

## Farmers feel impacts of inflation

By SIERRA DAWN  
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JEFFERSON — U.S. inflation hit a 39-year high in November, according to the consumer price index, and prices continue to soar in 2022.

One mid-sized farm in Jefferson is juggling spiraling costs for everything from diesel fuel to fertilizer, illustrating inflation's impact on agriculture.

George Meyer, 65, grows hazelnuts and grass seed at GM Meyer Farms. He and his daughter, Audrey Raschein, 35, are making difficult decisions in advance of planting season in an effort to control costs.

This isn't Meyer's first taste of inflation. He started farming in 1979 and endured the 13.5% annual inflation of the early 1980s.

"I know what it was like in the '80s. It wasn't very much fun," said Meyer.

He laughed wryly. Looking at a single farm can't tell everyone's story, in part because suppliers often charge lower prices to longtime customers. But it can illustrate a broad trend: Prices are going up almost everywhere on almost everything.

To trace rising costs, the Capital Press worked with GM Meyer Farms to analyze purchasing data from previous years compared to projected costs for 2022.

For example, in 2021, the farm paid \$33.27 per gallon for the herbicide Lifeline. In 2022, the supplier quoted \$77 per gallon, a 131% increase.

In 2020, the farm spent \$375 per ton on a fertilizer blend containing urea and ammonium sulfate. In January 2022, the same product is quoted at \$882 per ton, a 135% increase.

Used in a large volume, the cost adds up quickly. Raschein estimated the farm this spring will use 135 tons of the fertilizer mix for a total cost of \$119,070. In 2020 the same volume cost \$50,625.

The farm hasn't even been able to get a quote on Gly Star Original, a glyphosate-based generic version of Roundup, because of a deepening shortage of the herbicide. The farm paid \$17.20 per gallon in 2021, up from \$13.70 in 2020.

Axiom, another herbicide, costs \$29.50 per pound in 2022 compared to \$26.60 pre-pandemic.

These price quotes, Raschein said, are only guaranteed for a month.

Diesel fuel, which farmers rely on, is also rising in price. Between January 2021 and January 2022, according to the American Automobile Association, the average price of diesel in Oregon went from \$2.73 per gallon to \$3.88 per gallon, a 42.12% increase. Off-road diesel, used in tractors and other equipment, is slightly less per gallon but also went up about a dollar in price year-over-year.



George Meyer, left, with his daughter, Audrey Raschein. The family grows hazelnuts and grass seed.

"It's tough," said Raschein.

Energy costs also increased. According to the Energy Information Administration, electricity prices to consumers across all sectors went up from 10.63 to 11.20 cents per kilowatt-hour 2020 to 2021. In the industrial sector specifically, the price leapt from 6.71 to 7.26 cents per kilowatt-hour, an 8.2% increase.

"We had tremendous electrical bills," said Meyer. Labor expenses have gone up, too.

**'I'M NOT IN THIS FOR THE EXPERIENCE. I'M HERE TO MAKE INCOME. NOBODY CAN WORK FOR FREE.'**

George Meyer | farmer

Oregon's minimum wage moved from \$12.75 in 2021 to \$13.50 in 2022.

Oregon growers who hire guestworkers through the H-2A temporary visa program are now required to pay \$17.41 per hour, a 6.5% increase from 2021.

Operations like GM Meyer Farms, which hire workers through labor contractors, must pay whatever rates the contractor requires. In May 2021, Raschein said, the farm hired workers at \$18 per hour. By December, the contractor had raised wages to \$19.25 per hour.

Equipment, too, is expensive.

Meyer said this year he spent about \$4,000 per tire

on a set of large tires that cost around \$1,800 each five years ago.

Raschein hunted for a used tractor last year, hoping to spend around \$35,000, but the models she wanted were selling for \$42,000 to \$50,000, so she decided not to buy.

All these rising costs mean tighter profit margins.

But why? Can't Meyer and Raschein raise their prices?

"We can't do that. We're price-takers, not price-makers," said Meyer.

Some farmers, especially those selling direct-to-consumer or producing value-added products like wine, have more price control, but according to the U.S. Department of Agriculture, most farmers selling wholesale have little control over contracts, markets and pricing.

According to data from USDA's "food dollar series," off-farm costs including marketing, processing, wholesaling, distribution and retailing account for more than 80 cents of every food dollar spent in the U.S.

A decade ago, American farmers received 17.6 cents of every \$1 consumers spent on food. By 2019, that had fallen to 14.6 cents of each dollar spent. In 2021, the farmer's share was just 14.3 cents.

With rising expenses on and off farm, many economists predict farmers' profit margins and share of the food dollar will continue to shrink, pushing some out of business.

Meyer and Raschein continue to farm, but Meyer said he's concerned about agriculture's future.

"I'm not in this for the experience," he said. "I'm here to make income. Nobody can work for free."

## Nonprofit undertakes study of 'regenerative' agriculture

By SIERRA DAWN  
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The Ecdysis Foundation, a South Dakota-based agricultural research nonprofit, is undertaking a massive study of "regenerative" agriculture across North America.

Matt Jones, former Washington State University researcher and Ecdysis' entomologist, said the word "regenerative" sounds like a buzz word, but it's broadly about agroecological health, like building healthy soils and promoting biodiversity. According to Ecdysis, regenerative producers are known for practices such as planting cover crops, limiting agrichemicals, planting pollinator strips and hedgerows and integrating livestock into crop management.

The study is called the 1,000 Farm Initiative, Jones said. It has two main parts: a large-scale study exploring differences between conventional and regenerative farming practices and a study of challenges farms face when transitioning from conventional to regenerative.

The project is needed, said Jones, because many farmers are interested in "regenerative" practices, such as spraying less either because of environmental concerns or rising pesticide costs. The problem, he said, is that little research has been done into many regenerative farming practices. Jones said there's a need to understand what works and what doesn't.

For example, Jones said a grower he is working with would like to stop spraying glyphosate, but the farmer is having "such a hard time" eliminating the spray since it is used to terminate cover crops. Jones said research



Jonathan Lundgren, former entomologist for the U.S. Department of Agriculture and founder of the Ecdysis Foundation, works in the field.

is needed to explore alternatives.

The 1,000 Farm Initiative is so-named because the goal is to conduct studies at 1,000 farms — both conventional and regenerative — across the U.S.

Jonathan Lundgren, former entomologist for the U.S. Department of Agriculture and founder of the Ecdysis Foundation, said the project started with 250 farms in 2021. He expects to reach 500 farms in 2022 and hopes to deploy researchers to 1,000 farms by 2023.

"It's really exciting," said Lundgren.

Jones, who is leading the Northwest portion of the project, will start by working with apple, cherry and grain growers, along with rangeland cattle producers, in 2022. In future years, Jones said he hopes to add Northwest potatoes, grass seed, vineyards and other crops.

Although the cost of conducting the research is estimated at \$5,000 per site on average, there is no cost for a farm to participate.

Major funders include Silverstrand Foundation, Oberweiler Foundation, Ducks Unlimited, Gen-

eral Mills, Keith Campbell Foundation, #Noregrets Initiative, Burroughs Family Farm, Regen Ag Foundation and South Dakota Beekeepers.

The research will include soil health studies, bird surveys, studies of local pests and beneficial insect populations and analysis of crop nutrient density.

Farmers don't have to change anything about their management practices, Jones said. The researchers will study existing systems to find out which techniques are best for agroecological health and farm profitability.

The data will be shared with growers who participate in the study.

"Farmers can use the information to make decisions, so it's of immediate benefit to them," said Lundgren, the nonprofit's founder.

Eventually, the data will be made available to the public. Specific farms will be kept anonymous.

"It's about outcomes — producing research to help growers farm in a way that's ecologically responsible but also profitable," said Jones.

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