

Pear Export Situation

Pacific Coast pear industry needs extensive recovery of world markets to absorb current production

S. W. Shear

Pear production on the Pacific Coast since the war has averaged almost 30% above the prewar level—while the population of the United States today is about 18% greater.

The pear industry needs extensive exports outlets even though per capita purchasing power and demand in this country have been greater than before the war.

During the past two years the United States has shipped almost no unsubsidized exports of pears to Europe, but before the war, those markets took more than 25% of the Pacific Coast pear crops. Of the total canned tonnage over 30% formerly went to Europe, nearly 70% of the dried output, and about 20% of the fresh shipments.

The canned and dried shipments were all Bartletts. Exports of fresh fall and winter pears represented a larger percentage of total shipments than did fresh Bartletts.

Canada took most of the fresh Bartlett exports. Europe bought about 85% of the fresh shipments of other later varieties. The United Kingdom alone imported about half of these; France, Holland, and Sweden, took most of the balance.

During the prewar years of 1934–1938, the United Kingdom was the biggest foreign outlet for Pacific Coast pears—absorbing about one half of the export shipments of fresh and processed pears.

In the decade before the war, United Kingdom imports of pears from Europe declined to a very low level while those from the United States increased greatly, even though they were more expensive because of their higher quality.

England's imports of fresh pears, in total and from Europe have been many times greater since than before the war and her own crop of dessert and cooking pears has more than doubled. At the same time, the United States fell from the prewar position of the most important source of the United Kingdom's imports of Northern Hemisphere pears—from July through January—to a place where practically no pears are supplied.

Large prewar imports of Pacific Coast summer, fall and winter pears by England practically ceased in 1947. The only pears the United Kingdom has taken from the United States since the war—fresh or processed—were those imported

in 1946 and 1947 and paid for from the large loan made to her in the late fall of 1946. In contrast summer and fall imports of fresh pears to England from continental Europe have actually increased 17 times over the 1934–1938 average with Italy by far the most important source.

Chances of the Pacific Coast regaining any significant part of the English market for winter pears for consumption during February to June are poor. Even before the war nearly all of that outlet had been lost to the rapidly increasing imports from Southern Hemisphere producers. Even at the low subsidized prices at which 1949 fresh Pacific Coast winter pears were offered to European countries, England took none and Belgium and Switzerland bought only a few.

Since the war, the United Kingdom has greatly reduced imports—during the late winter and spring months—even of Southern Hemisphere pears. This decline in imports from Argentina and from the British dominions of Australia, New Zealand and the Union of South Africa has taken place in spite of the fact that pear production and exportable supplies in these countries have been much greater than before the war. Also, the three British countries, because they are in the sterling block, have been on a much more favorable trading basis with the United Kingdom than with the United States.

Production in these countries and exports to the United Kingdom increased rapidly before the war. Although postwar production of the same British dominions has totaled about one fourth greater than the prewar average, their exports have averaged about 65% below prewar.

Argentine production of pears since the war has been double the 1934–1938 average. Her exports of fresh pears since 1945 have exceeded the prewar average by about 20%, but nearly all have gone to Brazil, and almost none to the United Kingdom during the past two years. However there is a good chance that Argentina may soon be again shipping pears to the United Kingdom.

While United States' exports of all varieties of fresh pears to Europe have shrunk to almost nothing, exports to non-European countries have risen from slightly less than 16,000 tons a year for 1934–1938 to 20,900 tons for 1945–1947. They fell to less than 6,000 tons in 1948

largely because of the small Pacific Coast pear crop and the Canadian embargo on imports. The total from the 1949 crop to non-European countries will be a little more than 10,000 tons.

Canada has taken most of the Pacific Coast fresh Bartlett exports to countries outside of Europe. A few of the Latin American countries have been significant exports outlets, mostly for fresh varieties other than Bartletts and Hardys. Brazil, Venezuela, and Cuba are the most important of these markets.

Fortunately the drastic shrinkage in European markets has been considerably offset by increased demand and consumption in the United States and Latin America. Domestic consumption of fresh winter pears during the past two years has been about 60% above prewar. On-tree returns to growers have been relatively better than during the depressed 1930's but still so low as to give strong incentive to continued industry effort to broaden markets. Postwar prosperity of American consumers is in part responsible for the marked increase in demand. However, much credit for broadening distribution must go to organized industry programs aided by government subsidies. These subsidized programs have controlled and improved the eating quality of winter pears and shown distributors how to handle and promote sales.

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Family Avocado Orchards

size depends upon yield, costs of production, returns, and family income needed

Harold E. Wahlberg

About 18 debt-free acres of avocados in Orange County with average yield will support a family of four if returns are 8¢ or more per pound.

If the yield is exceptional only five acres may be necessary—but a mortgage carried on the farm will increase the acreage required.

Exact farm size needed to support a grower's family depends upon several variable factors. When these factors are combined as they apply to a particular grower, a basis for estimating the farm size necessary for his family is derived.

One of these items is yield per acre; another is cost of production; third is returns per pound and, finally, there is the income needed by the family.

Mortgaged or paid up property must be reckoned when estimating income needed by the family. If the grower has to meet a mortgage, an added acreage will be needed. In the accompanying table, a mortgage of \$750 per acre at 4½% interest and amortized in 20 years is used as an example.

Yield Per Acre

Climate, the soil in which the grove is planted, variety and strain selected, and management practices affect yield.

Data gathered over 19 years in Orange County showed a wide range of yields. The county average was 3,400 pounds per acre. This average was the basis for the estimate that an 18-acre debt-free avocado farm will support a family of four.

Production cost studies of 20 commercial plantings in Orange County showed an average yield of 4,500 pounds per acre for the past 10 years.

A good yield of 6,000 pounds per acre has been achieved in good locations. The avocados were of suited varieties on superior soils.

An exceptional yield of 9,000 pounds per acre has been attained in a few groves.

Each grower may select the yield level most likely to be attained by the variety and in the location he has with the management he applies.

Cost of Production

Estimates drawn from the long-time avocado cost studies are useful in finding cost of production. Average cost per acre

can be adapted to the various levels of yield per acre.

The greater the yield, the higher the harvesting costs. Total costs were \$148 per acre for a 3,400-pound yield. They ranged up to \$195 for a 9,000-pound yield.

Records show that the average grower puts in about 50 hours of his own labor per acre per year. The going rate of labor today is \$1.00 per hour. Several years ago it was 35¢ to 45¢ per hour. At the recent Congressional minimum labor value of 75¢ per hour, the grower's labor amounts to \$38.00 per acre per year. This is to be added to the fruit income per acre in computing the total farm income.

Returns Per Pound

Greater production and marketings of avocados are ahead. Planting figures show 2,000 acres yet to come into bearing in southern California.

Since 1930, 11 years out of 19 brought

returns of 4.3¢ to 8.6¢ per pound. The other eight years, because of war and short crops, the price ranged from 10.6¢ to 26.1¢ per pound to the grower. The average for the high years was 16.4¢ per pound.

Estimates are, that with the impact of supply of demand, 8¢ per pound may be an average farm price for avocados in the future.

Cost of Living

The cost of living factor differs with each family. In the accompanying table, the figure of \$3,000 is used as an estimate of income needed by a family of four, based on a 1948 study made by the Agricultural Extension Service.

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In addition to continued efforts to expand domestic and non-European consumption, growers and shippers must give serious consideration to reducing costs of production and marketing. However, the industry still needs European outlets. If Europe does not resume importing a considerable tonnage of Pacific Coast winter pears within a few years—through regular trade channels—without the aid of substantial price subsidies growers may be forced to reduce the acreage and production of some varieties.

Substantial exports of food products to European countries—largely on the basis of dollars given, or loaned, by us for their industrial rehabilitation—can not be maintained indefinitely. Europe can step up its purchasing power for American fruits only if the United States substantially increases its imports of several manufactured goods from Europe and of some raw materials such as rubber, tin and copra, from countries that are markets for European industrial products.

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The Table Summarizes the Various Factors Described in Columns Under the Four Levels of Expected Yield Per Acre.

	Exceptional yield	Good yield	Average yield cost study	Average yield county
Yield per acre	9,000*	6,000*	4,500*	3,400*
Returns per pound . .	8c	8c	8c	8c
Income per acre	\$720	\$480	\$360	\$272
Cash costs and depre. . .	\$195	\$170	\$158	\$148
Capital and mgt. income .	\$525	\$310	\$202	\$124
50 hours operators labor	\$ 38	\$ 38	\$ 38	\$ 38
Total farm income	\$563	\$348	\$240	\$162
Acres to earn \$3,000 (free of debt)	5	9	12.5	18
If debt of \$750 per acre amortize at 7.7% (4½% at 20 yrs.)	\$ 58	\$ 58	\$ 58	\$ 58
Net for living costs	\$505	\$290	\$182	\$104
Acres to earn \$3,000	6	10	16	29