

HORT FLASH!!

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Agricultural Economics 327

In a classroom in Ithaca, more years ago than I want to admit, I learned one of the most powerful lessons of my life. I truly fought the economic principles that the professor, whose name I have long forgotten, worked so hard to expose me to. The principle was that as decision makers we have to weed out those factors we cannot control and base our new directions on those we have some control over. A quick practical example: Extreme dry weather ahead. Can I alter the weather? No. So do I stress over the lack of rain or do I decide to improve the situation by setting up irrigation? Later, if I failed to irrigate I have the comfort of saying, "I was dealt an unfair hand by Mother Nature!" Next door, however, my neighbor who irrigated is harvesting the best yielding and best-priced crop in years.

We all know great uncertainties lie ahead of us as we approach harvest. We need to decide today what decisions are left for us to direct and which decisions we no longer have control over. Our goal is to minimize loss and maximize our net returns. Long term, we can continue to attempt to alter future public policy to our advantage. In the immediate future we need to assess all of our options and move to improve those that will potentially yield the highest return on our goal, a positive net return.

We in New York can complain and stress over the potential labor shortages that are already hampering crops being harvested to our South. Or we can decide to put into action plans that make our farms some of the most advantageous harvest sites for those that are seeking employment.

Step back and view your operation from the eyes of the migrant you so desperately wish to have stay with you until the end of harvest. Ask yourself what you can do to reduce the possibility of this key employee being intercepted by a spot ICE interrogation. What can you do to design a bonus program that rewards those who are with you at the **END** of harvest? Do not assume you know what adds value to this employee's life. Seek out a meaningful discussion with him to see what you can do to make his stay with you safe and as stress free as possible. Remember stress, I am certain, has a similar word in Spanish and your employees are under great stress this year as well.

My personal wish for all of you is that at the end of harvest you have been able to gather in all the fruits of your labor and report a profitable year. My greatest fear is that some of you will look back, in those quiet honest moments of reflections we all experience, and have to admit you did not do all that you could to protect your labor supply.

Many of our crops will suffer from one of two misfortunes. First, they may never be collected from your fields or orchards. Second, in the case of fresh apples, they may be harvested beyond the point of optimum quality. This will only lead to more expenses and lower returns.

I forgot the professor's name that taught me this very important life lesson so many years ago, but I never forgot the economic principle. I hope you will not forget to plan to improve those areas you can control today while you still have time.

Senator Clinton Addresses New York Agriculture

Clinton was in Niagara County on July 31, 2006 to give a very detailed speech on her views of the current economic situation in rural upstate New York. Her presentation was given at the Robinson Farm outside of Lockport, New York. She was very explicit in her feelings as to the urgency to help preserve similar multi-family and multi-generation farms here in our state.

Her speech was strong in that it not only gave an accounting of the problems but offered many ideas as to how to overcome these same problems. Her views are, in essence, that we must create programs to offer sales and jobs in the rural areas. The rural areas need new investments to help grow and create new job opportunities. Research in these new concepts has to be encouraged by public policy both on the state and federal levels. She went into great detail as to why we must insure that the rural areas do not become an information wasteland by not having adequate access to the internet.

Senator Clinton is aware that in order to move ahead it will require not only markets for products but capital. To this last point she expressed interest in options to offer tax credits to those people or business owners who were investing in improved education or re-investments. There is a very real need to investigate some serious loan forgiveness in exchange for reinvestments of the rural markets.

National and Local Labor as of August 1

August is upon us and I regret to report that in my opinion zero progress has been made in Washington, DC since the passage of the Senate Bill on Immigration in late May. The two chambers have as yet to even appoint a committee to address the differences that do exist between the two bills. The Senate has been holding hearings around the nation on the public's view of their bill. This did at least begin in early July. The House is only now in August gearing up to hold a series of meetings to get the grass roots feeling of their version of the 2006 immigration reform efforts. In most cases it seems the efforts are more to sell their versions than to truly acquire the public's opinion.

As a nation we are left with no new direction and left to ponder the future for yet another unknown length of time. Most observers of this lack of progress feel nothing will be accomplished until a new Congress receives affirmation from the polls in November. It was minimally encouraging on recent visits on the House side that there is perhaps an awareness of the necessity of an AgJobs type of legislation sooner rather than later. Several House members expressed the hope for a lame duck passage of some legislation for agriculture after the November elections and before the new Congress is seated. If nothing is done prior to the seating of the new Congress all legislative bills not acted upon would disappear and all of our efforts are at ground zero.

As an Agricultural community we are told that nothing can be done to improve our labor shortages until the borders are secured. To most we are appalled by our legislator's admittance that they lack the ability to multi-task more than one objective at one time. We certainly hope that these same leaders do not have to get a job running a farm where multi-tasking is the norm rather the exception.

Final Thoughts

By now if you have read this far you must have come to the conclusion that this is YOUR fight and you must gear up to prepare your operations for the next five months. The possibility of joining the ranks of H2A has now passed as far as helping you in 2006. All is not lost but we must force ourselves to not spend too long on feeling sorry for ourselves. The successful operation will be the one who remains focused as to how they can reduce the risk of labor and crop failures.

Here in New York we are already seeing frequent labor shortages and increased ICE inspections. These are here and they will stay for this year. Each farm needs to think outside of the box to guard against the possibility of having their employees on off hours exposed to spot checks. Recently a farmer told me he lost a carload of his workers when they drove their car (Florida Plates) to town to get groceries. This same farmer could

have taken it upon himself to arrange a different mode of transportation so as to not place these people at risk.

For this season each operation will have to work even harder to protect their labor supply from both ICE and other job employment options. This is not the time to be a dime cheap and lose your help to your neighbor who has a better pay scale or living quarters. Do not wait for the wake up call of being raided before you begin to improve your human resource package.

In Conclusion

Most of us are right handed and from day to day have little consideration for the small finger on our left hand. We feel we can better focus on other more important parts of our body and feel that this small finger on our off side will somehow find a way to continue to show up and perform. However when some outside infection (ICE) sets in and completely threatens this "unimportant" finger we are obsessed with the healing of this digit. Be certain you do not treat your farm labor as a small finger on your left hand!

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