

Wage Disparities Among Mexican Indigenous Farmworkers in the U.S. Agricultural Sector

Jorge Coronel Bautista, Alexandra Hill, Anita Alves Pena and Dawn Thilmany

REDI Report – June 2024

<https://csuredi.org/>

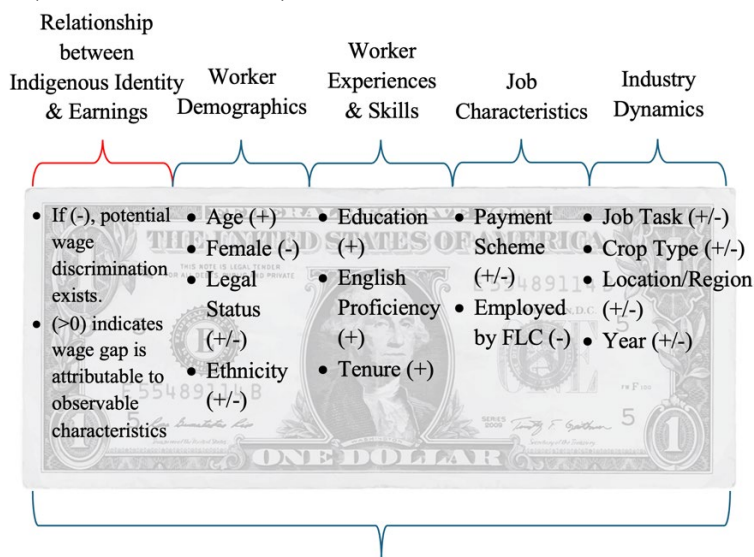
- There is a wage gap between indigenous and non-indigenous Mexican-born farmworkers with indigenous workers taking home 5.25% less in pay.
- Lower education levels, fewer years of farmwork experience, higher proportions of undocumented status, and lower English proficiency are among the factors contributing to the wage gap.
- Indigenous identity itself, accounts for 1.39% of the observed wage gap, indicative of potential wage discrimination.

Overview

In general, there are concerns about the earnings and poverty levels experienced by farmworkers, given the seasonality, nature of work and marginalized status of a sector that employs a large number of recent immigrants. Moreover, there appears to be a significant wage differential experienced by Mexican Indigenous farmworkers in the U.S. agricultural sector. Utilizing data from the National Agricultural Workers Survey (NAWS) from 1999 to 2020, this study estimates a wage gap of 5.25% between Indigenous and non-Indigenous Mexican-born farmworkers. By further examining the specific factors contributing to this wage gap, we can more fully investigate the broader implications of Indigenous identity on earnings and poverty among farmworkers.

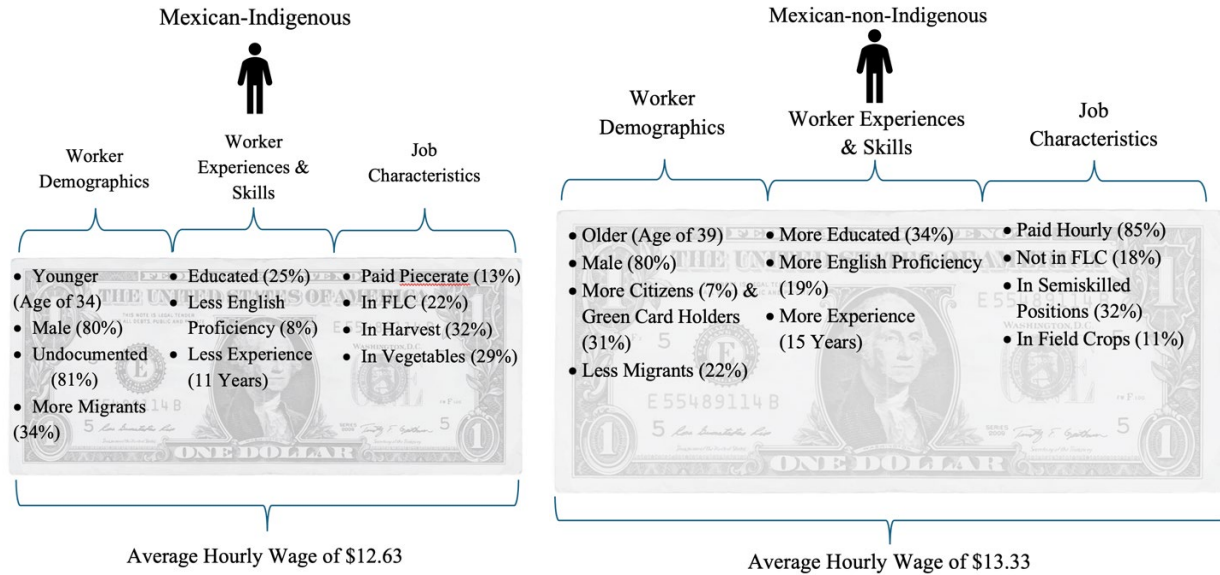
Potential Wage Discrimination against Mexican-Indigenous Farmworkers

Much of the U.S. farm labor force is Mexican-born (54%) (USDA ERS, 2021). Mexican-Indigenous farmworkers amounted to about 165,000 agricultural workers according to the Indigenous Farmworkers Study (IFS) from 2007-2009. Conceptually, past research has found a variety of worker and workforce dynamics that contribute positively and negatively to differences in wages (summarized below):



Overall Hourly Wage

Estimating the effects of those factors on wages in the farmworker data included in this study, we find that the direct relationship between Indigenous identity and earnings is (-1.48%), meaning that Indigenous identity in and of itself explains 1.48% of the 5.25% wage gap, holding all else constant.



Not only do Indigenous farmworkers face a significant (albeit small), wage penalty, but they, on average, face a larger wage penalty compared to the average Mexican-born farmworker because they possess other characteristics and work in the types of employment situations that also have a downward effect on wages. Based on these results, we can infer that for every dollar earned by Mexican-Non-Indigenous farmworkers, Mexican-Indigenous farmworkers earn approximately \$0.99 when controlling for characteristics such as education, experience, legal status, and English proficiency. This disparity may have more severe implications considering that farmworkers, in general, are among the lowest paid laborers in the entire U.S.

Policy Implications

Key findings of this study signal that Indigenous farmworkers consistently earn less than their non-Indigenous counterparts, with a notable wage disparity.

1. Proponents of focused policy interventions argue that addressing this wage gap is crucial for improving the economic welfare of Indigenous farmworkers and aligning agricultural labor practices with broader social equity goals.
2. Opponents might contend that the observed wage differentials can be attributed to worker characteristics and expected productivity rather than discriminatory practices so that the market should be trusted to offer wages in alignment with a worker's contribution to agriculture.

Continued research is important to distinguish between these two arguments but this initial study signals that there may be challenges for indigenous Mexican workers to secure fair earnings.