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Opinion

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Our View

We need to get better at telling ag’s story

If you want to know more about how consumers think about food, look at your cell phone. It keeps you in touch with other people, and can tap into the internet. But beyond that, who knows how it works? In fact, if you were visit with a Ph.D. in computer science, you would get a barrage of lingo about rare earth metals, lithium batteries and semiconductors. The technical features are lost on the vast majority of people. As long as the phone works when and how it’s supposed to, most people are happy. If the inside of a phone was filled with Crazy Foam, they couldn’t care less. It’s the same with food — sort of. Consumers want good food from people they trust. Exactly how that



Michele Payn

food is produced is lost on most people. In fact, most farmers and ranchers can be compared to that Ph.D. in computer science. They know more about farming and ranching that a typical consumer will ever understand. Most farmers and ranchers have accumulated their knowledge not only through school but over that years and decades — even generations. How could a farmer ever be expected to boil down why he or she does something into a sound bite? But that’s exactly what special interests are doing. Groups like the Humane Society of the United States, Greenpeace, PETA, Farm Sanctu-

ary and the Environmental Working Group have taken to social media — Facebook, Twitter, Instagram and You Tube — with their skewed version of how people should eat. They simplify, generalize, exaggerate and stretch the truth into an often unrecognizable indictment of farming and ranching. In the meantime, farmers and ranchers — the experts — are left out of the conversation. Michele Payn wants to remedy that. Speaking to members of Oregon AgLink last week at the Northwest Agricultural Show in Salem, the well-known author urged members of the audience to speak up for agriculture. But she suggested they do it differently. Instead of relying on the

science of agriculture — which, by the way, is on their side — she said farmers need to make a human connection. As an example, she mentioned Derrick Josi, a Tillamook County, Ore., dairy farmer, who posts videos online talking matter-of-factly about his farm, what he does and why he does it. “People are not stupid,” Payn said. “They’re just out of touch with the way food is grown.” She said the personal touch is what hits home with consumers. If they understand and trust the people producing their food, they will accept it. “Food should be raised the right way by the right people and for the right reasons,” she said.

Our View



A combine harvests wheat near Lexington, Ore. A new state tax law could impact many Oregon farmers.

Exempt ag from corporate activity tax

Farmers may be on the hook for a big tax bill

Since it was passed by the Oregon Legislature last year as part of its education reform package, we’ve been hearing producers and vendors express concerns over the state’s corporate activity tax. The tax requires businesses that generate more than \$1 million annually to pay in addition to their regular income tax a 0.57% tax on that “excess” revenue. It is expected to raise \$2.8 billion over the 2021-2023 biennium for schools. It is a gross receipts tax. The plan is similar to the ill-fated Measure 97, an initiative petition voted down in 2016 that would have imposed on “C” corporations an additional 2.5% tax on gross receipts from sales in Oregon exceeding \$25 million. It would have raised \$3 billion per two-year budget cycle. While the corporate activity tax is only slightly less ambitious than Measure 97 in terms of the revenue it seeks to raise, it sweeps far more businesses into its net. C and S corporations, partnerships, sole proprietorships and other entities are subject to the tax. And any business that generates \$750,000 in revenue must register with the Oregon Department of Revenue. Advocates like the gross receipts tax because they claim businesses use recognized deductions to avoid corporate income

taxes. The biggest problem with a gross receipts tax is that it must be paid regardless of whether the business in question makes a profit. High-volume, low-margin businesses such as farming can be on the hook for a big tax bill without making a dime. The impact of the tax is cumulative, with each vendor in a supply chain adding to its price to help cover the cost. The end user of a product — a farmer with a piece of farm machinery — pays the full load without necessarily being able to pass that expense along to whoever buys the crop. The legislature exempted out-of-state sales. In theory that should work in favor of Oregon agriculture, which sends as much as 80% of its product out of the state. But in reality, agricultural exports are often commingled — such as grain or berries that are sold to the same processor or wholesaler. That makes it difficult to certify what is actually exempt from the tax at the farm level. The Oregon Farm Bureau is lobbying to get the legislature to exempt agriculture from the tax. That would clear up the confusion and would also create an even playing field between producers who often don’t have a say on where their products are sold. We wish it luck, for once the state latches onto a tax dollar it is loath to let it go.

The time has come for ag labor reform

The economy is humming and most people who want a job have one. This is great news. If you are an employer with positions to fill, though, things aren’t so great. The struggle to find workers is especially evident in rural America. Help-wanted signs are plentiful in our small towns’ restaurants, stores and service businesses. Farms, which underpin our rural communities, face the same struggle. That is why approval of the Farm Workforce Modernization Act in December by the House of Representatives was incredibly important — and the Senate needs to consider farm labor reform. The workforce void in farm country isn’t new, but it grows by the day. The rural population is older, people in urban areas aren’t looking to work in the countryside, and younger generations who grew up there are seeking employment elsewhere. Farm owners can no longer automatically rely on young members of the family to fill the gap. As rewarding as farm life can be, the work is difficult. Caring for animals, milking cows and harvesting crops aren’t the sorts of jobs most people today want to do. Automation and other streamlining have helped, but not enough. With fewer American-born workers seeking these jobs, the agricultural community has increasingly turned to immigrant workers. Farmers who need seasonal help, like harvesting vegetables, can recruit foreign-born employees using a seasonal ag workforce visa. Dairy farmers, who require year-round labor, have no practical visa program. Congress created the seasonal work visa more than 30 years ago. The Farm Workforce Modernization

GUEST VIEW
Tim Trotter



Act’s approval by the House — with bipartisan support — was the first time since then that the chamber passed legislation to address ag labor. For the dairy community, the bill would provide a way to safeguard our existing workforce and create a process for recruiting new employees. To be clear, the proposal doesn’t satisfy any single group’s wishes, including ours, but it is a rare opportunity — the best we have seen for decades and may see for decades more — to move reform forward. Congress is at a crossroads. Lawmakers can retreat to their corners and draw hard lines on immigration, or they can address the challenges confronting our farmers and work together so they can continue producing safe, nutritious and affordable food. Bipartisanship built momentum for this agricultural labor legislation as it has done for the U.S.-Mexico-Canada Agreement. The Senate now has the opportunity to move a counterpart bill, consider improvements for dairy and keep the ball rolling. Finding a solution to our workforce challenges in agriculture is about ensuring not only the success of our farms but the vitality of rural America. This is a critical opportunity we cannot let slip away for another 30 years. *Tim Trotter is the executive director of Edge Dairy Farmer Cooperative, one of the largest dairy cooperatives in the country based on milk volume. The co-op fights for federal policies that benefit farmers, their customers and rural communities. This column originally appeared on TheHill.com.*

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