Dire Labor Shortage Demands Visa System Reform



Agriculture Workforce: Dire Labor Shortage Demands Visa System Reform

Recent policy changes in the processing of TN visa applications has exacerbated already precarious agriculture labor shortages, which negatively affect all links in the food supply chain – particularly in the pork industry. Pig farm employment has declined since 2021, despite higher wages, competitive benefits, and strong demand for workers. Although historically dependent on nondomestic labor, current visa requirements fail to meet pork industry workforce needs.

Strengthen the H-2A Visa Program to Allow for Year-Round Workers

The H-2A visa program, created by the Immigration Reform and Control Act in 1987, allows a very limited number of foreign workers entry into the U.S. for seasonal agricultural work. The number of foreign workers currently permitted under the program does not come close to meeting the year-round workforce needs of livestock farmers. The lack of a fully robust workforce risks disrupting the pork supply and constraining production. Addressing workforce and labor concerns is critical for the communities where pig farms operate.

Domestic Labor Force Will Not Offset Pork Industry Labor Shortage

The pork industry has developed into a capital-intensive, technology-heavy, and science-driven industry in recent decades, which has caused a significant uptick in demand for hired, full-time skilled and unskilled workers. Iowa State University economists found that U.S. citizens and residents do not currently and will not in the future offset the need for foreign-born workers.

One study¹ found that shrinking rural populations, declining immigration to rural areas, and the rising median age of rural workers – combined with strong national labor market conditions – have contributed to the pork industry's labor shortage.

Reliable access to guest worker visa programs like the H-2A visa program or the TN visa program – created as part of the North American Free Trade Agreement (now US-Mexico-Canada Agreement) – are vital to meting pork industry workforce needs.

Facts That Matter:

Hog farm average wages increased more than 14% from 2021 to 2023, even as the number of employees shrank.

9 in 10 of the top hogproducing states have unemployment rates below the national unemployment rate. There is no slack in rural labor markets among top hog-producing states. Census data shows a declining and aging rural labor force and average labor force participation at 80% for those between 20 and 44 years old.

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¹ Boessen, Artz, and Schulz, A Baseline Study of Labor Issues and Trends in U.S. Pork Production, 2021

We invite you to learn more about policy issues to support and strengthen America's pork producers at <u>NPPC.org</u>.

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