

Oregon Farmland Protection and Challenges Facing Family Farms

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McCarthy Family Farm

Parkdale, OR

Apples, Pears, Cherries, Peaches

SB 100

May 29, 1973

- Sponsored by Senator Hector Macpherson, a Willamette Valley dairy farmer for the purpose of protecting Oregon farmland.
- Supported by Governor Tom McCall, Senator Ted Hallock and Rep Nancy Fadeley.
- The Oregon Land Use System has mainly been a success by reducing urban sprawl and scattered development on productive farmland.
- However, there are serious areas of concern for the farmland protection program that need to be addressed.
- Oregon had fewer acres of farmland (339,256 acres) in 2017 than in 2012, a greater percentage decline than the national average.

Areas of Concern for Farmland Protection

- Many non-farm uses have been added to the Exclusive Farm Use Zone (EFU) since 1973.
- Now there are more than 50 non-farm uses on EFU.
- Non-farm uses are Type II (Conditional Uses), not allowed outright. They require conditions of approval. For example, wedding venues, short term rentals, bed and breakfasts, tasting rooms, farmstands and destination resorts.
- Type II uses are not allowed to interfere with farming in EFU, but they do.
- Each Type II use has as many as 50 conditions to comply with, in order to be allowed on farmland.
- No system was put in place to monitor or enforce Type II uses. Compliance depends on citizen enforcement.

Problems with Type II Uses in the Farm Zone

- Incompatible with farm use.
- Create serious highway safety concerns.
- Cause significant crop theft and trespass on nearby farms.
- Take farmland out of production.
- Take business from nearby struggling rural communities.
- Have huge carbon footprint.
- Increase the cost of farms in the area for new farmers.





Challenges for Family Farms in Oregon

- Challenges on Labor-intensive farms: tree fruits. Berries, vegetables, winegrapes, dairy and nursery.
- Farm Economics 101: Commercial farm to support a family-An economic Unit.
 - Needed Profit:
 - Family Living Expenses: \$50,000
 - Family Health Insurance: \$15,000
 - Capital Improvements: \$35,000 (mortgage, equipment replacement, worker housing)
 - Annual required profit: \$100,000
 - Profit margins vary from **negative** in bad years to 20% in good years.
 - Bad years are caused by weather events, pest events and market failures.
 - Annual Farm Sales needed to make \$100,000 profit:
 - At 10% profit margin, farm sales need to be \$ 1 million
 - At 20% profit margin, farm sales need to be \$0.5 million.

Financial Reality for Family Farms

Oregon lost 1300 farms between 2012 and 2017 in the size category of 50 to 999 acres.

Consolidation into large farms is occurring rapidly.

Farm Bankruptcies are up in the NW, even before Covid. 3 Orchards in Hood River County are in bankruptcy.

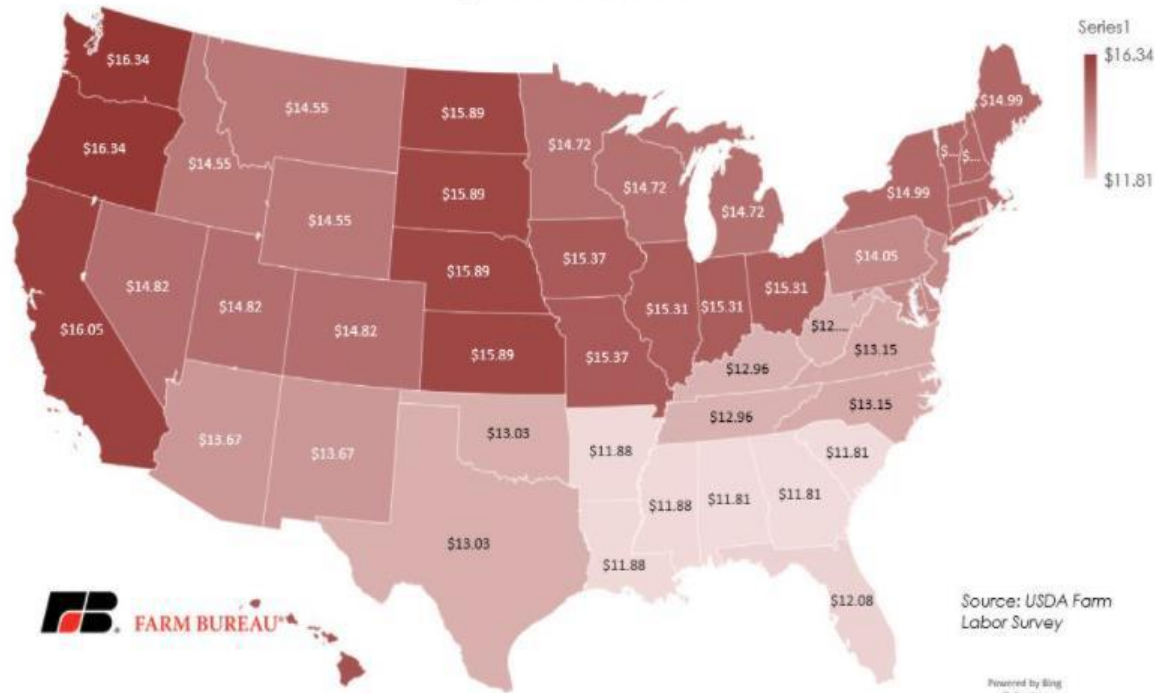
Many farmers are quitting and leasing out their orchards because of labor shortages, profits and the burden of compliance.

Oregon has the highest farm labor costs in the US.

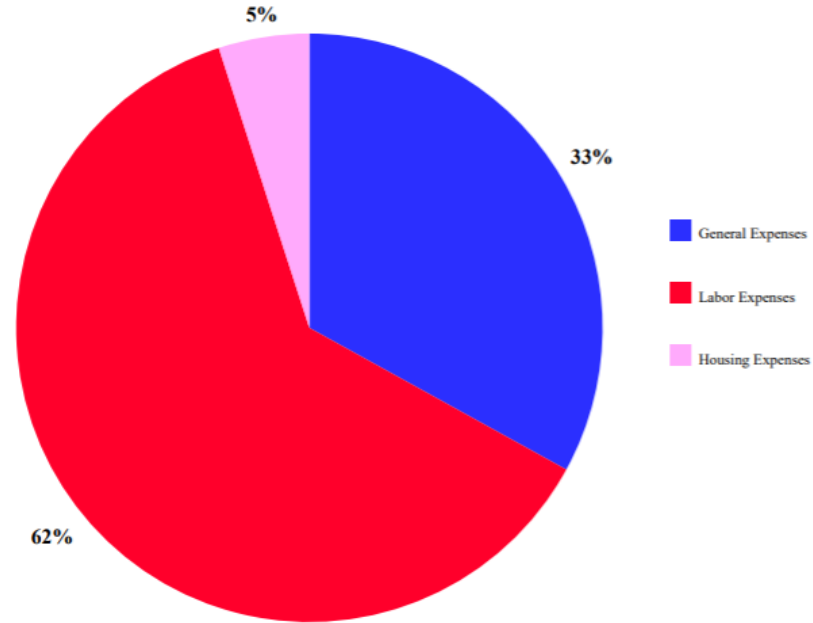
Farm regulatory costs in Oregon are an extreme burden to farms.

DOL US Prevailing Wages

Figure 2. 2021 AEWR



Orchard Labor Expense Actual Hood River Orchard



Average farmworker wages
per hour in U.S. dollars.

Oregon	\$16.34
Georgia (state)	\$11.81
U.S.	\$13.68
Sweden	\$15.96
Canada	\$14.19
U.K.	\$12.19
France	\$12.10
Japan	\$7.60
Mexico	\$2.86
Argentina	\$2.50
Brazil	\$2.40
China	\$2.00
Chile	\$1.98
Peru	\$1.50
South Africa	\$1.38

Compliance Specific to Agriculture:

** These are in addition to all Wage and Hour, Discrimination, Hiring Rules and compliance required by all businesses in Oregon.

Food and Produce Safety-Federal and Third Party

- FSMA
- GAP
- Global GAP
- SQF
- Costco GAP Addendum

OSHA

- Field Sanitation
- Ag Labor Housing Registration and Pre-occupancy inspection
- Ag Labor Housing Construction Codes
- Potable Water Testing and Labeling
- PPE
- WPS
- Hazard Communication
- Annual Medical Exam for Respirator Use
- Respirator Fit Test
- AEZ
- Tractor Safety Training
- Ladder Safety Training
- Forklift Training
- Housing Heat Rules
- Housing COVID Rules
- Housing Smoke Rules
- Work Place Heat, Smoke and COVID Rules

ODA and State Rules

- Private Pesticide Applicator License Rules
- Applicator Education Rules
- Pesticide Use Reporting
- Water Rights
- Water Use Rules
- Predator Control
- On Farm Fuel Storage and Containment
- Organic Farm Certification
- ODOT Farm Truck Certification

Dept. of Labor (DOL) and Guest Worker Program

- Migrant and Seasonal Worker Protection Act
- H-2A Application Rules and VISA rules
- H-2A Transportation Rules
- H-2A Contract and AEWR Rules
- H-2A Housing Rules
- H-2A Preoccupancy Inspection
- Ag Labor contracting

EPA

- WOTUS
- Ditch cleaning
- Riparian Area

Summary

Protecting the land and soil is fundamental, more important everyday.

We have work to do.

A healthy Ag sector is the key to support for farmland protection.

Venues are not the answer.

Keeping Oregon Ag competitive, globally is a necessity.

Consolidation is occurring rapidly because of challenges for family farms.

The State of Oregon can not say “we value family farms” but legislate every day to put them out of business.