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LONG ISLAND VEGETABLE GROWERS

at Hempstead, N.Y. on

January 5, 1935

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POTATO MARKETING PLANS

A conference in Washington, D. C., on December 12 and 13, 1934, considered the following proposals:

1. Make potatoes a basic commodity with assessments and benefit payments.
2. Make potatoes a basic commodity, with grower allotments, penalty for exceeding allotment, and bonus for marketing less than allotment.
3. Grower allotments as basis for marketing agreements, and licenses.
4. Regulation of grades with provision for controlling marketing of lower grades.
5. Combination of 3 and 4.

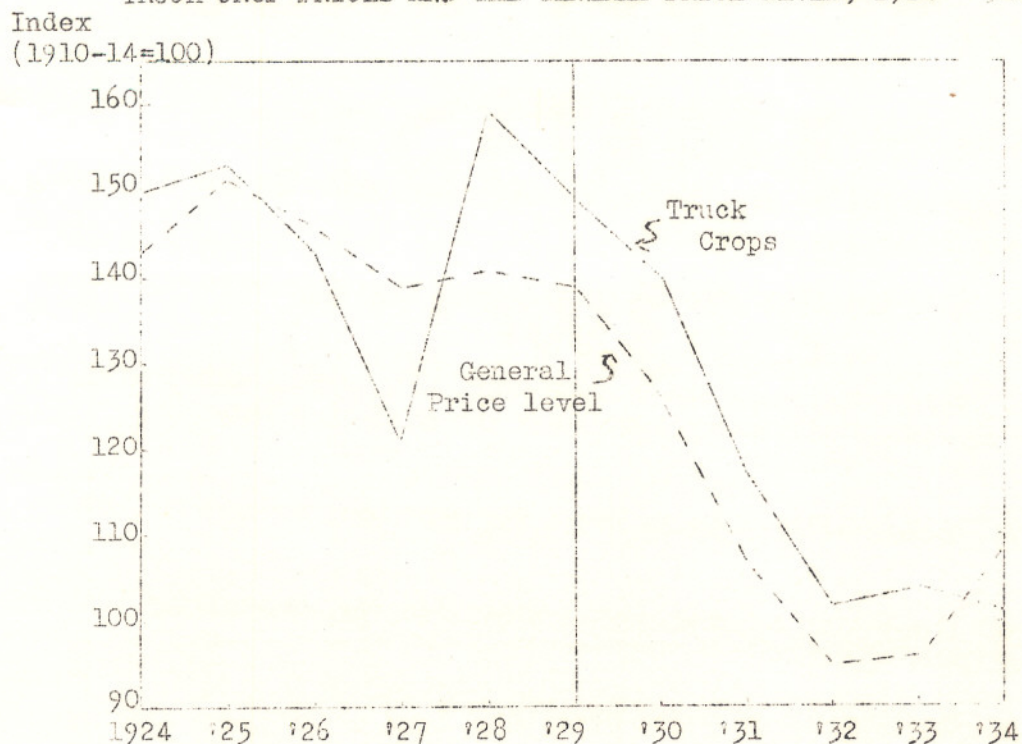
The AAA was asked to prepare three or more plans with the necessary legislation. Another meeting will be held in Washington as soon as these plans are ready.

SOURCE OF DATA

The data on unloads in New York City was taken from the annual, monthly, and daily reports of the United States Department of Agriculture Market News Service. These reports do not include truck shipments to the Harlem Market.

Professor M. P. Rasmussen is studying some reports obtained from growers on the Harlem Market. A summary of this study will be available within a few months.

TRUCK CROP PRICES AND THE GENERAL PRICE LEVEL, 1924 - 34.



The general price level in the United States was about 40 per cent above pre-war during the years 1924-1929, as shown by the dashed line in the accompanying diagram. That is, it took about \$1.40 to buy the same goods at wholesale that could have been bought for \$1.00 in the years 1910-14.

During this period, truck crops were also high in price. In 1928, the truck crop index stood at 159 as shown by the solid line in the accompanying diagram. That is, farmers received \$1.59 for the quantity of truck crops that brought \$1.00 in 1910-14.

When the general price level declined, truck crop prices declined also. Any substantial increase in truck crop prices depends very largely upon an increase in the general price level.

Source: The "general price level" is the Bureau of Labor index of 784 wholesale commodity prices.

The truck crop index is the United States Department of Agriculture, Bureau of Economics, revised index of farm prices of tomatoes, lettuce, cantaloups, onions, cabbage, celery, snap beans, watermelons, asparagus, green peas, cucumbers, spinach and carrots.

The 1934 figures are averages for the first 11 months.

SUMMARY OF SPECIFIED MARKETING
AGREEMENT PROGRAMS RESPECTING FRUITS
AND VEGETABLES

1. COMMODITY: Potatoes grown in the Southeastern States
2. PARTIES: Shippers and growers of Southeastern potatoes
3. DATE EFFECTIVE: Agreement, July 13, 1934
License, July 14, 1934
(Both effective only as to Northern North Carolina, Virginia and Maryland potato districts)
4. SCOPE: States of Florida, Georgia, South Carolina, North Carolina, Virginia and Maryland, but agreement effective only as to portions of region listed above (November 1, 1934).
(Agreement provides for coordination with similar programs with competing areas if and when developed.)

5. ECONOMIC CONTROL:

A. Adjustment Market Supply

Season proration

1. Between October 1st and 15th, Control Committee determines total quantity to be shipped from all districts under agreement in succeeding year (subject approval Secretary)
2. Determination based on past production in region, carry-over of late crop, anticipated demand, price level.
3. Allotment to district based on product of 5-year average acreage and 10-year average yield for each district relative to total thus calculated for all districts.
4. Total later shipped from each district must not exceed district allotment.
5. District allotments subject to revision with approval of Secretary.

Period proration

1. Proration in marketing season of interstate shipments from districts shipping to quantity advisable in view demand and grower's returns.
2. Allotments to districts based on quantity available for shipment.
3. District allotment apportioned among shippers and growers not controlled by shippers based on quantity available for shipment.
(Shipments for relief or charitable purposes excluded from proration)

- | | |
|----------------------------|--------------------|
| B. Improvement Quality | No direct control. |
| C. Regulation distribution | No direct control. |
| D. Prices | No direct control. |
| E. Other | |

Regulation service charges by shippers.

6. ADMINISTRATION:

A. Control Committee

Members, parties to agreement, with equal representation as between number of shippers and growers.

Shipper Representatives:

One member districts shipping less than 2,000 cars unless one shipper handled 25% of district total, then two members, one selected by large shipper and other by remaining shippers.

Two members from districts shipping 2,000 to 5,000 cars, one selected by shipper handling 25% of district total, other selected by remaining shippers. If two shippers handle 25% each, then three members, two by 25% shippers and one by the remaining shippers.

Three members from districts shipping more than 5,000 cars, one selected by shipper handling 25% of district total and two by remaining shippers. If more than one 25% shipper two members selected by 25% shippers and other by remaining shippers.

Grower Representatives:

One member selected in districts for each shipper member selected for district.

Power and Duties:

1. Adopt rules and regulations for performance agreement.
2. Supervise performance agreement and act as intermediary between shippers, growers and Secretary.
3. Appoint and define duties additional committees and subcommittees.
4. Hear and dispose of all questions, disputes and complaints (subject appeal to Secretary)

B. Executive Committee

1. Seven members, three selected by shippers, three by growers and one by the six members thus selected; except in the Eastern Shore of Virginia District where four selected by shippers, four by growers and a ninth member by the eight members thus selected.

Power and Duties:

1. This committee handles all details respecting proration of shipments during marketing season including determination of advisable and available quantities, shipping allotments to districts, and apportionment of district allotments among shippers within district.

D. Other Committees:

Appointed and duties defined by individual committees specified.

E. Cost

1. Committees serve without salaries, but entitled to necessary expenses.
2. Control Committee may incur necessary expenses.
3. May assess and collect from shippers on equitable basis, provided itemized budget approved by Secretary.

4. May institute system of permits to accompany shipments for collection and record of shipments.

F. Investigation and Reports

1. Shippers furnish information requested by Secretary.
2. Books and records during usual business hours subject to examination by Secretary.
3. Shippers shall keep books and records which reflect all financial transactions.
4. Shippers furnish information to Control Committee and respective District Proration Committee for proration purposes.

7. ENFORCEMENT:

A. Violations

Consist of non-compliance with provisions agreement and license and orders by Control Committee authorized thereunder.

B. Handling

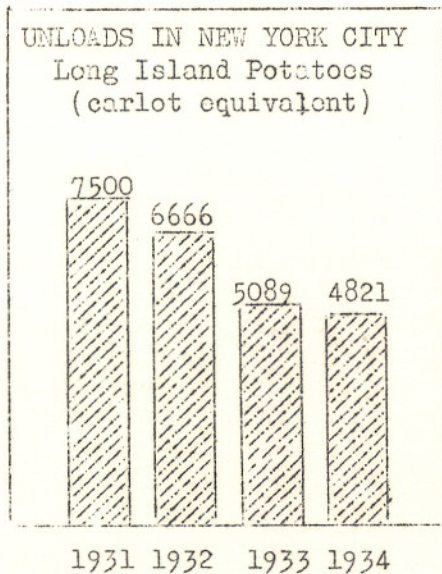
1. Control Committee obtains statement of facts, making any investigation needed herewith, and orders violation discontinued.
2. Continued non-compliance handled by Secretary through investigation, hearing and decision respecting complete or temporary revocation of license as to violator.

AMENDMENT:

1. Accomplished if amendment signed by either contracting shippers or contracting producers representing 67% of the total for all contracting shippers or for all contracting producers, respectively, and approved by Secretary.
2. None made (November 1, 1934)

9. TERMINATION:

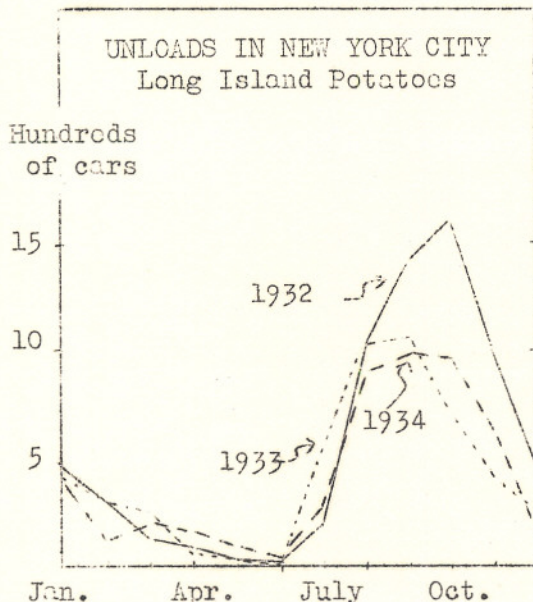
1. Secretary may terminate on one day's notice.
2. Secretary shall terminate at request of contracting producers and contracting shippers representing 67% respectively of the total for all contracting shippers and for all contracting producers.
3. Agreement shall terminate when provisions of Act authorizing it are terminated.



New York City housewives have been decreasing their purchases of Long Island potatoes in recent years. In 1931, 7500 carlots were shipped from Long Island to New York City markets. (Although most of the Long Island potatoes are shipped by truck they are measured by "carlot equivalents" of 600 bushels). In 1934 New York City used less than two-thirds as many Long Island potatoes as in 1931.

New York City consumes from 23 to 25 thousand carlots of potatoes a year. Long Island supplies a little more than one-fifth of the city's potato requirement..

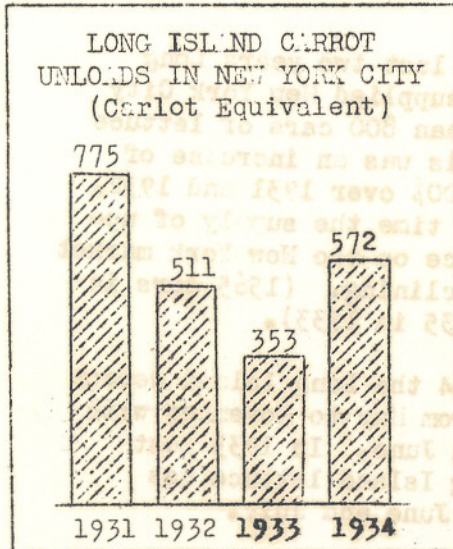
Although we hear a lot about Idaho potatoes, that state supplies less than 2 per cent of New York City's requirements.



The bulk of the competition for Long Island potatoes is from Maine. Although heavy shipments from Maine start in October, two or three hundred cars of Maine potatoes go into the New York market in September.

Although Long Island ships potatoes every month in the year, the peak months are August and September. This last year (1934) the peak months were in September and October.

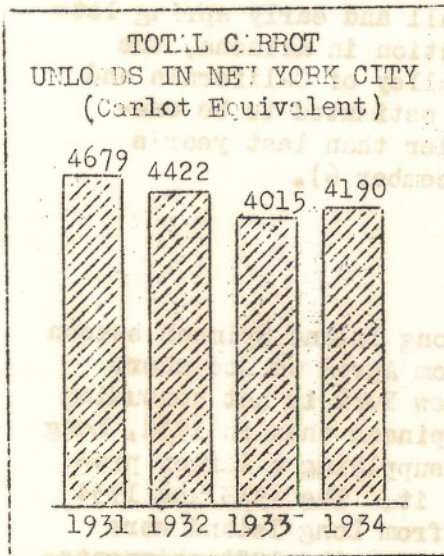
LONG ISLAND CARROTS



Long Island supplies New York City with from 3 to 8 hundred carlots of carrots a year. In the last 3 years this has amounted to about one-tenth of the total supply. The amount supplied by Long Island decreased from 775 cars in 1931 to about half that number in 1933, but increased again in 1934 to 572 cars.

Although carrots are shipped from Long Island each month of the year, the peak comes in August. The principal competition at that time of year comes from California and New Jersey.

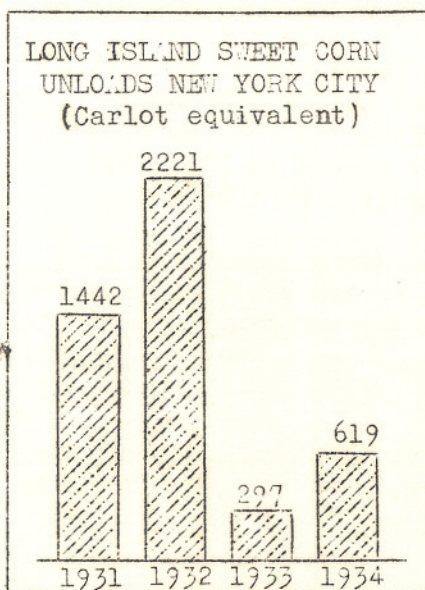
New York City has used about 10 per cent less carrots in the last two years than in the two preceding years.



CARROTS, ACREAGE 1934 AND PRELIMINARY ACREAGE, 1935

Group and state	1934 acres	Preliminary 1935 acres
<u>Fall:</u>		
California	5,800	6,170
<u>Early</u>		
Arizona	670	800
Texas	10,100	11,100
Group total	10,770	11,900
Total 2 groups	16,570	18,070
Total all states	36,030	

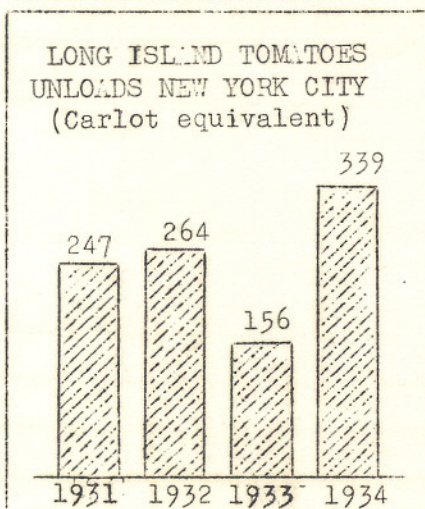
There are 11,900 acres of carrots estimated as planted and to be planted in the two early states, Arizona and Texas, as compared with 10,770 acres harvested last year, or an increase of 10%. Although this 1935 planted acreage is larger than the harvested acreage of any year on record, it is 17% smaller than the planting last year, of 14,300 acres.



LONG ISLAND SWEET CORN

During the past two years the supply of Long Island sweet corn on the New York City market has been much less than in the two preceding years.

The principal competition in August and September, when the bulk of this crop comes on the market, is from New Jersey, up-state New York, and Connecticut.



LONG ISLAND TOMATOES

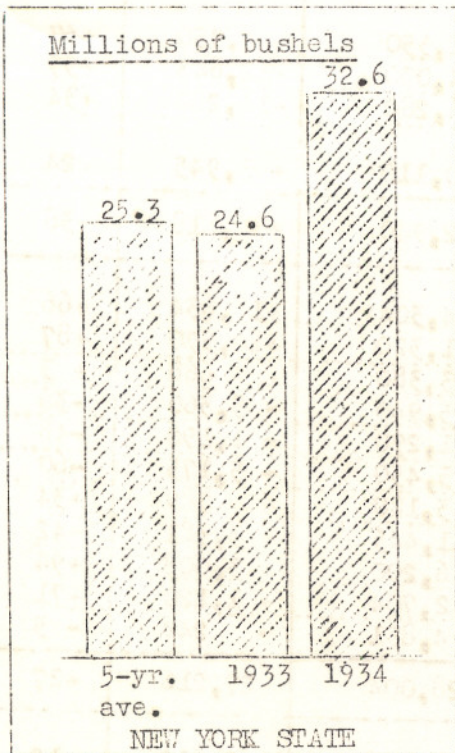
Long Island supplies New York City with from 150 to 250 cars of tomatoes a year. The principal competition in August, September, and October, when most of this crop goes to market, is from New Jersey, up-state New York, Maryland, and the New England States.

NEW YORK STATE COLLEGE OF AGRICULTURE
Department of Agricultural Economics and Farm Management
Ithaca, New York

Marketing Information

December, 1934

THE POTATO SITUATION

New York Crop Above Average

The New York potato crop, as estimated on December 1, will be 32 per cent more than last year and 29 per cent above the average for the past five years.

Large United States Crop

The total United States potato crop is now estimated to be 20 per cent higher than last year and 13 per cent above the average for the past five years, according to the December crop report of the United States Department of Agriculture.

More Late Potatoes Than Usual

The crop in the 30 late potato states is 19 per cent above last year and 13 per cent above the 5-year average.

The Eastern crop is 38 per cent above last year and 34 per cent above the average for the past five years.

The Central crop is 27 per cent above last year but only 11 per cent above the 5-year average.

The Western crop is 21 per cent below last year and 17 per cent below the average for the past five years.

Production of Competing Crops

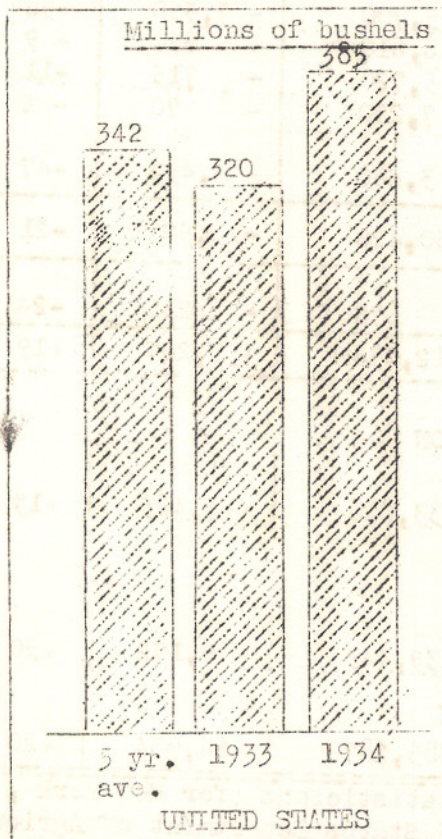
Beans - 18 per cent below last year and 17 per cent below the 5-year average.

Sweet Potatoes - 3 per cent above 1933.

Rice - 3 per cent above 1933.

Early Potato Acreage Prospects, 1935

Estimates released in October indicate that growers in Florida and in the lower valley of Texas intend to increase their early potato acreage 9 per cent over last year. Potatoes from these areas will begin to move to market in considerable volume by the middle of February.



POTATO PRODUCTION

	Five-year average (1929-1933)	Last year (1933)	This year's estimate (As of 12/1/34)	Increase or de- crease 1934 com- pared with 1933	
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	Per cent
LATE POTATO PRODUCTION					
Eastern					
*NEW YORK	25,302	24,600	32,550	+ 7,950	+32
*Pennsylvania	21,635	21,357	34,000	+12,643	+59
*Maine	44,734	42,000	56,280	+14,280	+34
Other New England (N.H. Vt., Mass., R.I., Conn.)	7,596	8,165	10,110	+ 1,945	+24
Total	99,267	96,122	132,940	+36,818	+38
Central					
*Michigan	20,919	20,670	34,304	+13,634	+66
*Wisconsin	20,616	16,730	31,320	+14,590	+87
*Minnesota	25,900	22,712	23,380	+ 668	+ 3
*North Dakota	8,135	9,300	5,940	- 3,360	-36
*South Dakota	3,521	2,480	1,290	- 1,190	-48
*Nebraska	8,719	8,625	3,450	- 5,175	-60
West Virginia	3,038	2,331	3,120	+ 789	+34
Ohio	10,037	8,064	11,445	+ 3,381	+42
Indiana	4,470	3,192	6,200	+ 3,008	+94
Illinois	3,662	1,584	2,704	+ 1,120	+71
Iowa	5,938	5,100	4,851	- 249	- 5
Total	114,955	100,788	128,004	+27,216	+27
Western					
*Idaho	21,153	21,850	19,240	- 2,610	-12
*Colorado	13,159	13,050	5,700	- 7,350	-56
*California	7,040	7,920	8,610	+ 690	+ 9
*Oregon	5,083	6,435	5,720	- 715	-11
*Washington	7,108	7,380	7,290	- 90	- 1
Other (*Mont., *Wyom., *Utah, *Nev.)	6,880	7,312	3,860	- 3,452	-47
Total	60,423	63,947	50,420	-13,527	-21
Southwestern (N.Mex., and Ariz.)					
	679	880	670	- 210	-24
Total 30 late states	275,324	261,737	312,034	+50,297	+19

*13 late states usually considered "surplus" states

INTERMEDIATE POTATO PRODUCTION

N.J., Del., Md., Va., Ky., Mo., Kas.	35,053	28,345	33,810	+ 5,465	+19
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EARLY POTATO PRODUCTION

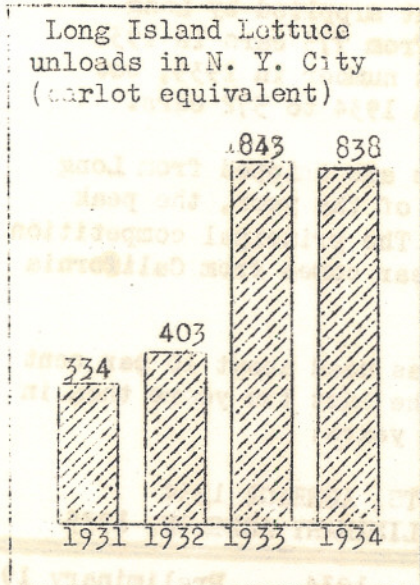
N.C., S.C., Ga., Fla., Tenn., Ala., Miss., Ark., La., Okla., Tex.	31,963	30,271	39,443	+ 9,172	+30
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TOTAL POTATO PRODUCTION

United States	342,340	320,353	385,287	+64,934	+20
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Based largely on reports sent by farmers to state statisticians (for New York, R. L. Gillett, Albany) who cooperate with the United States Department of Agriculture.

LONG ISLAND LETTUCE

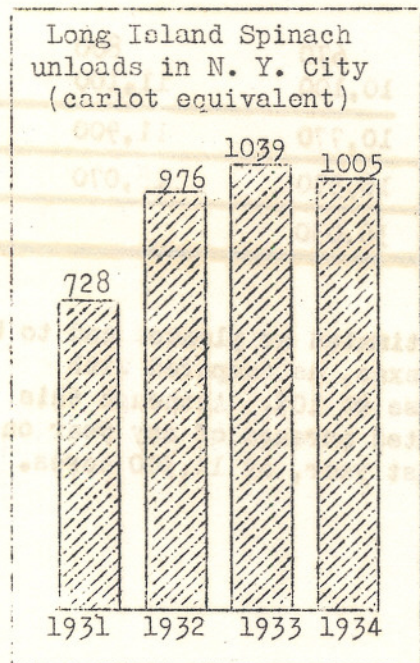


In the last two years Long Island has supplied New York City with more than 800 cars of lettuce a year. This was an increase of more than 100% over 1931 and 1932. During this time the supply of up-state lettuce on the New York market has been declining. (1565 cars in 1931 and 1435 in 1933).

In 1934 the Long Island season extended from May to November with the peak in June. In 1933 most of the Long Island lettuce was shipped in June and July.

The fall and early spring lettuce production in Arizona, the Imperial Valley of California and Florida is estimated to be one-tenth smaller than last year's crop. (December 6).

LONG ISLAND SPINACH



The Long Island Spinach season extends from April to December. Although New York is not consuming any more spinach than in 1931, Long Island is supplying a larger proportion of it. The 1933 and 1934 shipments from Long Island were about 40% above the 1931 shipments.

The acreage of spinach set for fall and early spring harvest in Texas, Virginia, Louisiana and California is estimated to be 15% above last year. Although it is slightly less than the record average of 1933 it is larger than in any previous year. (December 5).