



A matter of balance

From left: Rafael Garcia, Guillermo Aguirre, Leobardo Lopez, Santiago Arenas and Rosendo Mata repot evergreens at Oregon Pride Nursery in McMinnville, Oregon. PHOTO BY VIC PANICHKUL

With new agricultural overtime rules in place, nurseries find ways to balance the highs and lows of manpower needs

BY JON BELL

Throughout Oregon's nursery industry, it's not uncommon for a nursery's employee headcount to swing wildly, depending upon the season.

During the peak months of planting, harvesting and/or prepping for shipment, a nursery might see its headcount almost double to handle the workload. It might then ease up again as the season simmers down.

A different path

Not at **Columbia Nursery**.

An 80-acre wholesale nursery special-

izing in conifers and Japanese maples on the outer edges of Canby, Columbia takes a different approach to its workforce, which hovers around 10 to 12 employees. Rather than let people go during the slower months, the nursery has always strived to keep its workers busy — and employed — throughout the entire year.

“When we don't have a need for all those hours, I could let half my workforce go, but we always find full-time jobs for them so that no one is cut,” said Amanda Staehely, who co-owns Columbia with her husband, Wayne. “We try not to hire seasonally if we don't have to. I don't like to hire



“We try not to hire seasonally if we don't have to. I don't like to hire them and let them go.”

— **Amanda Staehely**
CO-OWNER
Columbia Nursery

them and let them go. They need to be able to have that consistency in their jobs, so we really try to make sure that we do everything in our power to keep them employed.”

Staehely said everyone at Columbia starts above minimum wage, and everyone gets trained for multiple roles, from pruning and watering to driving a loader and other tasks. They also get a bonus every year. The nursery is flexible with its employees, making sure they can spend time with their families or even leave for longer stretches to work

the berry or Christmas tree seasons.

One thing that Columbia — and



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From right: Jose Garcia, Alma Dominguez and Sayra Prado consolidate evergreen tree liners at JLPN Inc. in Salem, Oregon. PHOTO BY VIC PANICHKUL

many other nurseries in Oregon — isn't really able to do regularly? Pay overtime.

Back(ground) pay

Until 2022, overtime pay was not required for Oregon's agriculture sector, including nurseries. Because of the nature of the work and the seasonality of it, the system worked well. During peak season, workers would log well above 40 hours a week — getting paid for the time — and then either drop down or be let go for the slower times.

But legislation passed in 2022 implemented an overtime threshold of 55 hours, meaning that ag workers became eligible for time-and-a-half pay for hours worked above the cutoff during any given work week.

In 2025, the threshold dropped to 48 hours, and in 2027, it will bottom out at 40 hours. That means nurseries will have to pay overtime to anyone working more than 40 hours a week. It also means that very few nursery workers will be able to put in more than 40 hours anymore, even during the busiest times of the year when their labor is needed the most — and even though they want those extra hours and income.

Though the legislation phased in the new requirements over several years, their impacts are already being felt. And in 2027, they're going to turn the screws even tighter.

"I'd say we didn't really lose productivity at 55 hours," Stachley said. "Forty-eight hours has been a big one, and I am so nervous about 40."

Just how big of an impact the new overtime rules will have is still unknown, but nurseries are bracing for the hit. Some have already started training for the shorter work weeks. Some have cut staff — or are prepared to — while others are expected to add more people to meet their needs. Always on the lookout for greater efficiencies, nurseries have begun looking at ways they can run even tighter ships, and where mechanization may once have been a long-term evolution, now it's becoming

a bit more pressing possibility.

But if there's one theme that's running throughout the new overtime reality, it's that the seemingly good intentions behind the legislation will likely end up hurting the workers they were designed to benefit — and dig an even deeper hole for Oregon's nurseries.

"This, once again, is a bunch of bureaucrats who've never run a business or balanced a checkbook thinking they're helping people and doing the opposite," said Mark Van Hoef, owner of **Oregon Pride Nurseries** in McMinnville, Oregon.

"The people who are going to suffer are the people they think they are helping out."

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OWNER
Oregon Pride Nurseries

Unfair competition

Agricultural work, especially in nurseries, is different than factory work. There are peaks and valleys based on a



PHOTO BY VIC PANICHKUL

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— John Lewis
OWNER
JLPN Inc.

range of factors, including weather, seasons, demand and more. There are times throughout the year when nurseries need more labor, and times when the need ebbs.

“It’s not like you’re in some widget shop indoors producing X amount of something at the same rate throughout the year,” said Jeff Stone, executive director of the Oregon Association of Nurseries.

“There are weather variabilities, seasonality. The spring is when they make their money in our industry.”

And workers traditionally made much of their money during the busy spring by working extra hours. Nurseries, exempt from overtime, could afford to pay employees for 50–60-hour weeks because it would just be for a limited window.

Farmworker advocates and several state legislators, however, believed that those workers should be eligible for overtime, which led to the legislation in 2022. Less than a year after implementation, a report from Oregon State University found that some farmworkers had seen their total wages fall because they were working fewer hours under the new requirements. »

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Similarly, the report highlighted the fact that many farms and nurseries could expect labor costs to jump by anywhere from 3–14%. At the same time, many of those operations would probably not be able to pass on such cost increases to customers, especially when other states are able to produce similar products more cost effectively.

“We’re competing with seven or eight states where the minimum wage is half of ours,” Van Hoef said. “The only state even close to us is Minnesota (\$11.13 per hour), and they don’t have to pay overtime.”

The OAN and others tried to get the Oregon Legislature to reconsider the overtime law this past session. They proposed a bill that would have capped the exemption at 48 hours and allowed a 12-week, non-consecutive annual window that would have stretched up to 55 hours. Labor-friendly forces prevented the bill from ever seeing the light of day.

“To say I was disappointed is an understatement,” Stone said. “I’ll try again in 2026, but the math will still be the same. It looks like the reckoning for Oregon is two years away.”

Getting ready

Rather than wait for the 2027 deadline to kick in, some Oregon nurseries have been proactive in steeling themselves for the overtime impacts since the very beginning.

“Seeing the writing on the wall when the overtime rules got passed, we immediately started training for the 40-hour work week,” said John Lewis, owner of **JLPN Inc.**, a fourth-generation seedling operation in Salem, Oregon. “Where we typically did 54-hour weeks during the grading and planting seasons, we immediately went down to 48-hour weeks. Then when overtime turned to 48-hour weeks, we adjusted to 40-hour work weeks. Planning long-term from the beginning has removed all burdensome planning that would happen, had we not already moved to 40-hour weeks.”

Lewis said JLPN, which does not pay overtime, has also increased its total number of staff to accommodate the transition. In addition, the nursery had many



Christian Gomez loads a shipment onto an awaiting truck at Oregon Pride Nurseries. PHOTO BY VIC PANICHKUL

long-time hourly employees —with 25 to 35 years of service — who were switched over to salary.

“We knew this (the overtime change) would hit them the hardest based on what they had achieved financially based on the years of working for JLPN,” Lewis said. “We also gave them all a significant raise to show our appreciation for the years of loyalty to JLPN. This would ensure that our MVPs were available when extra hours were needed, and the expertise wasn’t lost.”

At **John Holmlund Nursery** in Boring, Oregon, general manager Vladimir Lomen said there’s been a big push to cross-train employees so that no one has to work overtime in roles like spraying, watering and maintenance. Those are important positions that often require additional hours above 40 each week during certain times of year.

“Now we’re rotating in new people, so those key people we had doing that work are earning less,” Lomen said.

He noted that the nursery will likely hire more people to meet labor needs. Contract workers — essentially employees from a temp agency — are one option, but John Holmund Nursery hasn’t had too much luck with them. It will also be looking at ways to increase efficiency in its processes and maybe even ramp up mechanization efforts, but those are steps that have largely been ongoing anyway.

“Efficiency measures help, but every business should always be looking to save labor dollars by being more efficient,” Lomen said. “And yeah, there’s mecha-

nization, but it’s not always the answer. Our container yard is very hands on, very labor intensive. There’s not really a way around that.”

Automation also doesn’t come cheap.

“You’re looking at a million-dollar machine for a small business,” Staehley said. “We can’t afford that.”

Unintended consequences

Unless something major changes between now and 2027, the 40-hour work week — with overtime required for anything above that — will become a reality for the nursery industry. Despite efforts to raise wages, improve efficiency and automate where possible, most nurseries and their workers are likely to feel the sting. Van Hoef said ultimately he’ll probably have to cut down on staff, which will mean reduced production and, as a result, lower revenues for his nursery and less tax revenue for the state — an unintended consequence, he said, of the uninformed overtime advocates’ good intentions.

Staehely sees it similarly.

“I think the overtime laws are well-intentioned, but it’s from people who have no experience with the farm workforce,” she said. “It’s done nothing but hurt the workers, and it’s going to hurt us. I’m not going to be able to support any of my employees if I’m out of business.” ©

Jon Bell is an Oregon freelance journalist who writes about everything from Mt. Hood and craft beer to real estate and the great outdoors. His website is JBellInk.com.