

Sustainable Agriculture Skill Panel Forum
March 6, 2012
Food Distribution

Chair: John Wilkie

Facilitators: Carol Ikeda

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Discussion Outline:

- I. Introductions: Why are we here?
 - II. Setting the Context Discussion:
 - a. What is the current state of communication between educational entities and the agricultural industry on food distribution?
 - b. What is the current state of labor and labor shortages affecting food distribution?
 - III. Preferred Vision in 10-20 Years: Best Case Scenario
 - IV. Develop Priorities
 - a. What are the opportunities or supporting forces that will move us closer to our best case scenario/vision?
 - b. What are the barriers or restraints that hold us back from moving closer to our best case scenario/vision?
 - V. Outline Actions for Priorities (time permitting)
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I. Introductions: Why are we here?

- To be part of the plan in developing an agriculture workforce; it is important to take part in planning and be part of the government input
- Mini-farmer with 42 coffee trees
- Provide suggestions for production and workforce policies
- Help provide private company experience relating to food distribution
- Learn from the panel about how to promote local food sustainability. "Why McDonald's lettuce does not come from local producers?"
- To learn
- Because we have a project called "Be Local"
- To let government know that there is too much regulation and it is difficult to keep up with the paperwork
- Want to discuss excessive labeling of honey. Here to network in order to expand honey business
- Looking for information on local produce, promotion and supply, which is sustainable

II. Setting the Context Discussion

What is the current state of communication between educational entities and the agricultural industry on food distribution?

- Education is more prohibited; for instance they want third party certifications to come and inspect your farm.
- HB1947, this bill is based it on issues and does not support farm products
- There is a lack of participation to bring up your concerns
- Need to educate there is cost to growing leafy vegetables. Local produce demand premium price versus imported product. Local produce taste better and provides local employment. Buying lower priced produce from foreign countries versus local produce is a cause and effect the public does not understand.
- Cost of labor – the workforce wages are too high to justify hiring. Vegetable farmer gets 25¢ per pound and grocer sells for \$1.25 per pound. We no longer have a Kona egg producer and dairy farm due to the high cost of labor.
- Whether the product is perishable is a factor and farmers need to collect what is fair. Some products we can grow, like cacao and coffee, is storage stable.
- We need to advise consumers that perishable produce that come out of Hawaii have shorter shelf life due to commute from the mainland.
- We have some success working with local chefs to buy food from local sources.
- Require education with the whole distribution system so that food safety requirement is met, and local produce can be sold in Hawaii safely
- Government needs legislation to impose incentives to encourage farmers to expand
- There is zero communication in education on food distribution. No one is training, that there is a need to use a trucker, have a wholesaler, retailer to sell the product or how to get product to the chefs.
- University of Hawaii researchers educate farmers in new plants but not how to sell it or market products.
- There are 6 distributors on Big Island, but what will happen when they retire or go out of business.
- There is a need for all schools from K-12 to educate young consumers by experiencing a school garden curriculum so that they are their own food producers.
- Schools having farmer markets that allow the students to have marketing and selling experience. Provides students experience that selling vegetables not always profitable.
- Provides students work ethic “planting + work + healthy job = profit”. Encourages motivation and pride in agriculture by having students work in their own school gardens.
- We need to make a change in local food distribution model because it is set up like the mainland. It doesn’t fit in with the State. Is this why we get cheaper bananas from Ecuador?

- From a production standpoint local produce not large enough to make impact to change food distribution model. Food produce would need to have a dependable volume, and consistent supply.

What is the current state of labor and labor shortages affecting food distribution?

- The issue of wages affects food distribution because employees need to make a decent living in wages. U.S. minimum labor wage required to ensure standard of living so that work is not slave labor.
- An unemployed engineer would not take a laborer working on the farm because of hard work and low wages, but it would be attractive to a non-English speaking person.
- Wages from labor has a direct cost to farmer's costs and profit margin. High wages affects hiring and better distribution would lend itself to lower cost allowing farmers to hire more labor.
- Farmers cannot afford labor, and depend on themselves to harvest crops. Currently farmer needs to pay \$12 per hour to hire local labor.
- The current state of U.S. is in an inflationary cycle. Workers need to be paid more causing prices for products cost to go up.

III. Preferred Vision in 10-20 Years: Best Case Scenario

10-20 years from now, from a workforce development perspective, what is the best case scenario for assuring food distribution?

- Start on a smaller scale, locally and then regionally, promoting "produce local, buy local, eat local and be healthy." Farming that has become more "natural, organic and sustainable".
- Have more farmer markets for small farmers to sell their products. Advertise farmers market seven days a week.
- More opportunities to market local produce locally will develop efficient distribution and workforce.
- Charter schools currently sell produce to local consumers; in the future have traditional schools do the same by getting grants or state funding.
- Have Hawaii agriculture compete on the world stage. Instead of the mainland model, think world market and start supplying 10% of product first, then 15%, then 20%....
- Be less dependent on fuel and have alternate energy source to cut costs.
- Have more food distribution vendors that are efficient like Fed Ex.
- Have more opportunities to distribute to the mainland.
- Have shipping containers going out on days that will reach the market on demand days. Decrease in air freight cost but maintaining it's convenience to ship out.

IV. Develop Priorities

<p><i>What are the opportunities or supporting forces that will move us closer to our best case scenario/vision?</i></p>	<p><i>What are the barriers or restraints that hold us back from moving closer to our best case scenario/vision?</i></p>
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Priority 1: EDUCATION (Cluster D)
(9 votes)

<ul style="list-style-type: none"> • Have universities and other educational institutions teaching/training people to replace or fill the need in the aging population working in the agriculture industry • Educate public on GMO & non-GMO • From K to 12 grades provide educational opportunities on how to grow produce and other crops so that students may go into farming. By providing this learning experience for all students they learn where food comes from and the value of food • Have UH or DOE obtain grant money to start community gardens or “victory gardens.” Provide classes on how to propagate crops, flowers. Vegetables, etc. 	<ul style="list-style-type: none"> • Consumers are not educated that there is fresh produce all year in Hawaii and there is a seasonal fruit or crop available in the local food market • In West Hawaii, there is a lack of agriculture classes offered • Due lack of interest at times the course is cancelled due to low attendance • University of Hawaii promotes GMO
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Priority 2: TRANSPORTATION (Cluster A)
(5 votes)

<ul style="list-style-type: none"> • Support local farmer markets • Create “HUI” to get the best rate in transportation • Use of technology and internet to find the most efficient transportation • Train and develop more agriculture inspectors so the products imported and exported are safe • Provide more inter-island transportation, like the inter-island ferry 	<ul style="list-style-type: none"> • Transportation cost high, affected by fuel cost • There is only one carrier, Young Brothers, that ships between islands • Need to follow their shipping schedule • Unable to control how long produce is at pier before ship in or out • Need to refrigerate adds to cost because vegetables are perishable • Lack of infrastructure support from government • Jones Act makes it difficult to import and export • Act is disadvantage to Hawaii growers
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<p><i>What are the opportunities or supporting forces that will move us closer to our best case scenario/vision?</i></p>	<p><i>What are the barriers or restraints that hold us back from moving closer to our best case scenario/vision?</i></p>
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Priority 3: Government Policies (Cluster G)
(5 votes)

<ul style="list-style-type: none"> • Able to protect agricultural lands • Federal Government provided 5 year grant for integrated fruit fly pest management • Governor’s “new day” policy on agriculture 	<ul style="list-style-type: none"> • Conflicting information and lack of information regarding food regulations • County of Hawaii actions negative to agriculture lands • Hamakua agriculture lands taken over by a mainland company • Large agriculture policies affecting small agriculture farmers • There is a government gap between State and Counties and between island counties in developing food distribution policies • The continuous change in elected officials also affects what the outcomes are for policies • Policies maybe made based on self-serving interests • Large farmers and small farmers have different food distribution needs
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Priority 4: Land Availability (Cluster E)
(4 votes)

<ul style="list-style-type: none"> • Hawaii has agriculture land • Have electric smart grid opportunities in many areas • Hawaii has great weather/climate all year round • Plantation infrastructure exists but it’s not utilized • There is water distribution 	<ul style="list-style-type: none"> • High cost of land in Hawaii • Water not available in all of West Hawaii • Renewable electricity not available to all areas because of HELCO policies • Bugs don’t die because of weather
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Other Priorities

- Food Safety (Custer B) (1 vote)
- Handling of Food (Cluster C) (1 vote)
- Water (Cluster F) (1 vote)

V. Outline Actions for Priorities

Priority 1: Education

1. Have all high school students learn how to grow their own food.
2. Have continuing education for adults teach how to grow your own food.
3. Have adults and youth participate in community gardens.
4. Educate and publicize to consumers to “buy local, eat local”.
5. Provide vocational education/courses on how to run your own business, cost study and farm education
6. Offer courses in how to grow various crops and produce.
7. Provide degree in cattle farming.
8. Have available internship in agriculture at Hilo College.

Priority 2: Transportation

1. Adjust inter-island ocean freight schedule to meet the consumer market needs. (Shoppers purchase most on weekends.)
2. Need to introduce another competition for inter-island freight.
3. Establish perishable crop handling facilities at ports.
4. Create distribution networks to pickup fruits, vegetables through Hui’s.
5. Product cost would decrease if better public transportation was provided for the workforce that is more convenient for workers to get to work. Currently employers are providing transportation to farm labor workers.

Priority 3: Government Policies

1. Deregulate some government policies.
2. Educate public to vote for pro-agriculture legislators.
3. Reorganize our power structure in government.
4. Have government policies that would promote “grow local, buy local and eat local”.

Priority 4: Land Availability

1. Work with County of Hawaii to make agriculture land available to local farmers.
2. Provide those who newly graduated with Agriculture degree agricultural land, either by lease or conditions to purchase.
3. State of Hawaii to make land available to grow food.
4. Provide farm lands infrastructure, roads, water, etc.
5. Government should encourage large land owners to provide to farmers land for long term agriculture use.