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Press Release

FOR IMMEDIATE RELEASE

National Onion Association Calls on USTR to Restore Fair Trade Balance for U.S. Onion Growers

EATON, Colo. — The National Onion Association is calling on the Office of the United States Trade Representative to restore fairness in the North American onion market by implementing a bag fee on imported Mexican onions and enforcing its water delivery obligations to the United States — an effort now gaining support from members of Congress.

U.S. onion producers are facing rising domestic production costs, inconsistent regulatory enforcement on imports, and increasing volumes of onions entering the U.S. market from Mexico under less stringent standards, creating a massive trade imbalance that is harming U.S. growers. To restore this balance, the NOA, backed by members of Congress, is seeking a \$3-\$5 bag fee on imported Mexican onions and enforcement of Mexico water delivery obligations to the United States tied to the United States-Mexico-Canada agreement, which is being renegotiated soon.

The effort has gained the attention and support of U.S. representatives, led by Rep. Gabe Evans, R- Colo., and Sen. Kevin Cramer, R- N.D. Eight representatives and one other U.S. senator also back the effort in a letter sent recently to USDA Secretary Brooke Rollins and U.S. Trade Representative Jamieson Greer.

“U.S. onion growers are facing a deeply uneven playing field,” said Greg Yielding, executive vice president and chief executive of the NOA. “Our growers operate under some of the highest labor, food safety, and environmental standards in the world, and those costs continue to rise. A modernized import duty—what we’ve referred to as a bag fee—is essential to restoring fairness and ensuring American farms can remain viable.”

U.S. onion production costs have increased more than 340% since 1992, while growers continue to meet strict regulatory requirements. Labor costs alone present a significant disparity, with U.S. agricultural wages averaging between \$16.50 and \$17 per hour compared to approximately \$1.80 per hour in Mexico.

(more)

Prior to the North American Free Trade Agreement, imported onions were subject to a duty of 87.5 cents per bag. When adjusted for inflation and the significantly higher input and compliance costs borne by American producers, a \$3 to \$5 per bag fee is commensurate.

“A \$3-\$5 per bag fee would help offset the cost disparities our growers face every day,” Yielding added. “It’s about creating a level playing field where American producers—who are fully capable of meeting domestic demand—can compete fairly while maintaining high standards for food safety and sustainability.”

Mexico’s ongoing failure to meet its water delivery obligations in the past two decades has resulted in expanded Mexican production competing unfairly with U.S. onion production. Mexico currently owes the United States more than 1 million acre feet of water under the 1944 U.S.-Mexico Water Treaty, while the U.S. has consistently met its water delivery obligations to Mexico. The NOA has requested that ongoing negotiations with the U.S.-Mexico-Canada trade agreement implement enforcement mechanisms into the treaty for noncompliance.

The U.S. onion industry has a \$7 billion value in the U.S. marketplace, and the NOA represents onion growers across the country, as well as a wide network of their suppliers. Stabilizing the onion market through fair trade measures will benefit not only growers, but also consumers, by supporting a reliable domestic food supply and reinforcing confidence in food safety standards.

About the National Onion Association

Founded in 1913, the National Onion Association is the trade organization representing U.S. onion growers, shippers, and industry partners. NOA, based in Eaton, Colo., advocates for fair trade, food safety, and policies that support a strong and sustainable domestic onion industry.

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