

FACT SHEET ON S. 1703, A BILL TO EXTEND

PUBLIC LAW 78 OR THE MEXICAN FARM LABOR IMPORTATION PROGRAM

Even though the House of Representatives rejected a bill to extend the Mexican Farm Labor Importation Program or Public Law 78 by a 158-174 vote on May 29, the Senate Agriculture Committee has reported a bill providing a one year continuation. The Committee reported S. 1703 without holding any hearings whatsoever.

If hearings had been held, they would have shown that:

1. P.L. 78 depresses U.S. farm labor wages and limits job opportunities for U.S. farm workers. It is a major factor in causing the terrible poverty of U.S. farm workers.
2. U.S. farm workers desperately need the jobs for which hundreds of thousands of Mexican nationals (195,000 in 1962) are imported each year. Farm labor unemployment is extremely high and is sharply increasing as a result of agricultural mechanization.
3. Less than 1 per cent of U.S. farms use P.L. 78 and these are generally the large, corporation-type farms. Family farmers are hurt by P.L. 78 as much as farm workers are.
4. Although S. 1703 extends P.L. 78 for a year, it would not necessarily end it in 1964. P.L. 78 was enacted in 1951 as a two year "temporary program." It has been extended five times since then. During the past debates on P.L. 78 extension legislation, P.L. 78 supporters would say that the particular bill was the "last extension." But two years later still another continuation would be requested.
5. More than adequate U.S. workers are available, but wages probably will have to go up. P.L. 78 wages range as low as 60 cents an hour in Arkansas.
6. Although the grower organizations claim they can not get labor to cultivate and harvest crops without P.L. 78, they bitterly oppose a bill by Sen. Harrison A. Williams which would recruit unemployed U.S. farm workers and transport them to areas of labor need, as P.L. 78 does with Mexican nationals.
7. The termination of P.L. 78 by the U. S. House of Representatives was hailed by the Mexican Department of Interior, the President of Mexico's anti-Communist trade union movement, and the President of Mexico's National Farmers Federation. The Mexican Secretary of State said Mexico would not consider an extension anyway unless salaries, living conditions, food, transport and medical services were improved.
8. End of P.L. 78 would not raise consumer prices even if farm labor wages were increased. Farm labor costs represent less than one-eighth of total farm production costs and less than one-twentieth of the total consumer price.

IN SHORT, S. 1703 OR ANY OTHER EXTENSION OF P.L. 78 SHOULD BE DEFEATED.

WHY PUBLIC LAW 78 -- THE MEXICAN FARM LABOR  
IMPORTATION PROGRAM -- SHOULD NOT BE EXTENDED

WHAT IS PUBLIC LAW 78 -- P.L. 78 was first enacted in 1951 as a temporary measure to bring Mexican farm workers to American growers. Less than one percent of American farms use the Mexicans, known as braceros. These are often large corporation-type farms. In 1962, 195,000 braceros were imported.

HOW DOES P.L. 78 HURT AMERICAN FARM WORKERS -- The mass importation is one of the major reasons why American farm workers, the poorest work group in the U.S., were able to earn an average of only \$881 in agriculture during all of 1961 and were able to obtain work for only 134 days on farms in the entire year.

Although P.L. 78 seeks to provide against "adverse effect" to domestic farm workers, the importation has kept down their farm wages and limited their employment opportunities. The program can not do otherwise, for it prevents the laws of supply and demand from operating in setting farm wages in the bracero-using areas.

A bracero-seeking grower offers work at perhaps 60 cents an hour in Arkansas. If the wage is inadequate to attract farm workers, he does not have to raise the pay -- as a factory manager would. He simply tells the federal government that he can not get farm labor and asks for braceros from Mexico. The poverty of northern Mexico is so great that braceros are available at these wages.

The result is that poverty competes against poverty to produce more poverty. A surplus of cheap labor is created. Wages have actually been forced down by P.L. 78. The Labor Department since 1961 has strengthened the enforcement of P.L. 78 and made some reforms in it, but the program still harms U.S. farm workers. It still prevents the law of supply and demand from operating and therefore negates the free enterprise system.

HOW DOES P.L. 78 HURT SMALL FARMERS -- Most braceros are used by large growers, sugar refining corporations and vegetable and fruit processing companies to harvest their crops. Public Law 78's mass importation of Mexican farm workers helps the corporation farms drive out family farms. The importation depresses wages. The family farm uses little or no hired labor. Corporation farms depend on hired labor. Therefore, the lower wages are driven, the more corporation farms are able to lower costs. But the family farm is not able to do this. The corporation farm, therefore, gains an unfair competitive advantage from the importation.

Also, because they have the cheap labor, the corporation farms are able to greatly expand their production. This lowers the price which the family farmer receives for his competing products. Such activity in tomatoes has driven thousands of small and medium sized farmers out of tomato growing in non-bracero-using states.

DO GROWERS NEED P.L. 78 -- They do not. P.L. 78 has been a crutch, which bracero-using growers are afraid to throw away. If growers will offer higher wages, as other industries must to attract labor, they will get

sufficient workers. Further, the growers have steadily opposed the proposals of many Congressmen and Senators that a program, similar to P.L. 78, be initiated to recruit unemployed and underemployed American farm workers and bring them to the areas which need cultivating and harvesting labor. In June, growers organizations appeared before the Senate Migratory Labor Subcommittee to reject such a bill (S. 527) even though growers were crying at the very time that without braceros, they could not get sufficient labor. As long as the growers violently oppose legislation to recruit U. S. farm workers, their cries that U. S. farm workers are not available must be treated with suspicion.

The fact is that unemployment among farm workers is huge, greater even than unemployment among industrial workers. An average of 7.3 per cent of farm workers were jobless and an additional 9.5 per cent were underemployed in 1962. Agricultural employment was reduced by 300,000 jobs last year because of sharply increasing mechanization. Some 20 per cent or 1,000,000 of the family or hired farm labor jobs will disappear this decade. In the cotton harvest alone, employment dropped by a quarter of a million persons between 1959 and 1961. These unemployed U. S. farm workers need farm labor jobs.

WILL THE END OF P. L. 78 INCREASE CONSUMER PRICES -- This is a bugaboo which growers have used. Actually, two of the most important crops on which braceros are used are cotton and sugar beets -- both price supported. Further, farm labor accounts for only one-eighth of total farm production costs and only one-twentieth of consumer prices. A very large increase in wages, such as the doubling of wages of farm workers cultivating and harvesting tomatoes, -- a bracero-dominated crop -- would increase the price of canned tomatoes less than 20 cents for a whole case of cans. The fact also is that productivity has risen immensely in agriculture with workers getting very little, if any, share of the savings.

DOES P.L. 78 HELP MEXICO -- Probably it does to some degree although it causes such family dislocations and other problems that many Mexican clergymen and other leaders oppose it. But even if P.L. 78 were an unmitigated bonanza for Mexico, poverty-stricken American farm workers and small farmers can not be expected to bear the burden of foreign aid to Mexico.

Congress has a responsibility to end legislation which is so harmful to so many Americans. Therefore it must let P.L. 78 end on December 31, 1963.