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Because Agriculture Matters!

**NJ Spotlight News**

**“NJ Farmers Worry About Rising Costs – June 20, 2022**

“We noticed it a year ago when we started looking into purchasing fertilizer for like for this coming this year and the prices at that point had had doubled. So, we knew it was going to be a difficult year as far as with upward price pressure on a lot of our, you know, the purchases that we need to make throughout the growing year.”

So, John Melick, one of the owners of Melick Town Farm in White House Station, is concerned about what the future holds for this family-owned business. The farm has been growing fruits and vegetables for 11 generations, but Melick says they've had at least a 30% increase in cost since last year because of inflation.

“As we found, winter and then into the spring. You know fuel costs, whether it's diesel fuel or gasoline, you know those prices keep on rising also. You know, and everything that we do is touched in some way by fuel, whether it's driving trucks to the market, whether it's, you know, putting fuel in the tractors. Regarding fuel, fertilizer, we you know, we have upward pressure then on our on our input costs, the increase in cost, leaving farmers to worry whether revenue from their crops will be enough to sustain a substantial profit.”

“But then the rest of the inflation that happens on a farm is cutting right across the board cost of packages, machine parts, and of course the issue that everybody has is labor. Can you get enough of it? And how much are having to pay for it?”

And all this accumulated is putting a unique strain on the farms this growing season, that's why there's now a push for lawmakers to step in. Assemblyman Michael Torrisi Jr recently introduced a bill that would allow farmers to get tax relief on the depreciation of certain equipment used on the farms.

“Farmers are really feeling it after COVID and now inflation, diesel fuel, fertilizer, price of everything's going up. And this bill we wanted timely to get in as quick as we can so that everyone could take advantage of it for the for this year and claim it on the taxes for next year.”

Peter Furey, Executive Director of the New Jersey Farm Bureau, believes the measure could help. “Those are the kinds of things that don't sound terribly significant by themselves, but it shows a very good attitude that the Legislature is in the farmer's corner and even though it may not apply to everybody, it's something that we can take a hold of and then the farmers give feedback and say, well, if you can do that, would there be something else that would help the bottom line? And that dialogue is very constructive.”

A situation like this, and because prices for things like fuel and fertilizer keep going up, farmers are having a really hard time trying to figure out how to properly price their products. There’s still volatility.

“We keep seeing the pricing going up for fuel. So I don't know, you know what it's going to cost to purchase fuel in, let's say, September, October, when the harvest really, really kicks in. So there are a lot of unknowns and so it's hard to you know forecast, you know pricing where normally you know roughly where your where your costs will be, we don't have an idea because it's been so volatile.”

Melick says he's hoping the federal government will do its part to stabilize the market so they can get closer to normal operations again.

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