

**The Role of Hispanics in Colorado's Agricultural and Rural Economy:
Population and Employment Trends and Issues**

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The role of Hispanics in Colorado's rural counties and labor force is fairly significant, especially in agriculture and a few other sectors that rely on large supplies of unskilled workers who are willing to accept seasonal employment (tourism, food processing). Yet, there is little specific information on the role of Hispanics on the agricultural sector, communities and rural Colorado. In this brief, the most current data on the role of recent Mexican immigrants will be summarized along with a discussion of their impacts on the agricultural economy, and anecdotal evidence from other industries that have an increasingly high share of Hispanic workers.

Colorado Agriculture

The role of Hispanics in the farm economy is very hard to define, but a brief description of the Colorado farm economy and employment provides a baseline for further discussion. In 1997, agribusiness in Colorado accounted for 2.2% of Colorado's income and 4.4% of employment with \$4.3 billion in total agricultural cash receipts in 1998 (Hine, Garner & Hoag). With respect to the labor-intensive agricultural sectors that have a high share of labor costs relative to production expenses and employ large numbers of Hispanic workers, greenhouse/nursery enterprises accounted for 4.7% of agricultural cash receipts, while vegetables and fruits represented 7.1% and 0.5% of cash receipts, respectively, in 1998. Fruit and vegetable market receipts dropped from 6% of agricultural sales in Colorado in 1992 to 3% in 1997 while nursery sales increased from a negligible amount to almost 5% of receipts.

Between 1992 and 1997, farm production employment was up 22% and the agricultural input sector had employment growth of 50% while processing/marketing employment levels declined by 14%. These combined for a 9.5% overall increase in employment in agribusiness sectors between 1992 and 1997. National averages would suggest 75-80% of farm production employment is Hispanic, but the agribusiness sector is more homogeneous and white. However, Hispanics are playing an increasingly important role in the food processing sector. Labor's share of total agricultural production expenses in Colorado averaged about 5% during the 1990's, but

has been increasing in recent years. Compensation to hired laborers increased from \$198,162,000 in 1993 to \$314,935,000 in 1998 (a 59% increase and including both full-time and hired workers).

The presence of Hispanic or Latino farm operators in Colorado is increasing, with 945 of Colorado's 29,500 farms totaling 631,049 acres in 1997 (401 of which had sales over \$10,000). This is up from 853 farms with 604,464 acres in 1992 and represents the largest share of ethnic farm operators. For comparison, 13% of the Colorado population is Hispanic.

One often overlooked industrial sector that has become increasingly reliant on Hispanic laborers is the ornamental green industry. If one includes all facets of this industry, from nursery, floriculture, plant and tree production, wholesale and retail to landscape design, contracting and maintenance, to golf courses and florists, the green industry had over 2,000 firms that employed up to 60,000 workers in Colorado in 2001. Total wages for these sectors totaled \$321.5 million dollars in the peak quarter of 2001, and a total of \$1.2 billion in wages for the year. Although there are not good estimates on the share of green industry workers that are Hispanic, some of the most effective bilingual Extension training, lobbying for new government worker programs with Mexico and activity with immigration lawyers in Colorado is supported by green industry leaders.

Colorado Farm Workers

In 1997, 9394 farms hired 46,072 farmworkers and paid \$263,603,000 in payroll. The number of farms hiring workers grew (by 257) as did payroll (by \$53,928,000), but the number of workers decreased by 350 workers). In 1997, there was an average of almost 5 workers per farm, but 744 farms hired more than 10 workers and 3062 farms hired only 1 worker. The average paid by a farm for each worker was \$5721, but that does not control for workers who were employed by more than one farm or off-farm employers. 30,840 of the workers (67%) worked less than 150 days, denoting a large share of seasonal workers, but this number and share are down from 1992 (Census of Agriculture).

According to the Census of Agriculture, the average earnings for a farmworker was \$5,722 for work performed in Colorado. However, this varies greatly based on the nature of the work. For farms where workers are only employed for 150 days or more (less than 20% of farms), average earnings were \$13,209 whereas those farms that hired only seasonal workers (less than 150 days) paid workers an average of \$1,501. For farms where both types of workers were employed, average earnings were close to the overall average at \$6,560.

Producers note that worker recruitment depends on wages and working conditions: Latino immigrants are satisfied with \$6 to \$7 an hour, while local workers expect \$10 an hour. Some growers have upgraded housing for migrants, but none requested help from the local Employment Service to recruit US workers or approve the entry of H-2A workers. In the western US, most H-2A farm workers (a special guestworker program for those sectors that can prove a limited supply of workers) are involved in the sheep industry--a total 1,741 job openings in the sheep industry were certified in 1996, including about 450 in California, 300 each in Wyoming and Idaho, and 200 each in Colorado and Utah.

Nationally, it is estimated that 77% of farmworkers were born in Mexico, and National Agricultural Worker Survey's (NAWS) March 2000 data suggests the same level in this region 45% of the region's farmworkers report they were working illegally in the US while only 28% are US citizens. 56 % of U.S. seasonal farmworkers are migrant, but Colorado's share of migrant workers in the total farm workforce ranges from 6-14% and it is clear that a larger percentage of the seasonal workforce is migrant.

Rural Economies and Communities

Outside of agriculture, there is also some evidence that Hispanics are playing an significant role in labor markets. The Los Angeles Times (January 11, 1998) ran several stories on resort cities, such as Vail, Colorado, that are so expensive that most of those working there (increasingly Hispanic immigrants) cannot afford to live locally. Jobs are plentiful but workers

must either commute or hold several jobs to afford to live in the city. The owners of the Vail and Beaver Creek ski areas, which have a peak winter work force of 4,500 and a trough labor force of 1,200, have gone so far as to build apartments for their workers. Most service workers sleep four or six to an apartment and pay \$1,500 or more in rent.

Rural schools in Colorado bear the brunt of large-scale immigrant settlement with the least amount of financial resources to deal with soaring costs (FAIR). Almost the entire student population increase in rural areas is comprised of immigrants who speak little or no English. The number of Spanish-only speaking students, drawn to rural areas due to the booming cattle industry, multiplied five-fold between 1995 and 2000. The schools are unprepared in terms of Spanish-language materials, and bilingual teachers to be able to offer English as a second language instruction. (Source: EFE news service in *Hispanicvista*, May 23, 2000).

The significance and growth in Hispanic population varies greatly across counties. Figure 1 shows the presence of Hispanics in all counties that have more than a 10% Hispanic population share. It should be noted that a majority of the top counties with respect to share of Hispanics have a heavy reliance on agriculture in terms of employment and/or income. Another set (Lake, Eagle and Chaffee) are likely influenced by the growth in Hispanic employment in the ski resort industry of the mountain counties.

Colorado Immigration Facts

Between the 1980 and 1990 Censuses, the population of Colorado grew by 13.5% (from about 2,903,000 to 3,294,394) while the state's foreign-born population (142,000) grew nearly twice as fast (24.8%) during that same period and accounted for 7.2% of the overall population growth. 2000 Census data on the foreign-born is not due to be released until late 2002, however, a Census Supplemental Survey estimates the foreign-born population at 368,864. That is 8.8% of the state's estimated overall population (4,198,307) and an increase of 159% above 1990 levels.

It is estimated that 55% of Colorado's foreign-born population arrived in the state since 1990. Between 1990 and 2000, the share of non-English speakers in Colorado increased by more than one-third, from 10.5 to 14.3%. Colorado ranked 16th nationally in the rate of foreign-born change between 1960-2000. Figure 2 shows estimates of the growth in the Hispanic population over the next couple of decades. Past evidence suggests that agriculture is often the first employer for newly entering Hispanic immigrants, so there is an important link to population growth (net of births) and the agricultural labor force.

According to NAWS data, the Mountain region does appear to have a more established set of farmworkers, with larger families and more home ownership, indicating a settled population (Thilmany and Grannis). Higher wages and pursuing both farm and nonfarm work has allowed some households without children to surpass the poverty line and earn far more than the national average. Yet, those with children in this region continue to struggle below the poverty line. This, in part, may explain the higher usage of government services oriented at families in need in the Mountain region. There is a small share of farm workers that use any government services (less than one-quarter for any given service). Workers in the national sample are more likely to use unemployment insurance, while those in the Mountain region were more likely to report using food stamps. Mountain region workers are more likely to use Medicaid and Women-Infant Children (which is not surprising given the higher numbers of children in households). Few Colorado workers report using AFDC or welfare in Colorado.

Thilmany and Grannis (2001) present an interesting story about the factors that influence workers' decisions to buy homes and use social service programs available to them. Usage of these programs increased throughout the years included in the sample, with the exception of children in school. It is fair to assume that public leaders and agencies would prefer the opposite finding given the benefits of the educational "public good". It also appears that there is correlation among program users, so that one could define a small sample of workers who are fairly "costly" to the social infrastructure. Still, a significant majority of farm worker families

use few or no services, since the usage for most programs is around 15%. And there is reason to believe that farmworkers are relatively established before enrolling in these programs (as evidenced by their years in farm work, year of entry and level of farm income), so that they are also likely to contribute to communities (through local tax base and settlement).

Conclusions

Employment officials throughout the Northwest and Central Mountain states note increasing concern among producers whose highly perishable crops require large volumes of extremely seasonal labor. Agricultural producer organizations dispute the General Accounting Office's finding that a sufficient workforce exists at the national level. Meanwhile, 1997's employment data shows a positive trend for workers since the number of workers remained steady, but the average hours worked (and subsequently, worker earnings) increased significantly. This stabilization of the farm workforce may suggest workers are being offered incentives from employers who are willing to pay better wages and provide more total hours to secure adequate labor. Yet, there are employers who declared 1997 unacceptable due to their inability to get crops harvested quickly. The reversing of this trend in subsequent years, and continued pressure for a guestworker program, are clear signals of the conditions such employers prefer.

Regionally, farmworkers face many of the same challenges as the national workforce, with substandard earnings and few long-term employment options. There is some clear potential for improved earnings among this workforce and the region also shows some promising social aspects, including more established residences that have a stronger family orientation (more children) and more settled housing trends. Yet, it is also clear that the income from households with children continue to lag, thereby putting pressure on family-based government assistance programs in this region.

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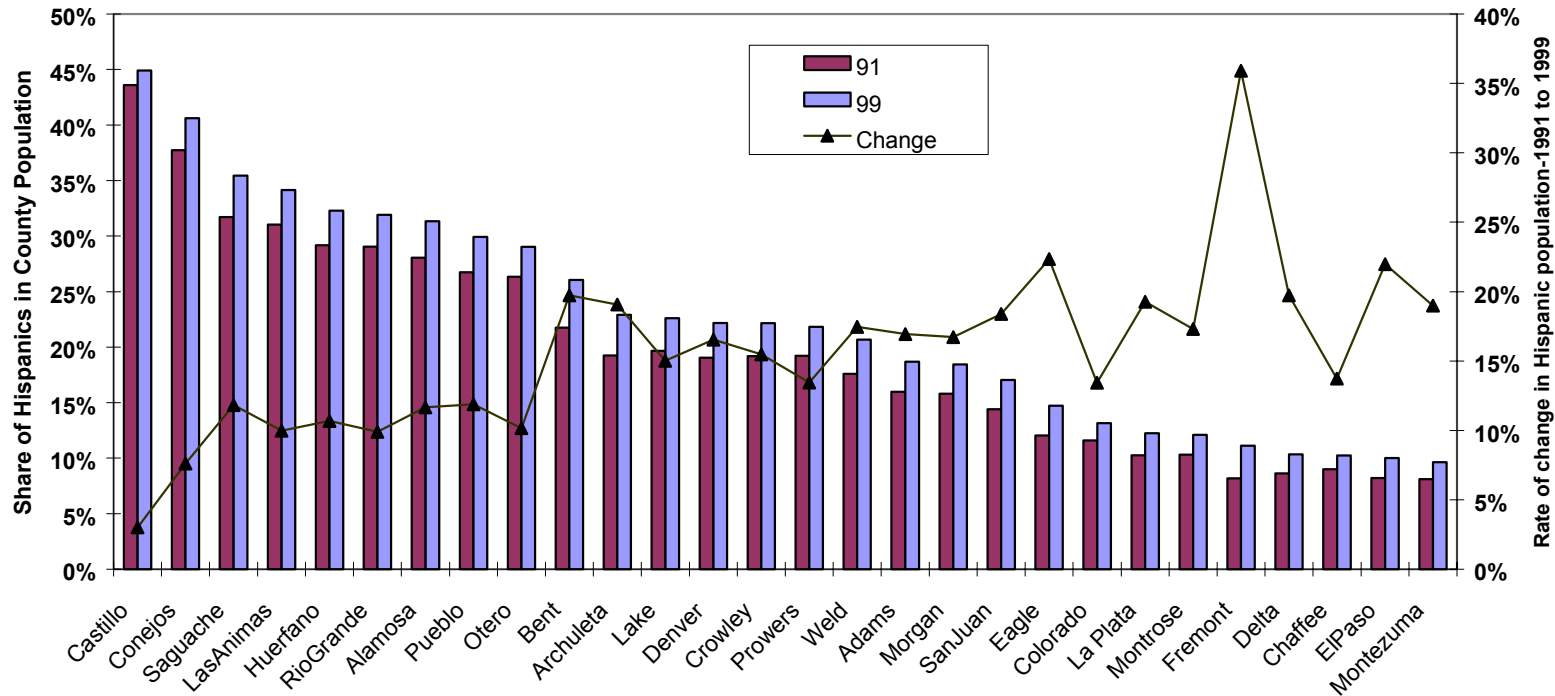
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Figure 1-Hispanics in Colorado
 1991 and 1999 population shares and growth



**Figure 2- Estimated Number of Hispanics
in Colorado**
(,000s)

