### Workers in the Spotlight



Labor shortages, workers' wages and immigration policy have stirred intense discussion recently. Workers, employers and advocates all spoke up to ensure they have a stake in important policy decisions, the effects of which will be felt throughout the food system — from farms to food processing facilities to consumers' plates.



#### FARMWORKERS: MODERN UNCERTAINTY

**LABOR SHORTAGES:** Labor shortages in the ag sector are often blamed on "rural flight," or American workers exiting the farm industry en masse. *Harvard Political Review* attested to this in its "Keep Rural America Alive" report. Rural flight has increased farming's dependence on foreignborn workers to fill the gaps, with many operations choosing to go through the H-2A temporary farmworkers program to find help. On July 15, the U.S. Department of Labor proposed a rule that would modify the current H-2A program's visa certification process, minimum wage requirements and standards for housing and accommodations. United Farm Workers argued the plan would depress pay for domestic workers by making it easier to hire more guest workers and pay them less. For farmworkers, *New Food Economy* predicted the change would decrease wages and increase the costs they must incur to get their visas. For farmers, the changes could streamline the hiring process and reduce costs.

**TOLL ON FARMWORKERS:** Workers took uncertainty in the industry to heart and head. On April 16, the American Farm Bureau Federation <u>published</u> poll results that found stress, weather, the economy, social stigma and fear of losing the farm negatively impact farmers' and farmworkers' mental health. *Civil Eats* <u>addressed</u> the opioid epidemic, which hit the ag sector particularly hard, "caused in part by the fact that agriculture workers do such physical work, and are more likely to be prescribed opioid painkiller than many other Americans."

THE U.S. PORK INDUSTRY NEEDS ACCESS TO A LEGAL AND PRODUCTIVE WORKFORCE, AND SKILLED AND UNSKILLED FOREIGN WORKERS HAVE BEEN CRUCIAL TO MAINTAINING AND GROWING THE WORKFORCE AND REVITALIZING RURAL COMMUNITIES ACROSS THE UNITED STATES. WE NEED MORE OF THEM, NOT LESS.

- NATIONAL PORK PRODUCERS COUNCIL PRESIDENT JIM HEIMERL



### PROCESSING PLANT WORKERS FEAR ROBOTS, RAIDS

**AUTOMATION AND AI:** Automation and artificial intelligence allowed the industry to look toward a future in which production and labor costs are kept low and adulterants are detected early. *Bloomberg* examined robots on factory lines and estimated how many jobs will be lost to automation. Reuters checked the numbers and found North American companies had increased spending on industrial robots in the second quarter. *Food Safety News* lauded the possibilities of said technology, but reassured readers, "There will always be a need for human staff in any food business."

**FEAR ON THE JOB:** This year, foreign-born workers at processing plants — both documented and undocumented — faced higher chances of U.S. Department of Homeland Security Immigration and Customs Enforcement (ICE) raids at their workplaces. On July 12, *The Washington Post* confirmed the Trump administration's plans to conduct mass deportation arrests targeting "criminal undocumented immigrants" in as many as 10 U.S. cities. On August 8, The Associated Press covered the largest single-state immigration enforcement sweep in U.S. history. Workers from seven food processing plants in Mississippi were detained. *The Hill* reported that, of the 680 detained, 300 were subsequently released. *CNN* added that the fear of deportation kept immigrants from returning to work following news of the raids.



## FOODSERVICE WORKERS FIGHT FOR WAGES

**WAGES:** Effects from the Fight for \$15 movement, which originally gained traction in 2016, resurfaced in July 2019, when the U.S. House of Representatives passed a bill that would more than double the federal minimum wage from \$7.25 to \$15 by 2025. Throughout July, many pundits

suggested that the bill would <u>meet</u> hard opposition in both the U.S. Senate and the White House (*The Wall Street Journal*). The nonpartisan Congressional Budget Office examined the effects of the proposed increase and <u>predicted</u> that raising the federal minimum wage would "boost workers' earnings through higher wages, though some of those higher earnings would be offset by higher rates of joblessness." The National Restaurant Association <u>voiced</u> industry concerns, calling the proposed Raise the Wage bill "the wrong wage at the wrong time, implemented in the wrong way."

**LABOR SHORTAGES:** With unemployment at a <u>record low</u>, restaurants across the United States face one of the worst labor shortages in decades. Despite more teenagers entering the workforce, as <u>Restaurant Dive reported</u>, employers still found low-wage positions difficult to fill. The New York Times <u>presented</u> a daunting U.S. Department of Labor figure that <u>illustrated</u> the severity of the labor shortages: "At the moment, there are 7.3 million job openings nationwide and six million people unemployed. That gap is expected to widen as the number of retirees grows faster than the number of new workers." In lieu of raising wages to attract and retain workers, companies have introduced incentives and re-examined policies. <u>Nation's Restaurant News highlighted</u> Chipotle Mexican Grill's employee bonus offers and <u>published</u> a piece on restaurants with instant-pay options. Eater <u>explored</u> Taco Bell's "hiring parties," and <u>CNBC featured</u> restaurants that have tapped into an atypical hiring pool — convicted felons.

**IMMIGRATION:** Following the 2016 election, immigrants, advocates and employers have all kept a watchful eve on the ramifications of President Trump's proposed deportation plans. Industry organizations, including the National Pork Producers Council, have reiterated that a "loss of foreign-born workers would hurt agriculture." CNN noted immigrant workers pulled away from the food and ag industry and safety net programs in the wake of new immigration policies. NPR's The Salt reported a drop in New York City street food vendors, and *Politico* said immigrants are unenrolling from the Supplemental Nutrition Assistance Program (aka food stamps). Their concerns were actualized on August 13, when the Trump administration issued a rule that would disqualify legal immigrants from permanent residency status if they receive safety net benefits, including food stamps, and would also block prospective applicants deemed likely to need them.

THE RAID BY THE GOVERNMENT ON KOCH FOODS
RESULTED IN A SIGNIFICANT DISRUPTION OF WORK AND
TERRIBLE IMPACTS ON THE LIVES OF MANY WORKERS
AND THEIR FAMILIES. IT IS APPARENT ... THAT THIS RAID
WAS DIRECTED AT INDIVIDUALS AND NOT THE COMPANY.
... THE GOVERNMENT'S ACTIONS AMOUNT TO SERIOUS
GOVERNMENT OVERREACH UNDER A FRAMEWORK OF
FLAWED AND CONFLICTING LAWS. THESE MOST RECENT
EVENTS ARE YET ANOTHER DEMONSTRATION OF THE FACT
THAT EXISTING IMMIGRATION LAW AND POLICY NEED
SERIOUS REFORM.

- JIM GILLILAND, SPOKESPERSON FOR KOCH FOODS

THOUSANDS OF RESTAURANT INDUSTRY EMPLOYEES, LEADERS AND COMMUNITY MEMBERS HAVE CALLED AND EMAILED CONGRESS TO SHARE THEIR CONCERNS ABOUT HOW H.R. 582 WOULD CRIPPLE SMALL- AND FAMILY-OWNED BUSINESSES. THEY HAVE EXPLAINED THAT THE WAGE HIKE IS A JOB KILLER IN THEIR COMMUNITIES, AND THAT ELIMINATING THE TIP CREDIT, OVERWHELMINGLY SUPPORTED BY EMPLOYEES, WOULD CUT PAY THAT RIGHT NOW AVERAGES \$19-25 PER HOUR.

- NATIONAL RESTAURANT ASSOCIATION

**47**%

OF THE FARMING WORKFORCE IS COMPOSED OF UNAUTHORIZED IMMIGRANTS

National Agricultural Worker Survey

60%

OF SNAP (FOOD STAMPS)
PARTICIPANTS ARE ACTIVELY
IN THE LABOR FORCE

Federal Survey of Income and Program Participation

2 STATES AND THE DISTRICT OF COLUMBIA PASSED HOURLY MINIMUM WAGE INCREASES THAT TOOK EFFECT IN 2019

National Agricultural Worker Survey

#### LOOKING AHEAD

Many of 2019's worker issues will continue to have an impact in 2020.



**AUTOMATION:** Robots have already seen use in food service, meatpacking and agriculture. Although widespread adoption will take time, Reuters <u>noted</u> a 19% increase in spending on robots and automation in the second quarter of 2019. *GreenBiz* <u>highlighted</u> smartbots, pollinators, self-driving tractors and other innovations pushing the food and ag world forward.

**GLOBAL IMPACT OF U.S. QSR:** David Gibbs, named CEO at Yum! Brands in August, made some significant announcements: KFC China will press forward with expansion after higher-than-expected sales (*Bloomberg*), Taco Bell tested new incentives to attract employees (*Business Insider*) and Pizza Hut is set to close 500 underperforming dine-in stores in the United States (*Nation's Restaurant News*). Gibbs' new leadership has the potential to affect fast-food workers across the globe.





**RAISE THE WAGE ACT:** In response to ongoing efforts to raise the hourly minimum wage to \$15, *Vox* <u>quoted</u> a spokesperson for Sen. Lamar Alexander (R-Tenn.), who chairs the Senate Committee on Health, Education, Labor and Pensions: "The committee is not considering a bill that would raise the federal minimum wage to \$15 an hour, or any other increase, for that matter."

### **FURTHER READING**

The New Era of Women Ag Leaders • Politico

Black Families Once Lived off Their Southern Farmland. Their Descendants Are Struggling to Hold Onto It • *The Washington Post* 

Cooking Eggs in the Morning and Shucking Oysters at Night, Thanks to an App • *The New York Times* 

California Enacts Law to Classify Some Gig Workers as Employees • *The Wall Street Journal* 

Study Shows Young Workers Prioritize Purpose Over Paycheck • *Nation's Restaurant News* 

What's It Like to Work as a Line Cook in 2019? • Eater



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