

Bill seeks to extend H-2A program to all farms

By DAN WHEAT
Capital Press



Rep. Dan Newhouse
R-Wash.

The Fiscal Year 2018 Homeland Security Appropriations Act passed the House Appropriations Committee July 18 with an amendment by Rep. Dan Newhouse extending the H-2A foreign guestworker program to all of agriculture.

“That’s great for dairy and much needed for dairy,” said Dan Fazio, director of the

WAFLA farm labor association in Olympia.

Dairies are the main agricultural operations needing foreign guestworkers that do not qualify

for the H-2A program, Fazio said.

Dairies do the same thing year-round and H-2A is in-

tended for work that is seasonal and temporary, often tied to growing cycles, he said.

Landscape nurseries in Oregon are able to use H-2A because they have seasonal aspects such as planting and shipping that occur within their annual cycle, he said. The same argument can apply to shellfish operators, he said.

Modern agriculture techniques have become less

seasonal and many farms are less seasonal with multiple harvests, one after another, Newhouse, R-Wash., said in a news release.

“H-2A must be made more workable for farmers and my amendment clarified that all of agriculture may use H-2A so it operates effectively as our nation’s ag guestworker program,” Newhouse said.

The amendment does not change time limits on H-2A work, he said.

Workers may work no more than 10 months per year and then return home for two months.

WAFLA encourages employers to use H-2A workers for seven months or less at a time, Fazio said. WAFLA will assist Washington growers in hiring about 12,000 H-2A workers this year.

United Farm Workers issued a news release critical of the Newhouse amendment and Reps. Pete Aguilar,

D-Calif., and Henry Cuellar, D-Texas, for voting for it.

It’s wrong to extend the “deeply flawed” H-2A program to dairies where workers drown in manure ponds because too many dairies deny basic labor protections, UFW said.

House Republicans ignore the workable solution of HR 2690 by Rep. Luis V. Guterrez, D-Ill., providing legal status for workers, the union said.

Global oversupply pushes down nitrogen prices

Urea, the main global source of nitrogen, at lowest level in 15 years

By MATEUSZ PERKOWSKI
Capital Press



Mateusz Perkowski/Capital Press File

A front-end loader scoops up urea. Prices for the fertilizer are at the lowest level in more than a decade, pushing down costs for other nitrogen products.

A global oversupply of urea has pushed down prices for the fertilizer and other nitrogen products to the lowest levels seen in over a decade.

Urea is selling for roughly \$170 per short ton on the Gulf of Mexico wholesale market, which is the cheapest it’s been for roughly 15 years, said Glen Buckley, chief economist with the Fertilizer Advisory Service.

“This is sort of the trough of the typical downturn,” said Buckley, noting that he expects urea prices to remain low through the end of 2019.

While the price paid for urea by farmers is higher than the wholesale price due to transportation and storage costs, the input is going to remain relatively less expensive until supplies balance with demand, he said.

“They’re going to be paying lower prices,” Buckley said.

Supplies of urea built up in the U.S. in anticipation of springtime demand, but wet weather delayed fertilizer applications for many farmers, he said. “Demand was spread out over a real long time period.”

Faced with more urea than they could store, traders began liquidating the product at fire sale prices to reduce inventories.

At the same time, domestic urea production was higher

due to several new production facilities coming online.

Fertilizer producers began constructing new factories three or four years ago, when prices were higher, but those plants are now contributing to an overcapacity, Buckley said.

Global urea producers tend to “overshoot” the market when demand is high, leading to a boom-and-bust cycle roughly every decade, he said. “That is very typical of this industry.”

Just five years ago, urea prices were topping \$600 per short ton. In 2008, fertilizer fetched more than \$800 per ton during the most recent peak.

Urea tends to set the price for other forms of nitrogen, such as anhydrous ammonia and urea ammonium nitrate,

also called UAN.

“Everything is really down,” Buckley said. “Urea is the main product worldwide. All the other nitrogen fertilizers will tend to follow urea prices.”

At this point, China is the world’s highest-cost producer of urea, which means it will have to “rationalize” by cutting production, he said.

Water plentiful in Eastern Oregon, southwestern Idaho

By SEAN ELLIS
Capital Press

BOISE — Many reservoirs in southwestern Idaho and Eastern Oregon are still nearly 90 percent full, despite a brutal July heat spell that has kept high temperatures near or above 100 degrees the entire month.

Irrigators who get their water from the Boise Project Board of Control get by on natural flow in the Boise River until the amount of water leaving the river’s reservoir system exceeds the amount entering.

Then the project starts using water stored in the system’s three reservoirs and sets an allotment for how much water irrigators can receive from the reservoir system. That didn’t happen until July 14 this year, well beyond the normal June time-frame for that switch.

The BPBC set its 2017 allotment at 2.45 acre-feet, which is slightly less than the 2.6 acre-foot allotment in 2016.

However, the project only got by on natural flow until June 15 last year and that means some farmers, such as Drew Eggers of Meridian, will end up receiving all the water they need this year.

Eggers said he used about 3 acre-feet of water for his mint crop before the allotment was set and he probably won’t need to use all the water he is entitled to this year.

“We’re having a good water year,” he said. “I’ll have

enough water to finish the crop and water the mint back up after harvest.”

The water outlook is just as good for the 1,800 farms in Eastern Oregon and part of southwestern Idaho that receive their irrigation water from the Owyhee Reservoir.

The reservoir, which supplies water to 118,000 acres, is 86 percent full.

That’s a dramatic switch from many of the previous five years, when the reservoir was almost tapped out at this date and irrigators received as little as one-third of their full 4 acre-foot allotment.

“It’s unbelievable,” Owyhee Irrigation District Manager Jay Chamberlin said of the difference. “It’s almost the complete opposite.”

Chamberlin said the reservoir is experiencing one of its top five water supply years in its 82-year history and it’s possible water managers will run water later into October this year to help farmers finish off their crops.

“It will be nice to help them on the tail end because for four or five years they’ve been short on the tail end,” he said.

Irrigators on the Weiser River system are also sitting good this year in terms of water supply and the system will likely carry over a decent amount of reservoir storage water into next season, said watermaster Brandi Horton.

“It’s definitely one of the better (water supplies) we’ve seen in several years,” she said.

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