



The Seasonal Agricultural Workers Program and Mexican Development

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EXECUTIVE SUMMARY

Based on 187 interviews carried out in 2001-2002, this paper examines the social and economic implications of the Seasonal Agricultural Workers Program (SAWP) in selected Mexican communities of northwest Tlaxcala. It argues that the high levels of poverty of those prioritized in SAWP recruitment policies, combined with the changed expectations that commonly follow the improving lifestyles, reduce the funds available for productive investments. Moreover, the overall poverty of rural Mexican populations translates into a limited market and low prices for locally-produced goods and services. From the sample, 30 percent of households invested some Canada-earned income in the purchase of land or animals and/or used it to finance a small business. However, in all cases the investments complemented rather than substituted for wages obtained working in Canada. The paper concludes that the SAWP is best conceived of as a poverty alleviation as opposed to a development program. Several policy recommendations are offered based on that conclusion.

RESUMEN

Basado en 187 entrevistas llevadas a cabo entre 2001 y 2002, el presente trabajo examina las implicaciones sociales y económicas del Programa de Trabajadores Agrícolas Temporales (PTAT) en comunidades seleccionadas del noroeste de Tlaxcala en México. En él se argumenta que los altos niveles de pobreza de aquellos a quienes se les da prioridad en las políticas de reclutamiento, así como el cambio de expectativas que comúnmente siguen al mejoramiento de estilos de vida, reducen los fondos disponibles para inversiones productivas. Más aún, la pobreza de las comunidades rurales se traduce en un mercado limitado y en bajos precios para los productos y servicios producidos localmente. De la muestra, 30 percent de los hogares invirtieron parte del ingreso obtenido en Canadá en la adquisición de tierra o animales y/o lo utilizó para financiar pequeños negocios. Sin embargo, en todos estos casos las inversiones complementaron en vez de substituir los ingresos obtenidos de trabajar en Canadá. El trabajo concluye que el PTAT se concibe más como un programa de reducción de la pobreza que un programa de desarrollo. En la conclusión se ofrecen una serie de recomendaciones de política.

RÉSUMÉ

En se fondant sur 187 entrevues effectuées entre 2001 et 2002, le présent document examine les répercussions sociales et économiques du Programme de Travailleurs Agricoles Saisonniers (PTAS) dans certaines communautés mexicaines du nord-ouest de Tlaxcala. Il fait

valoir que le niveau élevé de pauvreté de ceux qui sont priorisés en vertu des politiques de recrutement du PTAS, ainsi que les nouvelles attentes qui découlent habituellement de l'amélioration du style de vie, diminuent les fonds disponibles pour des investissements productifs. De plus, la pauvreté globale des populations rurales mexicaines entraîne la limitation du marché et des bas prix pour les produits et services locaux. De l'échantillon, trente pour cent des ménages ont investi une partie des revenus gagnés au Canada pour acheter de la terre ou des animaux et/ou pour financer une petite entreprise. Toutefois, dans tous les cas, les investissements complétaient plutôt que remplaçaient le salaire gagné pour le travail effectué au Canada. Le document conclut que le PTAS est plus efficace comme moyen pour soulager la pauvreté que comme programme de développement. À partir de cette conclusion, plusieurs recommandations de principes sont proposées.

THE SEASONAL AGRICULTURAL WORKERS PROGRAM

The Seasonal Agricultural Workers Program (henceforth SAWP) began in 1966 to provide low cost and reliable offshore workers to southern Canadian horticultural farmers, who for several decades had experienced chronic seasonal shortages. The program's first 264 workers originated from Jamaica, followed several years later by Barbados and Trinidad and Tobago (1967) and Mexico (1974). The Organization of Eastern Caribbean States, composed of an array of English-speaking Caribbean Island nations, subscribed to the Program in 1976.

The Program was originally designed to supplement domestic Canadian agricultural labour supply during peak periods of the agricultural cycle. But in Ontario, the main hiring province, SAWP workers account for 55 percent of all horticultural workers and a slightly lower 45 percent of hours worked in 2000. It is clear that temporary foreign workers have become key to the continued success of this important industry. Indicative of the program's popularity and importance is the manner in which it has expanded in recent years from southern Ontario, Quebec, Alberta and Manitoba to virtually all provinces engaged in horticulture. Thus SAWP workers can now be found from the area around Vancouver, British Columbia in the west to Prince Edward Island and Nova Scotia's Annapolis Valley in the east.

Entry cost into the program is small for those who meet the criteria: mostly married males between the ages of 22 and 45 (women between 23 and 40) with dependents, landless or land poor and with substantial agricultural work experience. Success in Canada also requires that workers possess the skills, physical stamina and mental toughness to meet the expectations of demanding employers, withstand long days in the hot, humid southern Canadian summer and endure prolonged separations from their families. Participating workers, 96 percent of whom are male, are assigned to a specific farm and receive a contract that ranges between six weeks and eight months, depending on the grower's needs. Hourly pay varies little from one commodity sector to another and tends to be slightly above the provincial minimum. Contracts are negotiated annually on a bilateral basis between representatives of the sending countries, the Canadian government and growers' organizations. Growers partly subsidize the cost of workers' round-trip air transportation, and provide free housing—dormitories, trailers or houses—outfitted with kitchens and cooking utensils in those cases in which employers do not supply low-cost meals.

SAWP participants pay into the Canadian Pension Plan (CPP), and until a recent court challenge paid Employment Insurance (EI), which they were not eligible to collect. Those with longer contracts may earn sufficient money to pay income tax as well. Liaison officers from Mexican and Caribbean consulates are charged with providing

emergency services and ensuring that the contract and workers human rights are respected, although they have been heavily criticized by some migrants and migrant advocates.

Low entry cost, the opportunity to work legally, a signed contract at a known wage, subsidized transportation and free housing has made the SAWP an attractive alternative to risky and expensive undocumented migration to the United States for thousands of Mexican and Caribbean workers. Workers are able to begin saving and remitting monies to their households shortly after arrival in Canada. Despite the relatively low wages, lack of mobility within the Canadian labour market and the 'permanent' temporary status assigned to Mexican and Caribbean contract workers as a result of the program's inscription in the Non-immigrant Employment Authorization Act (1973), workers tend to return year after year to Canada.

This paper focuses on the contributions and limitations of SAWP-generated remittances to household and community development. It is based on interviews with 187 active or former male participants carried out in late 2001 and early 2002 in three communities (two rural and one urban) in the north western region of the state of Tlaxcala, Mexico, which was historically an important source of SAWP recruits, and remained so following President Vicente Fox's extension of the Program to all Mexican states.

The SAWP workers in this sample were all males and had completed an average of six years of schooling. Ninety-one percent were married or residing in common-law relationships. The average household contained five persons, generally a married couple and three children. More than 95 percent

claimed expertise in agriculture, but most also listed one or more secondary occupations: bricklayer, carpenter, bicycle repair technician, preacher, policeman, tailor, merchant and baker, among others. Former or active participants had made an average of 5.3 trips to Canada; three-quarters worked in Ontario during their last migration, and another fifth worked in Quebec.

SAVINGS AND REMITTANCES

Before discussing the role of Canada-based savings and remittances on household well-

being and development, it is important to document the amount of funds that most households have available. Workers' net earnings—after deductions—depend on the length of the contract, which varies from six weeks (minimum) to eight months (maximum), as well as the length of the average work week over the contract's duration. On average Tlaxcalan participants worked 63 hours weekly for almost five months in 2001, during

the course of which they transferred a median of CDN\$4,900 (CND\$1,120 monthly) to Mexico, equivalent to more than \$28,500 Mexican pesos or US\$3,200. These results are in line with those of most other studies (Verduzco and Lozano, 2003, p. 85; Basok, 2000, p. 84 and 2002, pp. 131-2; Colby, 1997, pp. 8-9).

One way to make sense of these figures is to note that in about five months time, the 'average' northwest Tlaxcalan contract worker in Canada returned to Mexico the yearly equivalent of 2.2 minimum Mexican salaries. Mexico's National Statistical and Geographical Institute (INEGI) uses two minimum salaries as the poverty level cut-off point for a family of four persons. The figure is based on the cost of the basic food basket, and many researchers believe that it is too low, since it does not take

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into account the cost of education, clothing, health care, utilities and other basic needs (e.g., Boltvinik, 1999). The beneficiaries of six-, seven- or eight-month contracts tend to do better.

On the other hand, half the Mexican workers returned less than CDN\$4,900 to their households, mainly as a result of short contracts. Most participating households add to Canada-earned income directly or indirectly through waged work, petty commerce, household-based commodity production and/or small scale agriculture in Mexico, but rates of return are much lower than are those in Canada. For instance, 60 percent of participating households cultivated land (owned, rented, loaned or sharecropped) during the last agricultural cycle. Corn is the principal crop and tends to be consumed by the household and used to fatten livestock.

At the time of this survey, the Canadian dollar was relatively weak vis-à-vis the US dollar, and hourly wages in Canada approximated the US federal minimum wage. High average remittances would not have been possible without the free housing and subsidized transportation stipulated in the contract. However, long work weeks (often seven days during the peak harvest season) and social and physical isolation 'help' workers save by limiting their time off and access to recreational activities that would consume a portion of their salaries.

For instance, few Mexican workers in Ontario have ever traveled to Toronto, Hamilton or another Canadian city. Employers are contractually responsible for ensuring that Mexican and Caribbean workers food shop on a weekly basis, and to seeing that their basic health care needs are satisfied, but assisting them in other ways is discretionary and varies greatly from one employer to another. It is ironic that the long works weeks and physical isolation—the very conditions that make it possible for workers to maximize their

savings—are among the conditions about which they complain most.

The foregoing material can be summarized as follows:

- ❖ In 2001 the average northwest Tlaxcalan SAWP participant surveyed worked 63 hours weekly over a five month contract and transferred a median of CND\$4,900 to Mexico.
- ❖ Transfers were equivalent to 2.2 annual minimum salaries. They placed the average participating household slightly above the official poverty line.
- ❖ Half the households return less than CND\$4,900 to Mexico, mainly because they received shorter than average contracts. Thirteen percent of participants worked eight or fewer weeks during their last trip to Canada, while another 29 percent worked between eight and sixteen weeks.
- ❖ 60 percent of households grew some crop during the last agricultural cycle. Crop yields are low and unpredictable. Corn is the principal crop, and it is mainly for domestic consumption.

CANADA-BASED INCOME AND HOUSEHOLD WELL-BEING

There seems little doubt that income earned through the SAWP improves the material situation of participating households, especially those in which workers have made repeated contract labour trips to Canada. The families of 40 percent of the workers with fewer than six trips reside in rented or loaned houses, or lived with their parents. By contrast, almost 90 percent of contract workers with six or more trips own their own homes; the figure rises to 97 percent for those with nine or more trips. Apart from home ownership, the size and quality of housing stock improves with the number of trips to Canada. Houses of migrants with six or more trips average 3.3 rooms, compared to only 2.2 rooms of those with

fewer than six trips. Dirt or brick floors occur in 10 percent of the houses of migrants with fewer than six trips; no migrant with six or more trips lives in a house with a dirt or brick floor.

Significant differences also exist in terms of possession of a private telephone line and vehicle ownership between those with five or fewer trips and those with six or more. Fifteen percent of workers with five or fewer trips have a telephone installed in their house and only 7 percent own a vehicle. The comparable figures for workers with six or more trips are 39 percent and 21 percent, respectively, for telephone access and vehicle ownership. Possession of a series of other goods (stereo, television) or access to services (running water, electricity, drainage) did not vary according to the number of trips. Many households already owned stereos or televisions prior to entering the Program, and basic services, provided by the state government, are widely available to all households in the sampled communities, regardless of migration status.

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It seems clear that the more times a worker returns to Canada, the greater the possibility of the worker's accumulating money and acquiring 'high ticket' items such as houses and vehicles. However, the number of trips, while decisive, is not the only factor, for the length of the trips also appeared to play a role in the household well-being. Moreover, the number and length of trips are related to one another. The last contract of migrants with six or more trips to Canada averaged 5.6 months, compared to 4.4 months for contracts of workers with fewer than six trips. Workers with years of experience 'gravitate' toward farms that offer more work or that are involved in commodity sectors, such as greenhouse production of tomatoes and cucumbers, with longer seasons. Some long-term workers may be rewarded for

their loyalty with a longer contract and more responsible position by the Canadian employer. On the other hand, some novice workers drop out of the SAWP when they receive short contracts that they judge to be insufficient for meeting minimum savings targets. In order to discourage worker rotation, the Mexican government enforces a 'three-year rule' by means of which new workers are obliged to successfully complete three consecutive seasons with the grower (and contract) to whom they were initially assigned before any request for transfer to another farm will be taken under consideration.

The previously mentioned material focused on large purchases (vehicles), the contracting of key services (telephone) and house construction. In more general terms, how do SAWP participants spend the monies they remit to Mexico? The question is difficult to answer with precision because most households, even poor ones, pool income from diverse sources: rural wage labour, crop sales, petty commerce, government transfer payments and so on. Sorting out what was used to purchase what is well nigh impossible.

However, respondents were willing to estimate whether they spent 'a lot,' 'some,' 'a little' or 'none' of Canada-earned income on each of a series of specific items. Tables 1 and 2 report the percentage on each of the four possibilities. The tables differentiate between the spending strategies of workers with fewer than six trips and those with six or more trips to Canada.

Table 1 focuses on expenditures related to household 'reproduction,' that is, expenditures for food (included in family maintenance), clothing, education and health care that any household must resolve. Table 2 provides information about 'productive investments:' purchase of land and livestock, as well as the establishment of small businesses that might potentially improve the household's future economic situation.

Regardless of the number of trips to Canada, few households were able to save much of what they earned there, and around 30 percent of households used a significant portion ('a lot' or 'some') of their Canadian income to pay off debts, regardless of the number of trips. The previous year's Canada-earned income is exhausted by many households before the migrant departs for his next trip, with the result that the spouse often has to borrow money or purchase food and other necessities on credit until the arrival of the first remittance.

Table 1: Percentage of informants reporting having spent Canada-earned income in various ways

Expenditure	*	Reported Amount of Expenditure (Percentage of Respondents)			
		A lot	Some	A Little	None
Family maintenance	≤5	48.7	31.2	13.7	6.2
	>6	74.5	19.6	0.0	0.0
Clothing purchase	≤5	2.5	18.7	55.0	23.7
	>6	13.7	25.5	49.0	11.8
Education	≤5	17.5	22.5	16.2	43.7
	>6	45.1	29.4	11.8	13.7
Health care	≤5	16.2	20.0	31.2	32.5
	>6	17.6	25.5	41.2	15.7
Debt repayment	≤5	11.2	18.7	28.7	41.2
	>6	11.8	17.6	23.5	47.0
Savings	≤5	0.0	11.2	32.5	56.2
	>6	3.9	13.7	29.4	52.9

* Number of trips

Migrant households with six or more trips are more likely to spend 'a lot,' or 'some' of their Canada-earned income on family maintenance, education and the purchase of clothing than are migrant households with fewer than six trips. The migrants in the first group tend to be more than a decade older than those in the second, and their households have increased in size through the birth of additional children. The new members drive up the needs for food and clothing. As for the differences in educational expenses, infants and young children eventually grow up and enter school, which means the purchase of

uniforms and supplies, as well as regular requests for 'contributions' toward school functions and infrastructure repair.

CANADA-BASED INCOME AND PRODUCTIVE INVESTMENT

Table 2 reports on informants' estimates of the productive use of Canada-earned income. In no case do those who spent 'a lot' of savings and remittances to purchase animals, land or a vehicle, or who invested in a business exceed 10 percent. Even so, the percentages are much higher for migrants with six or more trips than for those with five or fewer trips. Indeed, between 12 and 16 percent of migrants with six or more trips to Canada responded that they had invested 'a lot' or 'some' of their remittances in some productive way, compared to 3 to 8 percent of those with five or fewer trips. I have included vehicular purchase in the list for the sake of comparison, despite the fact that the productive use of automobiles, trucks and so varies greatly. Some automobiles and vans are entered into taxi service, at least for a time, while trucks can be rented out for hauling goods to and from regional markets. At another point in time the same vehicles may cease to generate additional income and be converted to private, household use; this is particularly likely as the number of vehicles competing for the limited local transportation/hauling market increases.

Why do such a small proportion of SAWP participants report investing significant amounts ('a lot' or 'some') of their Canada-earned incomes productively? And why are the percentages, albeit still low, so much higher in the case of migrants with six or more trips to Canada? To begin, much research has reported that early contract labour trips go to resolve pressing household needs for debt repayment, clothing, construction and other prime necessities (Jones, 1995, pp. 74-6; Massey and Parrado, 1998, pp. 11-12). By the sixth trip, if not before, a small number of contract labour migrants are better positioned economically to set aside some monies in order to improve the future household

economy. However, several factors limit the frequency and scale of these improvements.

Table 2: Percentage of informants reporting having investment of Canada-earned income

Expenditure	*	Reported Amount of Expenditure (Percentage of Respondents)			
		A lot	Some	A Little	None
Purchase of animals	≤ 5	1.2	1.2	0.0	97.8
	≥ 6	9.8	2.0	7.8	80.4
Land purchase	≤ 5	6.2	1.2	1.2	91.2
	≥ 6	7.8	7.8	3.9	80.4
Business investment	≤ 5	3.7	3.7	2.5	90.0
	≥ 6	7.8	5.9	3.9	82.3
Purchase of vehicle	≤ 5	2.5	0.0	0.0	97.5
	≥ 6	7.8	5.6	0.0	86.3

* Number of trips

First, considering the low hourly wages in Canada, it is difficult to accumulate a substantial amount of capital, even with long work weeks. Second, migrants with many contract labour trips to Canada tend to be chronologically older; their families have grown as a result of the birth of an additional child or two, which means additional food, clothing and health care costs. At the same time, younger children—those already present when their fathers entered the SAWP—have reached school age, and school attendance entails additional expenses, as noted earlier. Some 45.1 percent of migrants with six or more trips to Canada spent ‘a lot’ of their Canada-earned incomes on education, compared to 17.5 percent of those with fewer than six trips. Of course, it is possible to view investments in education as ‘productive’ of human capital if it can be shown that children of SAWP participants achieve higher levels of education than do the

children of non-participants. I take up this issue below.

Third, in most cases the standards of living of the households improve with the result that many migrants (their spouses and children) come to treat as necessities goods and services that a few years earlier were probably thought of as middle class luxury items.

I noted earlier that a fifth of the informants with more than five trips to Canada own cars or trucks, over 15 percent have a satellite dish and almost 40 percent have a private telephone line. Once integrated into the normative inventory of goods and services, telephones, satellite or cable television service and vehicles raise the cost of household reproduction to levels that can only be sustained through the comparatively higher salaries available on Canadian farms. Like many migrants to the United States, northwest Tlaxcalans who perform contract labour in Canada have become dependent on international labour migration to finance the very lifestyles that migration initially made possible. Even those who have not been able to purchase luxury items or gain access to highly desired services used Canada-based income to improve their diet and clothing and purchase household durables like furniture, appliances and electronic goods. More meat, milk and eggs mean higher food costs for those (the majority) without chickens, cows and cattle; appliances mean higher electricity bills and occasional repair or replacement costs as well. It comes as no surprise, therefore, that 74.5 percent of migrants with six or more trips spent ‘a lot’ of their Canada-earned income on ‘family maintenance’ compared to 48.7 percent of those with fewer than six trips.

Table 3 summarizes major investments and their distribution. Less than 30 percent of current and former SAWP participants had made investments of any type (see Subtotal 1). Of 39 recorded productive investments, 6 involved livestock purchase, often a cow, 14 the purchase of land and 13 the establishment of a small business. In 6 other cases households had undertaken multiple

investments that combined two or all three of the above-mentioned categories. It is worth noting that 44 percent of SAWP participants with six or more trips to Canada owned land, compared to only 20 percent of those with fewer than six trips, though the average amount of land did not differ significantly for the two groups.

Table 3: Productive Investment of Remittances by Category

Type of remittance Investment	Number	Overall Percent	**
Animals Only	6	4.6	15.4
Land Only	14	10.7	35.9
Business Only	13	9.9	33.3
Multiple investments (animals/land/business)	6	4.6	15.4
Subtotal 1: With Investments	39	28.9	100.0
Subtotal 1: Without Investments	92	71.1	
Grand Total	131	100.0	

** Distribution of Productive Investments (Percent)

Land ownership serves as a source of status in rural communities. Land also provides some off-season employment for SAWP participants as well as employment for some members of the household during the time the male household head is in Canada. The products of small scale (peasant) agriculture or stock raising can be consumed by the household or sold in order to complement Canada-earned income. But given the dismal state of Mexican agriculture—hard hit by low cost imports, rising producer prices and government abandonment of small producers—small-scale, dry land farming does not offer a viable alternative to Canadian labour migration.

Nor do the small-scale enterprises established by about 10 percent of SAWP participants interviewed. For instance, most

industry in northwest Tlaxcala is of the household-based, artisan type (fireworks workshops, carpentry, bread making) and is marked by low levels of productivity and low profits. Commercial activity financed with money earned in Canada is restricted mostly to small house front stores, known as *tiendas*, or the sale of food (tacos, fruit drinks, Popsicles), clothing and other items. The market for all these goods is limited by the overall poverty and low purchasing power of resident populations. As in the case of agricultural investments, the small, mostly household-based businesses that some current and former SAWP migrants have established tend to complement and not substitute for contract labour migration. Thus business owners—most of whom established their businesses prior to entering the Program—continued to work in Canada at the time of interview.

These results should not be attributed to any shortcoming in the Mexico-Canada Program, which makes it possible for migrants to earn incomes several times higher than those available in Mexico, presuming that they are even able to obtain work in their native country. The results are better explained by the low purchasing power of the mass of the population, which negatively affects the level of commercial activity, as well as by the limited assistance offered by state institutions to small scale agriculturalists and businesspeople.

To sum up:

- ❖ 30 percent of SAWP participants surveyed had made some productive investment in land or animals or established a small business, but many such investments were made prior to entering the program.
- ❖ These investments complement Canada-based income, but they do not substitute for it. Contract labour migration to Canada remains the main source of household income.
- ❖ Household reproduction costs rise with increases in the size and ‘maturity’ of the

household (larger households with more school age children).

- ❖ Over time most participating households improve their levels of material reproduction. The members eat better and are better clothed; they also live in larger houses constructed of more durable materials. However, once these improvements become taken for granted, pressure rises for repeat migration.

THE SAWP AND HUMAN CAPITAL: DEVELOPMENT FOR THE FUTURE?

Many SAWP participants believe that investment in their children's education is both more important and more secure than investment in land, animals or a small business. About three-quarters of migrants with six or more trips to Canada stated that they spent 'a lot' (45.1 percent) or 'some' (29.4 percent) of their Canada-earned income on their children's education. Only 'household maintenance' recorded higher percentages.

It seems, then, that SAWP participants are making calculated decisions to provide their children with educational opportunities that they were denied. Many contract labour migrants are very clear about this. They want their children to stay in school and study as long as possible, and they hope that at least one of them will achieve the qualifications necessary to enter a profession: to become a doctor, lawyer, nurse, accountant, manager, etc. Theirs is a version of the classic transgenerational immigrant success story, whereby first generation immigrant parents work long hours at low-paying jobs in order to be able to provide their children with the education that will make it possible for them to obtain a better-paying work in the professional, white collar sector.

The story plays out best in a rapidly expanding economy where job growth out paces the increase in the number of qualified job seekers. But the situation in Mexico is otherwise. Since the 1982 crisis, the number of secure, formal sector jobs has not kept pace with the number of new entrants into the labour force. For instance, between 1980 and 1996, the economically active population increased by more than seventeen million people, compared with an increase of a mere two million new, formal sector jobs, many of which are poorly paid and offer few benefits (Dussell, 1998, p. 66).

Competition has intensified to the point that employers are able to pick from candidates with university degrees for positions that a few decades earlier would have gone to a high school graduate. For example, the regional branch of a nationwide chain of department stores paid its floor managers, most of whom have bachelor's degrees, about US\$500 monthly in 2004. The average high school graduate (*preparatoria*) earned US\$215 monthly—barely above the poverty line and only US\$15 per month more than those employees with a primary school degree.¹

Many SAWP participants believe that investment in their children's education is both more important and more secure than investment in land, animals or a small business

One of the consequences of the process I have described has been the progressive devaluation of what sociologist Pierre Bourdieu referred to as 'cultural capital,' *i.e.*, educational credentials sanctioned by the state and socially acknowledged. Children from rural areas who attend poorly-staffed and overcrowded public schools have enormous difficulties in passing qualifying examinations for Mexican public universities; few of those who enter complete their degrees, and those who do are usually

¹ The information was obtained by Jonnie Lucero during research for an MA thesis in Sociology at the Social Science and Humanities Research Institute, Benemérita Universidad Autónoma de Puebla. Lucero was given access to social, demographic and economic information on all 734 regional employees of the chain store.

disappointed with the wages and working conditions that follow graduation. Under conditions of proliferating demand for education and stagnation in the supply of good jobs, the children of rural dwellers—including those of SAWP contract workers—are no less disadvantaged today than they were in the past.

MIGRATION TO CANADA VERSUS MIGRATION TO THE UNITED STATES

At the time of this study (2001-2002), the Canadian dollar was weak vis-à-vis its U.S. counterpart. Many former and active participants in the SAWP openly weighed the advantages and disadvantages of legal, contract labour migration to Canada as opposed to illegal (undocumented) migration to the United States. Indeed, some older migrants had worked legally in the United States during the latter years of the Bracero Program (1942-64).² Other persons with SAWP experience migrated to the United States in the interim, and a few dropped out of the SAWP in order to give undocumented migration to the US a try. Even former and active SAWP participants who had never been to the United States mentioned three 'comparative disadvantages' of the SAWP Program vis-à-vis undocumented migration to the United States.

First, SAWP wages are comparatively low and stagnant. Repeat migrants have little opportunity for upward mobility, given that first-time migrants are paid at the same hourly rate as migrants with five, ten, fifteen

or more years experience. A few employers pay more than the contract stipulates and others offer seasonal bonuses, but these are discretionary as opposed to contractual benefits and are enjoyed by a minority of workers. Migrants know that even undocumented workers in the United States have some possibility for upward mobility. For instance, restaurant dishwashers can move up over time to food preparation and henceforth to cook; each step upward in the restaurant hierarchy involves an increase in hourly wage.

Second, SAWP contracts limit annual time worked in Canada to a maximum of eight months, and that limits the amount of money that contract workers are able to save and remit annually. By contrast, undocumented migrants to the US can prolong their stays with the object of meeting savings targets, presuming, of course, that they are not apprehended and deported by US immigration authorities.

Third, many contract workers resent the lack of social acceptance—which some represent as 'racism' during interviews—on the part of local Canadian society, nor are they pleased with the high level of control that some employers seek to exercise over their actions and lifestyle choices. Despite their illegal status, undocumented migrants to the US—some 70 percent of whom now reside in cities—have a considerable degree of freedom of movement and association, especially within the large and growing Latino communities there.

Interestingly, the three features of the SAWP about which workers most complain are among the same features that attract Canadian farmers to subscribe to the Program. Canadian horticulturalists have been attracted to the SAWP because it provides them with (1) low cost labour power that (2) can be brought in and released according to the grower's needs, and that (3) exhibits a high degree of reliability as a consequence of residing in grower-controlled housing on or near the agricultural enterprise.

² The Bracero Program was a contract labour program between the United States and Mexico through which Mexican males provided substitute for rural workers who entered the US Armed Services. The program was extended on several occasions following the end of the war in 1945, and was terminated unilaterally by the US Government in 1964. More than 4.6 million Mexicans worked in the United States during the duration of the Bracero Program (see Bustamante, 1997, pp. 140-2).

THE SAWP AND FAMILY AND HOUSEHOLD RELATIONS

Contract labour migration, particularly when it entails movement over great distances and across cultural divides, has implications for family relationships. The contract guarantees of the SAWP and other contract labour programs provide a degree of security absent when undocumented migrants strike out for the United States. Nonetheless, it is inevitable that both migrants and stay-at-home members of the household will be concerned for one another's health and well-being. Depression and loneliness, especially in the case of Mexicans residing on rural Canadian farms in a culturally and linguistically strange (to them) society, are common. According to persons in close contact with SAWP workers, these feelings are particularly intense at the beginning of the contract season, and they increase as the season winds down, particularly in the case of workers with long contracts.

Meanwhile, migrants' wives find themselves attempting to substitute for their absent husbands in role functions for which they have not been socially prepared. Children often pine uncontrollably for their father, and in his absence rebel against the mother's authority. School attendance and grades commonly suffer, and with their father absent, some children and adolescents become involved in drug use, petty crime and other problems. Most migrants call home regularly—which helps explain the large percentage of migrant households with telephone lines—but verbal instructions, reprimands and assurances are of limited effectiveness without the father's physical presence. These are problems that accompany migration-induced family separation in general, and are thus not specific to the SAWP. However, responses to the questionnaire indicate that the likelihood that members of the Mexican household experience physical and/or psychological crises increases with longer contracts. Moreover, some current and former SAWP

participants complain of occupational-related illness related to pesticide exposure and heavy lifting, among others, for which they received little treatment in Canada and no compensation for medical expenses on returning to Mexico.

On the positive side, men report that time away from their families resulted in an enhanced appreciation for spouse and children, and that performing 'female' household chores, such as washing, cooking and cleaning in Canada—often for the first time—contributed to a re-evaluation of these activities, as well as a greater willingness to chip in when at home. Male migrants' claim that they are more apt to express affection openly and more willing to assist with female-identified household tasks require further study.

CONCLUSIONS: THE SAWP IS A POVERTY ALLEVIATION PROGRAM AND NOT A DEVELOPMENT PROGRAM

This paper investigated the development potential of remittances generated by participants in the Mexico-Canada Seasonal Agricultural Workers Program. Less than 30 percent of the migrants interviewed invested portions of their remittances in land, animals or small businesses, and those who did so viewed the investments as complementary to rather than a substitute for continued contract labour migration. At present Canada-earned income would seem to have little effect on overall economic development in northwest Tlaxcala. Contract labour migration does, however, contribute to improvements in nutrition, clothing, housing stock, educational levels and access to status goods and services, though the degree of these improvements depends on the number of contract labour trips and their average duration.

I suggested two reasons, one clearly more important than the other, for the limited productive effect of migrant remittances on economic development. First, program participants are selected from among the rural poor and

extreme poor; given their high level of pre-existing need (for food, clothing, housing and educational expenses, among others), they have a limited capacity to accrue an investment fund until they have resolved some of the more pressing economic demands. But, second, a moderately improved lifestyle can only be sustained via the expenditure of a growing percentage of remitted income, a situation with strong parallels among upwardly mobile sectors of the middle classes of many countries.

It bears noting that SAWP participants are enrolled in the Canadian Pension Plan, but low hourly wages and temporary contracts, which average five months annually and are often shorter, ensure that pensions will be small—generally less than CND\$100-150 (below the official Mexican government poverty line)—for those workers able to claim them. Another form of deferred ‘investment strategy’ involves using Canada-earned income to finance children’s educational aspirations. I expressed doubts about the success of this strategy, but only time will tell whether it pans out. Thus far there have been no specific studies of occupational, as opposed to educational, mobility among adult children of SAWP participants.

Finally, I noted that land, livestock and small, household-based business enterprises purchased or financed in whole or part from working in Canada tend to complement the main source of household income, which continues to derive from contract labour migration. High and growing dependence on Canada-earned income helps explain why male migrants from northwest Tlaxcala return to Canada year after year, despite their complaints about the extremes of climate, intensity of the work, low wages and employer control, among others.

POLICY RECOMMENDATIONS

- A different strategy for parceling out available contracts would make a small,

but important difference. The Mexican government should assess the economic needs of new recruits, based on household size and demographic structure, with the object of assigning longer available contracts to workers with a large number of dependents.

- Mexican and Canadian authorities should investigate the possibility of facilitating workers transfers between farms in order to extend the work time in Canada of workers with short contracts who desire longer ones.
- A forced saving program is not recommended at present. Such a program was put in place during the earlier Bracero Program in the United States. Much of the money deposited in Mexico was never returned to the ex-Braceros, and recent publicity and court cases around that fact have soured many rural Mexicans on forced savings.
- Some sectors of Canadian horticulture could offer higher wages. Whereas some family farms are likely kept afloat by low cost SAWP labour power, corporate farms in expanding sectors, such as greenhouse tomatoes and cucumbers are capable of paying well above minimum wage. During their last trip to Canada, about half the Tlaxcalan interviewees worked on farms employing between 1 and 20 workers, 24 percent farms employing 21-50 and 26 percent on farms employing more than 50 workers. Many farms with more than 50 temporary employees are corporate farms.
- The Mexican government and non-government organizations should develop support groups in sending communities for the families of SAWP participants in order to help them negotiate the prolonged absence of spouse and the new roles that they have been compelled to assume.
- Grower associations and the Canadian government should take more responsibility for the long-term health care of current and former SAWP workers who have accidents

and incur occupational illnesses while in Canada.

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