

HARVEST ON HOLD

NORTH CAROLINA'S AGRICULTURE LABOR SHORTAGES

North Carolina's agricultural sector has long been dependent on a steady supply of labor to maintain its productivity and competitiveness. However, in recent years, structural shifts in the labor market, regulatory burdens, and demographic changes have led to growing concerns about farm labor shortages.

THE CHALLENGES

- The American agricultural workforce has historically relied heavily on foreign-born laborers, particularly from Mexico
- For a variety of reasons, net migration from Mexico has decreased since the early 2000's, meaning fewer new workers are entering the U.S. agricultural labor force
- Sectors such as construction, food service, and manufacturing have become attractive alternatives for workers who might have otherwise pursued agricultural jobs
- Unlike other industries, farming is uniquely constrained by seasonal labor needs, which can make job stability difficult for workers
- As domestic labor shortages persist, farmers have increasingly turned to the H-2A visa program, which allows foreign agricultural workers to enter the U.S. on a temporary basis. However, the program is costly, bureaucratic, and restrictive

IMPLICATIONS

- A declining domestic workforce and rising labor costs incentivize farmers to shift production overseas, where labor is cheaper and regulatory burdens are lower
 - This trend raises concerns about food security, as increased reliance on foreign-grown produce makes the U.S. more vulnerable to supply chain disruptions, geopolitical instability, and foreign market fluctuations
- The economic consequences of these labor shortages are severe. Labor shortages lead to a drop in production and farm revenue, while driving up prices on consumers

RECOMMENDATIONS

- Reform the H-2A visa program to reduce costs and bureaucracy
- Expand agricultural education in K-12 schools through school choice
- Encourage technological innovation in agriculture through a regulatory sandbox
- Reduce state-level regulatory burdens on farmers, such as occupational licensing and land use restrictions