

Legislation was intended to provide economic opportunities

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The ag department now lists more than 30 small on-farm, stand-alone and mobile poultry processors.

The state legislation was intended to provide new economic opportunities for small farms and to increase consumer access to locally produced meat, said Ivan Maluski, director of Friends of Family Farmers, which backed the bill along with the Oregon Farmers' Market Association.

"I think there is a recognition by ODA and the Legislature that local food, direct-to-consumer sales and small farms are important parts of agriculture in Oregon, and that market demand for this is growing," Maluski said in an email. "We think that will only increase as time goes on."

USDA exemption

There's a bigger commercial aspect blossoming as well. Processors such as Harrington's and Mineral Springs Poultry, in Willamina, Ore., can take advantage of a "small enterprise" USDA exemption that allows them to process up to 20,000 birds annually without having to have an on-site USDA inspector.

Under the exemption, people who have their birds processed at facilities such as Harrington's or Mineral Springs can then sell them not only at farmers' markets, but to grocery stores and restaurants as well.

"When I started to do that, that blew the doors wide open," said Nels Youngberg, owner of Mineral Springs Poultry. "Anybody who raised a few chickens, they could take their birds and go out and sell them. That changed the game plan for a lot of folks."

Youngberg said about six years ago he increasingly began doing business with new farmers, usually young people with a couple acres, who would bring him a dozen, 20 or 100 chickens at a time for processing. Some are primarily entrepreneurs, looking to create income on the side, while others are deeply concerned about how grocery store food is raised and processed.

"That creates a lot of fear," Youngberg said. "They find out it's better to raise their own meat, grow their own vegetables — that's been a major thrust on it."

"I've seen a lot of them come and go, but every year we get somebody new," he said.

Fargo, of the ODA, agrees. "I think it's partially the local food movement," he said. "People are skeptical about raising chickens in a confined environment, they're concerned about all the things involved with that."

So far, Oregon's small processors have operated without food safety problems, he said.

'A national thing'

Fargo said he's received inquiries from four or five other states that are looking for ways to accom-



A rooster, Fernando, awaits his fate at Harrington's Poultry Processing near Boring, Ore. Small, custom meat processors have found a niche market among backyard flock owners and local-food advocates.



Oregon's custom processors are often small operations on the edge of urban areas. Customers include city residents who raise small flocks of chickens in their back yards.

modate small farmers and small processors. "It's absolutely a national thing," he said.

Proof of that may be the Niche Meat Processors Assistance Network, which shares information among affiliates in 40 states. Lauren Gwin, a small farms and community food systems specialist with Oregon State University Extension, is co-coordinator of the network.

Consumers are interested in pasture-raised poultry, sustainable production methods and humane treatment of farm animals, Gwin said. In addition, occasional salmonella outbreaks at large-scale processing facilities have "given some people pause."

Despite that, small processors may struggle to transition beyond niche status, she said.

"Let's be frank, conventional, mainstream meat production is enormous," Gwin said. "This type of alternative meat ... is very, very small. How do you mainstream some of this into more conventional channels?"

But she said some small producers will accomplish that.

"They're very entrepreneurial," she said. "These people will figure out where they fit in the market."

Back at Harrington's Poultry Processing, owner Scott Ogle makes quick work of Fernando the rooster. Ogle, a wise-cracking third-generation "chicken killer," places the bird upside

Photos by Eric Mortenson/Capital Press



After soaking in hot water, a few turns in a tumbler removes feathers and the bird is ready for cutting.

down in a "kill cone" and swiftly cuts its throat to bleed him out.

The process

Ogle said he gets a mix of customers, including one who brings him a couple hundred chickens every other week and sells to restaurants.

"I get a lot from in town," he said. "People bring me roosters because they can't crow in town."

A brief soak in hot water, followed by a tumble in a metal drum lined with rubber knobs, removes Fernando's feathers. The rooster's head and feet come off with quick chops, and Ogle slides the carcass to assistant Stephanie Morse for final cleaning. Then it's off to a chilling bath.

By the time owner Leslie Standen returns, Fernando is bagged and ready to go.

"You want your liver, gizzard and heart?" Ogle asks. Standen says she does, and accepts her bagged rooster with mixed feelings.

"Oh," she says, "I should take him home and bury him instead of eat him."

Piece rate case likely to change employment practices, lawyers say

By DAN WHEAT
Capital Press

WENATCHEE, Wash. — Piece rate — the practice of paying farmworkers by how much work they do — likely will be forever changed in Washington as the result of a Supreme Court case, regardless of how the court rules, labor attorneys say.

An hourly wage plus a bonus for a certain amount of work is replacing piece rate in California and would be a safer way to go in Washington, said attorneys at the Washington Farm Labor Association's Workforce Summit and Labor Conference in Wenatchee.

If growers lose the case, back wages could be ordered for three years which could be a few hundred dollars for



Dan Wheat/Capital Press

From left: Roxana Macias, program manager of WAFLA; and labor attorneys, Jeanne Malitz, San Diego, Kristen Ferrera, Wenatchee, Leon Sequiera, Washington, D.C., discuss H-2A visa guestworker issues.

workers, a few million dollars for lawyers and \$100 million or more for the industry, said Dan Fazio, an attorney and WAFLA director.

The Supreme Court will hear arguments March 17 at

Heritage University in Toppenish but is not expected to rule until July or August.

At issue is whether piece rate includes rest breaks that workers take at their own discretion. Workers may skip

the breaks in an effort to earn more money. Legal services representing farmworkers argue farmworkers should be paid separately for rest breaks on top of piece rate. WAFLA, the Washington State Tree Fruit Association and Sakuma Bros. Farms of Skagit County argue piece rate includes rest breaks.

State law says employees, whether hourly or piece rate, shall be allowed 10 minutes rest for every four hours of work but doesn't say employees have to take it, Fazio said.

WAFLA recommends growers permit piece-rate workers to take rest breaks, to inform them that piece rate includes rest breaks and to get their signatures that they have been so informed.

"If it were me, I would

blow a whistle and get everyone out of the field and say take a rest break," Fazio said. Then there's no question, he said.

Unless the whole industry does that at the same time, workers will simply quit and go to another orchard where breaks aren't required and they can keep working to make more money, said Brendan Monahan, a Yakima attorney. The issue is a contrived money grab for farmworkers by their legal services, he said.

"No matter what the Supreme Court does, piece rate will be changed forever. We will have continual assault by worker organizations, and wage commission piece rate that is performance-based will be challenged," Monahan said.

Of the \$1.75 billion in monthly losses, \$170 million is meat exports

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shippers accelerated in November, December and January, key export months for apples, french fries, animal feed and other commodities bound for Asia and elsewhere.

The \$444 million per week average in lost business does not account for economic injury and job losses in ancillary industries such as processing, farming, trucking and warehousing, Friedmann said.

"So it's not even close to a total economic impact to

U.S. agriculture," he said.

U.S. commodities also are being displaced in global markets by competition, and it won't be easy to win those markets back, he said.

Of the \$1.75 billion in monthly losses, Friedmann said \$170 million is meat exports, including the loss of new markets in South Korea. About \$185 million in monthly losses is hides, which are shipped to Asia for processing.

Washington apples are losing \$40 million to \$60 million per month in export volume, said Tim Evans, general sales manager of

Chelan Fresh Marketing.

Trucks sitting at the ports awaiting unloading cost growers more, he said. Combined with a large apple crop, the slowdown is depressing prices, he said.

The U.S. Forage Export Council estimated West Coast hay exporters lost \$25.6 million in November alone.

Washington lost \$23.5 million in frozen french fry exports in November and probably as much or more during each month since, the state Potato Commission has said.

U.S. containerized ag

exports shrank to \$1.754 billion in November, down from \$3.483 billion in November 2013, Friedmann said.

Last week, 359 Oregon agriculture and forest product companies and organizations and 222 in Washington sent letters to their congressional delegations seeking help in resolving the port dispute. Members of Congress sent letters to President Barack Obama, who sent Labor Secretary Ray Perez to San Francisco to engage in the negotiations, starting Feb. 17.

The same day, long-

shoremen at the Port of Oakland shifted a stop-work meeting from an afternoon to a morning shift, shutting down the port for Feb. 19.

Container ships remain backed up at many West Coast harbors waiting to unload cargo from Asia and load cargo for the return trip.

"Agriculture is being damaged, currently and permanently. Our ability to be dependable suppliers in the global market is jeopardized. Job losses and the loss to family farms and businesses is unconscionable," Friedmann said.

Groups hopeful Brown will keep Cobra as ODA director

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engaging with us," said Paulette Pyle, grass roots director for Oregonians for Food and Shelter, an agribusiness group.

Farm groups are hopeful that Brown will keep Katy Cobra as the director of the Oregon Department of Agriculture, a position she has served in since 2003.

The industry appreciates Cobra's even-handed approach in dealing with controversial issues, said Rowe. "She has a good feel for what is good for agriculture and what is not."

Dick Pedersen, director of Oregon's Department of Environmental Quality since 2008, also has a positive relationship with the agricultural industry and will hopefully be retained by the new administration, said Jim Welsh, lobbyist for the Oregon Cattleman's Association and the Oregon State Grange.

Kitzhaber's natural resources policy director, Richard Whitman, has been a "great bridge" among various stakeholders affected by government policy since his appointment in 2011, said Jeff Stone, executive director of the Oregon Association of Nurseries.

"We have enormous faith in him," Stone said, adding that he hopes Whitman will continue to serve in his current role under Brown.

While it's often best for a chief executive to get settled before making dramatic changes, it's common for a new leader to replace top advisers, said Rowe. "Any time you see a new person come into a position, you see a turnover in staff."

The Oregon Farm Bureau was excited that Kitzhaber proposed an aggressive water supply strategy in his biennial budget, said Katie Fast, vice president of public policy for the group.

Kitzhaber wanted to invest nearly \$55 million to develop water resources in Oregon in the 2015-2017 budget.

While the former governor was leading the push for funding, legislators have also been engaged in the effort, said Fast.

"My hope is the water package continues to be in play," she said.

Another important component of Kitzhaber's budget was an investment of \$45.6 million on "working forests and farms," which included money for improving watershed health and sage grouse habitat.

It remains to be seen whether this proposal will have the same momentum under Brown, said Fast.

Water supply development still has the potential to be a bipartisan issue that lawmakers from regions around Oregon can get behind, said Roger Beyer, executive director of the Oregon Seed Council and lobbyist for the Oregon Dairy Farmers Association and the Oregon Blueberry Commission.

"There is not a community in the state that does not face water issues at some time of year," Beyer said.

Environmental groups say they're heartened by Brown's voting record in the state legislature.

In the short term, though, her ability to steer the legislative session will likely be muted, said Jessica Moskovitz, communications director for the Oregon Environmental Council.

At this point in the 2015 session, Oregon lawmakers have set their priorities and it's unlikely that Brown could seriously alter those even if she wanted to, Moskovitz said. "I don't expect that to significantly change."

Moskovitz said the new governor should persist with Kitzhaber's environmental goals related to clean fuels and renewable energy.

However, Brown should take a new direction in forest policy, said Sean Stevens, executive director of the Oregon Wild environmental group.

Kitzhaber was on board with proposals to increase logging on federal lands in the state that Oregon Wild opposed, Stevens said.

"We're hopeful as governor, Brown will take a pause on some of those efforts," he said.

Stevens said reforms to the Oregon Forest Practices Act, which governs logging, will meet with greater success under Brown.

"That's really something that hasn't been given attention the last couple decades," he said.