

Creating homes for laborers

By **DARIN LEACH**

IOWA farm operators spent about \$492 million in hired labor expenses in 2007, according to data collected by USDA's National Ag Statistics Service in the 2007 Census of Agriculture. The census also shows there are more than 70,000 hired farmworkers in the state, with 30% of them working on the farm more than 150 days during the year.

One way farmers can make their farms an attractive place to work, while helping their employees feel settled in the area, is to offer safe and reliable housing opportunities for laborers and their families.

Duane and Suzette Vander Veen, owners of Westview Dairy Inc. near Harris in northwest Iowa, recently turned to a low-interest loan program from USDA Rural Development to buy a house and small acreage for their lead herdsman.

The Vander Veen's first learned about USDA's Farm Labor Housing program three years ago, but at that time they did not offer housing as part of their compensation package to laborers.

"The first thing I thought when I heard about this program was, 'What's the catch, you can't buy a house for 1% interest,'" says Duane. "But it was true. Without the assistance from USDA Rural Development, we would not have been able to make the purchase."

In 2006 the Vander Veen's expanded their 700-head traditional dairy operation by adding from 80 to 300 soon-to-calve heifers, or springers, each month. Once the heifers calve, problem milkers are weeded out, and the cows are sold to larger dairies. The calves are then raised up to 500 pounds and sold. As many as 1,800 animals are on the farm at any given time, many of which are calves.

An employee incentive

During this farm transition, a full-time specialized herdsman was hired to help manage the increase in livestock. "Being able to offer housing compensation gives our herdsman and family a feeling of ownership, not only of their home, but also in the job he does for us," says Suzette.

Duane says it's difficult to entice a worker to move to Iowa without a housing package. With this housing opportunity, he believes his lead herdsman and family will stay a long time.



ATTRACTING GOOD HELP: Offering housing as part of an employee compensation package helped Duane and Suzette Vander Veen recruit a lead herdsman for their northwest Iowa dairy operation.

Key Points

- USDA Rural Development program helps improve housing for farm laborers.
- More than 70,000 hired farm laborers are in Iowa; 30% work 150 days or more.
- Funds can help buy or build a new living facility, or improve and repair existing one.

The Vander Veen's closed their loan for a three-bedroom ranch-style home in April 2008. The home, built in 1955, has three bedrooms and one bath, and is five miles from Westview Dairy. The home sits on 4 acres along with a garage, an outbuilding and a machine shed.

"With 25% of Iowa's farm operators reporting labor expenses each year, providing access to quality and safe housing for farmworkers is important, as Iowa looks to remain a leader in agricultural production," says Tim Helmbrecht, USDA Rural Development's acting state director in Iowa.

An attractive program

Rural Development's Farm Labor Housing program offers 33-year loans with interest as low as 1% to farmer-owners, family farm partnerships or family farm corporations.

A wide range of projects are eligible for financing through this Farm Labor Housing program. Funds can be used to help buy or build a new living facility, or improve and repair an existing structure. Applications will be accepted

year-round to finance housing units on the farm or in a nearby community.

The program can be used to buy and improve land where housing will be located. Expenses such as buying appliances, landscaping the property, and building sidewalks, yards, fences and driveways are also eligible.

For more information, call 515-284-4663, or visit www.rurdev.usda.gov/ia.

Leach is public information specialist with USDA Rural Development in Iowa.

Westview Dairy takes leap of faith

I**N** August 2006 Duane and Suzette Vander Veen took a big leap of faith when they added to their traditional dairy farming operation by calving heifers and raising calves.

"A broker approached us about taking on springers, and we said, 'No way, that is not for us,'" Duane recalls. "He was persistent and said he had orders for 6,000 fresh cows, so we finally agreed to take on 80 heifers."

"For us the transition was easy," says Suzette. "We had many of the facilities in place and did not have to invest a lot of capital to convert our buildings."

Heifers from Westview Dairy are sold to dairies in Michigan, Ohio, Texas, Kansas, South Dakota, Iowa and Wisconsin.

Currently, 13 employees work three shifts watching more than 1,800 head of cattle. Each week 20 to 70 new springers arrive at the farm to calve in around a month. Along with calving and training heifers, 350 to 400 cows are also milked at Westview Dairy.

"Milking is not what it used to be when we started back in 1981," says Duane. "You can call what we did diversification, in a big way."



GREAT RATE: USDA's Farm Labor Housing program provides home loans with interest as low as 1%. This home on 4 acres is five miles from Westview Dairy.

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