

REPORT OF OPERATIONS OF MEXICAN FARM LABOR PROGRAM
MADE PURSUANT TO CONFERENCE REPORT NO. 1149

HOUSE OF REPRESENTATIVES
84th CONGRESS, FIRST SESSION

July 1 - December 31, 1961

U. S. Department of Labor
Bureau of Employment Security
Farm Labor Service

C O N T E N T S

	<u>Page</u>
Summary	1
Contracting of Mexican Nationals	2
Transportation Ticket Dispensing Machines Installed	2
Improvement of Plant Facilities	2
Skip Assessments	2
Extension of Migrant Labor Agreement	3
Revolving Fund	3
Contract Rate	3
Statistical Summaries of Selected Activities	4
Wage Determinations	5
Compliance Activities	7
Enforcement	7
Food Service	7
Arkansas Housing Inspections	7
Centralized Recontracting	8
Payments by U. S. Government as Guarantor	8

Report on Operations of Mexican Farm Labor Program
Made Pursuant to Conference Report No. 1449
House of Representatives, 84th Congress, First Session

July 1 - December 31, 1961

Summary

During this six months period there were 201,044 contracts of Mexican nationals as compared to 203,979 during the corresponding period of the previous year. These workers were employed by 257 associations, serving more than 30,000 user-employers, and by 3,100 individual employers.

Contracting was authorized in 67 agricultural employment areas in 18 States.

Improved kitchen and mess hall facilities were completed at El Centro Reception Center. A new migratory station is nearing completion at Monterrey.

As of December 31, 1961, estimated cash remaining in the revolving fund for future operations was \$1,557,405.00.

The Secretary of Labor made approximately 900 wage determinations and issued 19 adverse effect determinations in six different States.

Payroll and housing inspections constituted the principal compliance activities. Payroll inspections totaled 15,653. Deficiencies were found in 4,105 cases. One hundred and fifty-six thousand one hundred dollars (\$156,100) was collected from employers and refunded to Mexican workers. These collections resulted from payroll inspections, investigations and other compliance activities.

Operations

Contracting of Mexican Nationals

During the period from July 1, through December 31, 1961, 201,044 Mexican nationals were imported and contracted, compared with 203,979 for the corresponding period in 1960. In comparison, 38,048 workers were recontracted during this period to 49,300 for the same months in 1960.

The above contracts were consummated with 257 active grower associations who represented 30,441 user-employers in the contracting of Mexican nationals. In addition to the 30,441 farmers who contracted through associations, there were 3,101 who contracted Mexican workers as individuals during the period covered by this report. Contracting was authorized in 67 agricultural employment areas in 18 States.

Transportation Ticket Dispensing Machines Installed

Ticket dispensing machines were installed in each of the Reception Centers for the purpose of improving accountability of the transportation costs for workers returned to Mexico after their contracts are terminated. Each man pulls a ticket from the machine as he leaves the Center to be returned to Mexico. The machine imprints the destination and the cost on the ticket along with the date stamp showing the exact time that the ticket was issued to the worker. It provides an automatic mechanical tabulation of the tickets dispensed and eliminates the possibility of lost or stolen tickets since the machine is kept locked except when in actual use.

Improvement of Plant Facilities

Enlarged and improved kitchen, mess hall, and toilet facilities were completed and utilized at the El Centro Reception Center during this period.

The Mexican Government is constructing a new migratory station near Monterrey. The station will have modern facilities including a mess hall for braceros. It is expected that operations will be transferred to the new facilities during the early part of April 1962.

"Skip" Assessments

Pursuant to the stipulation of Section 502(3), Public Law 78, as amended, \$8,060.42 in skip assessments were collected from 43 accounts.

Skip assessments are computed at the normal cost to the employer of returning workers from the area of employment to the Reception Center of initial entry into the United States. The law requires such payments in cases where contracted workers are not returned to the Reception Center or repatriated to Mexico in accordance with the Standard Work Contract.

Extension of Migrant Labor Agreement

A revised Agreement was negotiated between the United States and Mexican Governments regarding the importation of Mexican workers under Public Law 78, was approved and signed by both Governments on December 29, 1961. This Agreement is to be effective February 1, 1962, and terminates December 31, 1963, the same date as Public Law 78. The Agreement specifies a minimum initial contract of six weeks and the worker's time in the United States is limited to six months, except 15% may be extended to a maximum of nine months.

Revolving Fund

The following table shows the status of the Farm Labor Supply Revolving Fund as of December 31, 1961:

Cash balance	.	.	.	.	\$ 2,121,227.83
Less: Unearned advances by employers	.	.	.	\$ 106,326.95	
Accounts payable ^{1/}	.	.	.	171,264.45	
Set aside for Public Health Service	.	.	.	165,791.43	
Reserve to return workers to Mexico	.	.	.	<u>120,440.00</u>	
					<u>563,822.83</u>
Estimated balance available for future operations	.	.	.	.	\$ 1,557,405.00

^{1/} Includes \$50,000 committed for major improvements at Hidalgo Reception Center.

Contract Rate

Contract and recontract charges to employers remained constant at \$10.00 per man for contracting and \$5.00 for recontracting throughout this reporting period.

Summary of Activities

July 1 - December 31, 1961

I. Activities at Migratory Stations

Station	Workers Interviewed	Workers Rejected	Workers Selected	Workers Transported
Monterrey	88,748	2,000	86,748	86,062
Chihuahua	44,639	367	44,272	39,825
Guaymas	<u>76,221</u>	<u>3,250</u>	<u>72,971</u>	<u>73,145</u>
Totals	209,608	5,617	203,991	199,032

Note: Monterrey Migratory Station recruits workers for Hidalgo and Eagle Pass Reception Centers. Chihuahua recruits for El Paso Reception Center and Guaymas Migratory Station recruits workers for Nogales and El Centro Reception Centers.

II. Activities at Reception Centers

Center	Workers Received	Workers Contracted	Workers Recontr.	Workers Rejected	Workers Ret. to Mexico
Hidalgo	37,377	36,523	7,044	854	51,245
Eagle Pass	49,301	48,950	3,515	339	49,938
El Paso	44,242	43,649	4,002	603	55,578
Nogales	7,625	7,510	19	115	5,361
El Centro	<u>65,640</u>	<u>64,412</u>	<u>5,153</u>	<u>1,200</u>	<u>86,399</u>
Totals	204,185 ^{1/}	201,044	19,733	3,111	248,521

^{1/} Of this number 194 were selected on June 29 and received at Reception Center on 7/3/61. This figure also includes 5,153 workers who paid their own transportation from Migratory Stations to the border.

A total of 1,814,284 meals (784,288 served in Mexico), including box lunches, were provided to Mexican agricultural workers by the U. S. Government. Meals were provided to workers after they were selected at the Migratory Stations in Mexico, enroute to and during their processing for contracting at Reception Centers and from the time they were subsequently received at the Reception Center until they were returned to the appropriate Migratory Station in Mexico.

III. Summary of Reception Center and Regional Office Activities

States	Contracts	Recontracts (Centers)	Recontracts (Region)	Combined Center & Regional Recontrs.
Arizona	11,633	711	1,322	2,033
Arkansas	18,863	251	3,428	3,679
California	59,724	4,461	1,825	6,286
Colorado	2,500	152	1,053	1,205
Georgia	25	752	0	752
Illinois	0	0	60	60
Indiana	0	0	690	690
Iowa	0	0	212	212
Kansas	96	0	0	0
Michigan	4,744	43	8,093	8,136
Minnesota	0	0	55	55
Nebraska	0	0	33	33
New Mexico	5,828	611	0	611
Oregon	327	0	0	0
Tennessee	337	1	0	1
Texas	96,719	12,656	796	13,452
Utah	168	0	50	50
Wisconsin	80	95	698	793
Totals	201,044	19,733	18,315	38,048

Wage Determinations

In accordance with Article 15 of the Migrant Labor Agreement of 1951, as amended, the Secretary of Labor made 893 determinations embracing 989 agricultural wage classes in the period July 1 - December 31, 1961. The determinations of the prevailing wage rates of domestic agricultural workers are based on surveys and findings made by State Employment Security agencies in the areas where Mexican contract workers were employed. In the period covered by the report, prevailing wage determinations were made in the following States:

<u>State</u>	<u>Number of Wage Determinations Made</u>	<u>Number of Wage-Finding Classes Covered</u>
Arizona	94	97
Arkansas	54	54
California	113	165
Colorado	101	101
Georgia	5	5
Indiana	11	16
Iowa	1	1
Kansas	5	5
Kentucky	1	1
Michigan	12	18
Minnesota	7	7
Montana	2	2
Nebraska	5	7
Nevada	9	11
New Mexico	27	31
Oregon	5	5
Tennessee	1	1
Texas	413	429
Utah	14	20
Wisconsin	5	5
Wyoming	8	8
Totals	893	989

Under Bureau procedure it was determined that 9 dominated area crop activities were comparable to nearby non-dominated crop activities. The non-dominated comparable areas were used to establish wage rates for Mexican national workers in the dominated area. Five comparable area actions were taken in Colorado and four in New Mexico.

In accordance with authority contained in Section 503 of Title V of the Agricultural Act of 1949, as amended, 19 adverse effect determinations were issued.

<u>State</u>	<u>No. Issued</u>	<u>No. Wage-Finding Classes Affected</u>
Arizona	2	2
Arkansas	1	1
California	3	5
Colorado	2	2
Texas	10	10
Utah	1	1
	19	21

Under authority contained in the Secretary's Regulations, Section 602.9(c), it was determined that there could be no further contracting, recontracting or extension of contracts of Mexican nationals in the lettuce harvest in the Lower Rio Grande Valley of Texas at less than the prevailing piece rate paid to interstate domestic workers.

Compliance Activities

Enforcement

During the six month period July 1 - December 31, 1961, Foreign Labor Service Representatives made a total of 2,442 investigations of complaints and other matters pertaining to the Migrant Labor Agreement and the Standard Work Contract. There were 1,151 cases of violation.

Payroll inspections for this period were 15,653. Four thousand one hundred and five (4,105) cases of deficiency were found. One hundred and fifty-six thousand one hundred dollars (\$156,100) was collected from employers and re-funded to Mexican workers. These collections resulted from payroll inspections, investigations and other compliance activities.

Food Service

During this period an audit of employers' food service cost records and evaluation of restaurant operation was made by staff members of Division of State Audits and Division of Compliance, Bureau of Employment Security, of selected employers of Mexican national workers.

The audits were made to establish factors relative to current cost of meals furnished Mexican national workers under provision of Public Law 78. Evaluations of restaurant operations were to assist in formulating more economical and effective methods of enforcing food service compliance.

Arkansas Housing Inspections

To fulfill the commitment made by Robert C. Goodwin to the Congress, that Arkansas employers would not be authorized to employ Mexican nationals in 1961 unless their housing met minimum standards, the Dallas regional office developed a plan of action for preoccupancy inspections by Foreign Labor Service Representatives of every unit proposed for lodging Mexican workers. The plan provided for inspections to be conducted prior to the cotton chopping season in the spring and the cotton harvest season in the fall. Arrangements were made with the Arkansas State agency to issue authorizations to employ Mexican nationals on the basis of approved accommodations. A total of 1,260 initial inspections and 173 reinspections were made in the spring by the "task force" of inspectors. In all, there were more than 2,300 inspections conducted in Arkansas in 1961. The approximate approved capacity of housing for Mexican nationals in Arkansas, based on the spring and fall inspections, is 29,930. It is evident that considerable repairing, remodeling, and new constructions resulted from this inspection project.

Centralized Recontracting

Centralized recontracting facilities were placed into operation in the Cleveland and Dallas regional offices during this six month period. Previously, recontracts for each employer were handled as a separate transaction and our Foreign Labor Service Representatives were required often to travel to widely scattered locations to recontract only a few workers.

In order to conserve staff time and travel funds the Dallas regional office established a recontracting center at West Memphis, Arkansas. During the six months, 7,055 workers were recontracted to Michigan employers through this center. In the Cleveland region, centers were established at Holland and Saginaw, Michigan. The availability of office equipment, clerical help and worker transportation at these centers resulted in substantial increase in the efficiency of our recontracting operations and in better service to employers.

Payments by the United States as Guarantor

Employers' indebtedness to the U. S. Government for Guarantor payments, as of December 31, 1961, was \$23,754.44. Total collections on this amount during this period were \$39.90. Seven thousand one hundred fifty-nine dollars and eighty cents (\$7,159.80) is still pending litigation and \$16,594.64 is awaiting collection through various other means.