

U.S. industry looks to open China to fresh potatoes

By **MATTHEW WEAVER**
Capital Press

KENNEWICK, Wash. — Industry leaders say they hope to open new doors for exporting fresh U.S. potatoes to China. “We believe we’re maybe in the final stages of trying to open up the Chinese fresh market,” said Bill Brewer, president and CEO of the Oregon Potato Commission.

A deal with China last summer would have allowed the country to buy more U.S. agricultural products, said John Keeling, CEO of the National Potato Council. That deal was scrapped when President Donald Trump added more tariffs to Chinese products.

The administration is negotiating with the Chinese to put the deal back together by March 1, Keeling said.

“How the president is able to pull off this China deal is huge in terms of how his support will be in the heartland, where the people really getting hurt by this — corn and soybean farmers — are, and how we will be going forward in terms of trade for China,” Keeling said.

Keeling didn’t estimate a likelihood of the deal, but said it presents “an incredible opportunity” for potatoes.

“We’ve been working on this for 20 years,” said Chris Voigt, executive director of the Washington Potato Commission. “We’re the number one ag priority in the U.S. Trade Representative’s office ... so we’ve got a good shot at getting in there, we hope.”

If an agreement is completed, Brewer said, it would likely go into effect for the 2020 crop year.

“I do know it’s being discussed right now, that high-level trade,” he said.



Matthew Weaver/Capital Press
Bill Brewer, Oregon Potato Commission CEO, told the Washington-Oregon Potato Conference in Kennewick, Wash., that industry leaders hope negotiations will open China to fresh potatoes.

China is the largest producer of potatoes in the world, primarily using the crop for chips. Exporting even a small amount of fresh table stock potatoes to China “could be a big deal for all of our growers,” Brewer said.

“There’s so many people there, and they do have a big push in China to move more of their population to potato instead of rice,” he said. The population of China is 1.4 billion.

China primarily buys U.S. french fries and dehydrated products. The only state that can currently sell fresh potatoes to China is Alaska, which can send seed potatoes, Brewer said.

“They recognize that we have high-quality potatoes,” he said. “They chip a lot of potatoes in China, and they need our quality and production. So there’s a demand if we can just get access.”

Demand would likely be slow at first, and then ramp up, Brewer said. “There’s a lot of potential,” he said.

The Potato Council is working with all states to get letters to Trump, encouraging him to include fresh potato access to China as part of the final deal, Keeling said.

Washington farmers rally against new H-2A fee

By **DON JENKINS**
Capital Press

OLYMPIA — Washington farmers are pushing back against a proposal by the state Employment Security Department to collect new fees from growers and hire 14 new employees to beef up state oversight of the federal H-2A worker program.

Gov. Jay Inslee’s two-year budget proposal allocates \$4.1 million for a new Office of H-2A Compliance and Farm Labor. The office would be advised by an eight-member committee split between representatives of farm groups and farmworker groups.

The employment department says it needs the money to meet its obligations to help federal agencies monitor compliance with the rules for employing foreign farmworkers. Growers say the fees would be onerous and question why the department also wants to set up a new advisory committee that could include



Dan Wheat/Capital Press File
H-2A foreign guestworkers work at Griggs Orchards, Orondo, Wash. A state agency wants to increase staffing and funding to monitor the federal program.

critics of the program.

“I can’t see why a federal program would need a state advisory committee to talk about its implementation,” Ephrata, Wash., beekeeper Tim Hiatt, who hires H-2A workers, told the House Labor and Workplace Standards Committee.

House Bill 1398, sponsored by Democrats, stems from a gap in what the employment department receives from the federal government and what it says

it needs to conduct wage surveys, verify a shortage of domestic workers, and help federal authorities check on working and living conditions.

The department receives about \$300,000 a year, but that hasn’t kept up as farmers hire more foreign workers, department legislative director Nick Streuli said. The department estimates about 30,000 H-2A workers will be brought to Washington this year.

Judge hears arguments over H-2A wages

By **DAN WHEAT**
Capital Press

Arguments for and against returning the minimum wage for agricultural foreign guestworkers to 2018 levels were heard in a federal court Monday in Washington, D.C.

Judge Timothy J. Kelly did not say how or when he will rule but has noted the urgency of the case, said Michael Marsh, president and CEO of the National Council for Agricultural Employers in Washington, D.C.

Marsh said a ruling could come in days or weeks.

NCAE and Peri & Sons Farms of Yerington, Nev., filed a lawsuit Jan. 7 against the U.S. Department of Labor seeking a preliminary injunction to stop the 2019 increases that average 6.3 percent nationwide and are 22.8 percent in Nevada, Utah and Colorado. The

plaintiffs say the increases are arbitrary, unsubstantiated and will cause irreparable harm to many farms.

Peri & Sons, a fresh-market vegetable farm that employed 1,768 H-2A-visa foreign guestworkers in 2018, estimates the 2019 increase will cost it about \$3.7 million, threatening its viability. Olson’s Greenhouse Gardens in Salem, Utah, estimates its hit at \$1.3 million, and Tagawa Greenhouse Enterprises in Brighton, Colo., expects to pay \$400,000 more, according to the lawsuit.

The H-2A minimum wage, known as the Adverse Effect Wage Rate or AEWR, has gone from \$10.69 per hour to \$13.13 per hour in Nevada, Utah and Colorado. Many other labor-intensive farming operations across the U.S. that rely on H-2A workers are similarly threatened, Marsh said.

The rate jumped from

\$14.12 to \$15.03 in Washington and Oregon, the highest in the nation and affects a lot of growers, mostly in tree fruit, who hired 24,862 H-2A workers in 2018.

The AEWR is intended to ensure hiring foreign workers does not depress wages of domestic workers. DOL has never shown any adverse effect but assumes there is one in setting an arbitrary premium minimum wage for foreign workers based on USDA wage surveys, NCAE has said.

Growers say the exorbitant increases are beginning to take a toll.

Rob Valicoff, president of Valicoff Fruit Co., Wapato, Wash., said the AEWR increase probably will cost him an additional \$100,000 this year.

“There’ll come a point we can’t sustain these increases,” he said. “I’m not sure where that point is. If people were willing

The department earlier proposed charging growers \$1,000 to apply for workers, plus \$100 for each of the first 1,000 workers. After that, the fee would have dropped to \$50 per worker. That fee schedule has since been scrapped. The bill calls for the advisory committee to recommend fees.

Streuli told legislators that the department has lobbied and will continue to lobby for more federal funding. “Given the dramatic rise in the use of the program, we don’t feel we can continue to wait for congressional action,” he said.

Washington State Tree Fruit Association President Jon DeVaney agreed the federal government should send the state more money, but asked legislators not to impose a state fee to run a federal program.

“We don’t think that just the growers in Washington state should bear the cost of the federal government not meeting its enforcement responsibility,” he said.

to pay \$4 per pound for apples, we might be able to afford it.”

Valicoff has 96 H-2A workers and 30 domestic workers pruning fruit trees right now. He’s paying them all piece rate, so much per tree depending on size and variety, but the floor is \$15.03 per hour.

Marsh said rising labor costs contributed to Uesugi Farms, a vegetable operation in Gilroy, Calif., going out of business last fall.

NCAE has to show a likelihood it can prevail on the merits of the case — that DOL has never proven an adverse effect — and that farmers will suffer irreparable harm to get a preliminary injunction, Marsh said.

“We’re clearly showing irreparable harm but the merits are the tough one because we have to prove the government was arbitrary and capricious in issuing a rule,” he said.

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Photo credit : Molly Goren, PCC Farmland Trust

By **Ashley Rood**, purchased a 21-acre farm just outside of Tacoma

The root cellar at Wild Hare Organic Farm is finally full this year. After two years, “we could grow through winter with confidence and load up the root cellar without worry, because it was fully ours,” says Katie Green. In 2017, Katie and Mark Green

from local sustainable farming leaders, Dick and Terry Carkner—and the deal they struck made it a farm forever.

Katie and Mark discovered their drive to farm over a decade ago on the east end of Long Island. Katie answered a craigslist

A Full Root Cellar, Hard Earned : Wild Hare Organic Farm

ad and took the leap, selling produce to restaurants and big buyers. The Greens were hooked, “the work and the life of agriculture really spoke to us,” says Katie. Since then, they’ve both worked at organic and conventional farms. Katie focuses more on the business side of farming, while Mark’s a motivated grower - a perfect combination to run their own operation.

Puget Sound natives, the Greens moved back to the Pacific Northwest with their newborn daughter to be closer to grandparents. They stumbled on a special

spot to call home, right next door to the Carkners. For over 30 years the Carkners’ farm, Terry’s Berries, was a community hub, selling U-pick berries and organic Community Supported Agriculture (CSA) shares. The Greens started helping the Carkners out next door. When Dick and Terry announced their interest in retiring, the Greens were a natural fit to be the next generation on the farm.

The Greens and Carkners shared a vision for the future of the farm, but transferring the farm was a challenging process

that took two years. Katie says, “it was not a simple real estate transaction. It is somewhat of a miracle to witness a farm making a transition to another farmer (instead of to a corporate developer, for instance).”

An essential piece of making this possible was the PCC Farmland Trust. The Trust served as a dependable guide throughout the process of transferring the farm, beginning with setting up a lease agreement. The Trust navigated the process of putting a conservation easement on the farm to purchase the property’s

development rights. The easement allowed the Greens to buy the farm at a more affordable rate while preserving the farm—an important legacy for the Carkners to leave to their community.

“This wouldn’t have been possible without the care and resources PCC Farmland Trust put into the process. And, they were the first to celebrate with us,” says Katie, “We’re beyond honored to be one of their Forever Farms and are thankful that this program has helped put our purchase of the property within reach.”