- Schools shut down too.



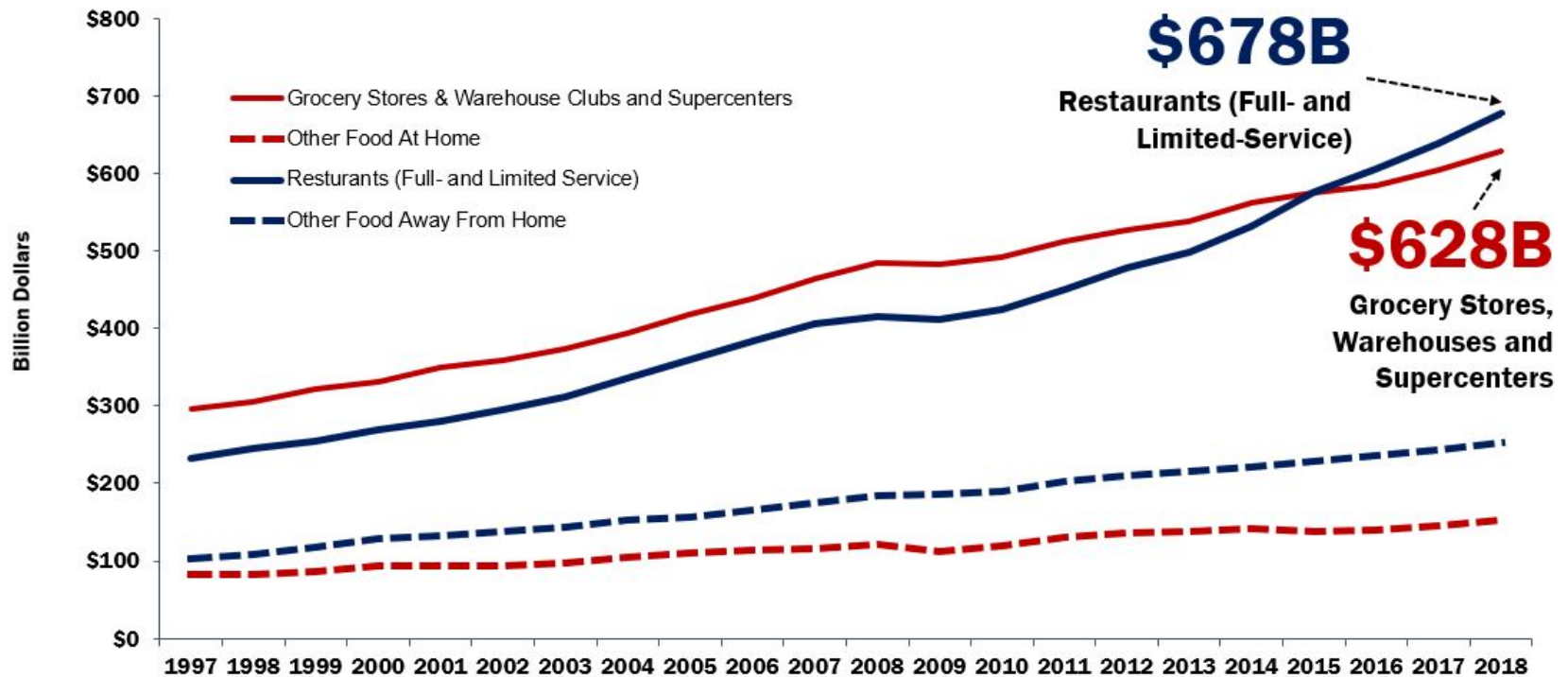
American Food Expenditures Pre-Pandemic

- Food purchases at restaurants and other similar establishments more prevalent than purchases for at-home consumption.



Pre-Pandemic Food Expenditures

Figure 1. Nominal Food At Home and Away From Home Expenditures,
Includes Taxes and Tips



Why plow?

- Perishable.
- Specialty crops are costly to pick.
 - Average AEWR is \$13.99/hour
- Sales structure varies between grocery store and service industry.
 - Packaging
 - Quantities
 - Quality

How have farmers adapted?

- Government resources:
- PPP, although H-2A wages not eligible for loan forgiveness
- Farmers to Families Food Box Program
- CFAP 1.0
 - Specific payment rates per product for specialty crops
- CFAP 2.0
 - Payment based on 2019 sales



Questions

