U.S. Pork Industry Needs a Viable Workforce

SITUATION
The U.S. pork industry is suffering from a serious labor shortage, negatively impacting farms and processing plants. This challenge undermines a critical economic sector, one that in recent years has driven employment and wage growth faster than the overall economy, that is key to prosperity in rural America. Current visa programs fail to meet the workforce needs of U.S. pork producers and other year-round livestock farmers.

The H-2A visa program, created in 1987 under the Immigration Reform and Control Act, allows a foreign national entry into the United States for temporary or seasonal agricultural work. Terms of work can be as short as one month and up to ten months. The U.S. Department of Labor Wage and Hour Division is responsible for auditing and inspecting H-2A employers to ensure guest workers are not unfairly exploited. Employers of H-2A guest workers must provide inbound and outbound transportation, housing and meals for workers. Additionally, to be eligible for the H-2A program, employers must demonstrate a lack of U.S. workers who are able, willing and qualified for the jobs.

Because it is designed for seasonal agriculture, the H-2A visa program can’t meet the workforce needs of pig farmers. Additionally, the program is fraught with bureaucratic red tape. Even if a farmer was able to bring in a worker under the H-2A program, he or she would spend an unreasonable amount of time and resources complying with the regulations. These transaction costs are time and money diverted from what the farmer does best: caring for pigs. Without visa reform to support a viable workforce for U.S. agriculture, animal welfare is jeopardized and production costs will increase, leading to higher food prices for consumers. In some cases, a shortage of labor could lead to farms and packing plants shutting down, causing serious financial harm to those operations and their communities. Agricultural visa reform is clearly needed to ensure that one of the most competitive U.S. agriculture sectors can continue to provide safe and affordable pork to consumers worldwide.

It’s important to note that U.S. pork and other livestock production jobs – which offer solid wages and benefits – will not be filled by U.S. citizens due to declines in rural population growth and particularly low unemployment in rural areas. Economists with Iowa State University (ISU), using a study from the U.S. Department of Agriculture’s Economic Research Service, determined that a reduction in the foreign-born workforce – prompted by a change in immigration policy – would not be offset by native-born workers and permanent residents. Instead, they found, the tighter supply of foreign-born workers would reduce overall demand for workers as production costs increase and would decrease agricultural output as farmers abandon labor-intensive operations.

NPPC POSITION
NPPC supports visa system reform that provides agricultural employers with sustained access to year-round labor. NPPC is actively advocating for reform of the H-2A visa program. The council supports reform that establishes a legal and productive workforce while not unduly burdening employers. NPPC also supports moving administration of agricultural visa programs to USDA.

FAST FACTS
- The U.S. pork industry generates more than 550,000 jobs.
- From 2001-2015, pork production employment grew 2.1% annually, three times faster than the employment growth of the rest of the economy.
- The national unemployment rate, as of January 2020, was 3.6 percent, making it difficult to find reliable, capable workers.