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General Price Prospects

Smaller Vegetable Supplies Point to Higher Prices

Smaller supplies of both fresh and processed vegetables this fall point to higher prices for producers and consumers. Supplies of fresh vegetables during the fourth quarter of 1981 are approximately 6 percent smaller than last year, and processors have used about 2 percent less. Prices paid to growers for fresh market vegetables will advance seasonally this fall and average moderately higher than a year ago. During the last quarter of 1981 and the first half of 1982, retail prices for most processed vegetables will average moderately higher than a year earlier, reflecting tighter supplies and higher processing and marketing costs.

The index of grower prices for fresh and processed vegetables during the first half of the year averaged about 10 percent higher than a year ago. Higher prices during the first half of 1981 reflected periods of short supplies of winter and spring vegetables resulting from smaller acreages, a January freeze in Florida and reduced imports from Mexico. However, prices declined in July and August as supplies returned to normal levels, and in September the index of farm prices for vegetables stood at 118 (1967=100) down 3.3 percent from August and only 2.6 percent above a year ago. Lower prices for onions, carrots, and tomatoes contributed most to the price decrease. Higher prices for watermelons, cucumbers, and sweet corn were partially offsetting. Prices will increase during the last quarter of 1981 and the first quarter of 1982 as harvests are completed in the Northern States and vegetable production returns to the warmer climates.

Wholesale prices for canned vegetables continued an upward trend throughout the 1980/81 marketing season. Prices jumped in April when smaller stocks and prospects for smaller packs became apparent. In October, wholesale prices for the 10 leading canned vegetables averaged 21 percent higher than a year ago. Prices will escalate further during the 1981/82 season, but increases will be more moderate.

Reflecting smaller supplies and higher processing and marketing costs, retail prices for processed vegetables in August were 14.2 percent higher than a year ago. Frozen vegetable prices were 12.8 percent higher while prices for major canned vegetables were up an average of 15.1 percent. Despite current high prices for processed vegetables, production of processing vegetables is expected to decline again this year. Thus, prices for major processed vegetables are expected to average higher during 1981/82 than during the 1980/81 season.

Fresh Vegetables

The acreage planted to 14 fresh market vegetables since July 1 in major producing States is estimated at 218,850 acres (88,600 hectares), 5 percent less than on October 1, 1980. Broccoli, which increased 5 percent, and cabbage, which is unchanged from last year, were the only crops not showing declines. Among the major crops, lettuce will have a 4 percent decline in acreage and tomatoes are predicted to have a 20 percent decline in planted acreage.

Production of the 14 principal vegetables is expected to dip to 35.1 million cwt., down from 39.0 million cwt. a year ago. Only broccoli is projected to have increased production. It will be up 9 percent from a year ago. All of the remaining vegetables show decreases of from 1 to 30 percent.

Higher Prices in 1981/82

Fresh market vegetable prices to growers will rise seasonally during the fourth quarter and average moderately higher than a year ago. The index of prices received for fresh market vegetables stood at 122 (1977=100) in the third quarter of 1981, compared with 105 a year ago. If both Florida and Mexico have good weather during the first quarter of 1982, prices should remain below the 1981 index of 161 but still be above current levels.

Prospects for Leading Items

Onions

The final forecast for late crop storage onion production is estimated at 19.3 million cwt. (87,599 metric tons) an increase of 5 percent from the 1980 production. Harvested area is estimated at 53,170 acres, up 5 percent from 1980 and 1 percent greater than in 1979. Average yields are down 1 cwt. per acre below last year. In Idaho and Eastern Oregon, the leading producing area, production is down 6 percent and New York, the second leading producer, shows an 11 percent decrease. Most of the other areas remained about the same or showed slight increases.

Quarterly index of farm prices for fresh vegetables 1/

Year	1st	2nd	3rd	4th	Annual
(1967=100)					
1974	68	64	62	67	65
1973	81	98	74	64	79
1974	73	83	73	81	77
1975	85	93	83	90	88
1976	93	80	86	92	88
1977	128	93	84	96	100
1978	107	129	94	94	106
1979	134	105	95	101	109
1980	100	116	105	119	110
1981	161	128	122		

1/ Excludes potatoes
Source: Ag. Prices, SRS, USDA.

Quarterly retail prices for fresh vegetables 1/

Year	1st	2nd	3rd	4th	Annual
(1967=100)					
1972	137	134	128	133	133
1973	151	167	151	137	152
1974	150	160	152	151	153
1975	168	169	165	160	166
1976	170	168	165	179	170
1977	221	216	178	184	200
1978	212	247	209	204	218
1979	254	224	211	226	229
1980	220	250	231	253	239
1981	287	275			

1/ Excludes potatoes.
USDA estimates derived from Consumer Price Index.

Even with larger supplies, prices for 2 inch and larger yellow onions averaged \$5.58 per 50 pound sack, f.o.b. Orange County, New York, shipping points in early October. This compares with \$4.05 a year earlier. Yellow Spanish types, 3 inches and larger, f.o.b. Idaho and Oregon averaged \$4.75 per 50 pound sack, down from \$5.67 per sack in 1980. Prices for 3 inches and larger yellow hybrid Colorado onions, at \$6.25 per sack were sharply lower than the \$7.30 a year ago.

Sweet Corn

Most of the sweet corn during the fall quarter comes from the Florida Everglades, where 12,800 acres have been planted since July 1. An additional 1,100 acres have been planted since July 1 in California for harvest during October to December. Florida's acreage is down 10 percent from a year earlier and California's is up 16 percent. The total is down 9 percent from 1980. Based on average yields, this year's fall crop of sweet corn is expected to total 908,000 cwt., down 11 percent from a year ago. With a smaller Florida crop, consumers in the East will find less sweet corn and higher prices in stores this fall. Western consumers will find ample supplies and perhaps slightly lower prices.

Lettuce

With both California and Arizona indicating reductions in acreage planted to lettuce after October 1, the total is placed at 68,200 acres, (27,600 hectares), 4 percent less than the October 1980 planted acres. With average yields, this year's fall crop is estimated at 14.8 million cwt., about 5 percent less than a year ago.

Lettuce prices are extremely volatile and may vary widely from day to day, depending on supplies, quality, weather, labor availability, and transportation. After two years of generally low prices, lettuce growers reduced acreage this summer and prices have been higher through the late summer and early fall. In early October, cartons of iceberg-type lettuce were priced at \$4.20 per carton, f.o.b. Santa Maria, California, compared with \$3.15 a year ago. Two weeks earlier, on September 19, Santa Maria lettuce was priced at \$6.13 a carton, compared with \$3.90 in September, 1980. With the moderately smaller crop in prospect, prices will remain fairly strong throughout this marketing season. Retail prices will probably be in the 59 cents to 79 cents a head range rather than the 29 cents to 49 cents range of the past year or so.

Tomatoes

U.S. tomato acreage planted on October 1 is estimated at 10,900 acres (4,410 hectares), down 20 percent from October, 1980. Florida acreage is placed at 10,300 acres, down 18 percent, and Texas' tomato area is placed at 600 acres, down 40 percent from a year ago. With average yields, this acreage will produce about 2.7 million cwt., 25 percent less than in 1980.

Prices for all tomatoes will rise seasonally through November and December. With a sharply smaller crop, prices will stay well above last year's levels. However, in early October, 2-layer flats of pink tomatoes (4 X 5 and 5 X 6's) were priced at \$4.28 per flat, compared with \$7.00 a year ago. These prices are expected to rise sharply after the local eastern and midwest production is off the market.

Other Fresh Vegetables

The estimated October 1 acreage of green beans is placed at 22,400 acres (9,070 hectares), 7 percent less than in 1980. With average yields the crop will total about 673,000 cwt., 3 percent less than a year ago. Most of this production will come from Florida, with smaller quantities from Georgia, New Jersey, North Carolina, South Carolina, and California. Planted acreage of eggplant in Florida for harvest after October 1 is placed at 850 acres (340 hectares), down 23 percent from a year ago. With normal yields, the crop will total 167,000 cwt., 22 percent less than in 1980. Acreage of escarole/endive, at 2,050 acres, is 13 percent less than in 1980. The crop, at 219,000 cwt., will be down 2 percent. Spinach acreage for harvest after October 1 was estimated at 2,800 acres (1,130 hectares), 22 percent below a year ago. With average yields the crop will total 172,000 cwt., 30 percent less than in 1980.

Processed Vegetables

The area contracted for production of seven major processing vegetables in 1981 is estimated at 1.2 million acres (500,720 hectares), down 2 percent from 1980. Raw tonnage production under contract is expected to approximate 9.4 million tons (8.5 million metric tons) about 4 percent less than was contracted a year ago. Production declines are expected for green snap beans, beets, green peas, winter and spring spinach, and tomatoes. Increases are expected for green lima beans and sweet corn. Highlighting this season are substantial decreases in contracted tonnage of snap beans, down 16 percent; beets, down 23 percent; green peas, down 6 percent; and tomatoes, down 10 percent. Contracted acreage of cabbage for kraut, cucumbers for pickles, and fall spinach will be reported later.

The carryover of leading canned vegetables at the beginning of the pack year was down about 12 percent from a year ago. Stocks of the seven leading frozen vegetables were down more than two-fifths at the beginning of the pack year and on October 1, stocks of all frozen vegetables totaled 1.66 billion pounds, down 4 percent from 1980. The data on contracted acreage are not categorized for canning or freezing, but the current stocks positions indicate both outlets will share in the small over-all decreases. Most of the decrease in canned tonnage will come from canned tomatoes, beets, and green peas. Although carryover stocks of canned tomatoes from the 1981 pack are not large, contracted acreage of processing tomatoes was down this year and the crop was reduced by poor growing conditions in California. With the packs of canned vegetables about the same as a year ago and frozen packs

expected to be only about 1 percent larger, total supplies of canned and frozen vegetables during the 1981/82 marketing season are expected to be moderately smaller than the previous year. Canned supplies will be down about 2 percent and frozen vegetables down 8 percent. Smaller supplies, combined with higher processing and marketing costs, will spur higher wholesale prices for both canned and frozen vegetables for the remainder of 1981 and through the first half of 1982.

Higher raw product costs and increased processing and marketing costs will boost both the wholesale and retail prices. Some of these costs have risen substantially during the past year. For example, the index of packaging materials costs was 285.8 (1967=100) in August 1981, up 7.5 percent from August, 1980. During a comparable period, the index of prices for fuel and power rose 19.9 percent to 685.8 (1967=100). Labor costs are up 11.0 percent in 1981 and the monthly index of transportation costs in August stood at 351.5 (1967=100), 18.7 percent above a year ago.

Most of the decrease in processing vegetable tonnage comes from California tomatoes, which do not compete directly with other fresh and processed vegetables. However, there are smaller crops of nearly all of the other processing vegetables, which are often substituted for each other depending on relative prices. For example, the relatively large supplies of green beans this year will tend to dampen price rises for corn or peas.

The total supply (pack plus carryover) of canned vegetables for 1981/82 will be only slightly smaller than last season's small supplies. This slight drop results from a 12 percent smaller carryover of the major canned items, since the total packs averaged about the same as in 1980.

Reflecting continued inflationary pressures, wholesale prices of canned vegetables continued an upward trend throughout the 1980/81 marketing season. Prices for canned vegetables remained fairly steady about 219 (1967=100) from December through March, but jumped when the smaller stocks position became apparent. In October, the index of prices for 10 leading vegetables stood at 240.7 (1967=100) up 21 percent from a year earlier. With smaller supplies, wholesale prices (particularly for canned tomatoes and tomato products) will probably edge higher through the remainder of this year and the first quarter of 1982. With supplies of the 7 major frozen vegetables down about 8 percent from a year ago, prices for most of these items will also be higher.

Prospects for Leading Items

Peas

The volume of peas available for canning and freezing this year is estimated at 451,360 tons, and the combined pack of canned and frozen peas is substantially smaller than a year ago. This marks the third year in a row that both canned and frozen packs have been reduced. Total supplies of processed green peas will be tight throughout the marketing season and prices

will be advanced in the first half of 1982. Total supplies of canned green peas are estimated at 30-35 million cases (24-303 equivalent), barely above the annual volume consumed. Despite the expected smaller supplies, prices for canned green peas have been steady.

The 1981 pack of frozen green peas is estimated at slightly less than 300 million pounds, also the smallest pack in the past 3 years. Stocks on hand on September 1 totaled 336.0 million pounds, down 6 percent from a year ago. Despite the smaller pack and smaller supplies prices were firm through September. Prices are expected to rise this winter, reflecting both the shorter supplies and higher marketing costs.

Lima Beans

Green lima bean tonnage contracted for canning and freezing is estimated at 67,750, 13 percent more than a year ago. Contracted tonnage is up in California and Delaware, but lower in Maryland, Wisconsin and other States.

Most of the lima bean tonnage in California will be frozen. Carryover stocks of both fordhook and baby lima beans were sharply lower this year after 2 years of ample supplies. This smaller carryover combined with a smaller pack will yield total supplies only slightly larger than our annual consumption. Total supplies will be near 123 million pounds, about 11 percent smaller than a year ago. These tight supplies--particularly of the baby lima beans--will boost prices above year-earlier levels during the coming months.

The carryover of canned lima beans on August 1 was nearly 700,000 cases, up more than a sixth from the previous year. With both yields and acreage up this year, the total pack will be up moderately as will total supplies. Ample supplies will moderate any price increases caused by increased processing and marketing costs and prices probably will remain at current levels throughout the 1981/82 marketing season.

Snap Beans

The estimated 1981 contracted tonnage for canning and freezing, at 643,750 tons, is 1 percent smaller than a year earlier. The carryover of canned green beans, at 15.9 million cases (24-303's), however, is largest in the past several years. The 1981 pack is expected to total about 60 million cases, bringing the total 1981/82 supply to about 76 million cases, the largest in years. With large supplies, wholesale prices for green beans are showing some weakness, and will probably average about the same as a year ago throughout the fall and winter marketing season.

Stocks of frozen green beans totaled nearly 211 million pounds on September 1, substantially less than a year ago. With total supplies of green beans expected to be down substantially from the large supplies of past two years, prices will probably rise during the 1981/82 marketing season. During September, prices for regular and french cut green beans averaged \$7.50 per case of 24-9 oz. cartons, compared with \$6.70-\$6.80 a year ago. Institutional packs were priced at 47 cents per pound, f.o.b. West Coast, compared with 42 cents a pound a year ago.

Sweet Corn

The 1981 output of sweet corn contracted for processing is estimated at 2.4 million tons (2.18 million metric tons) 12 percent larger than the 1980 output produced under contract. All of the processing States except Idaho, Pennsylvania, and "Other" States reported increases in production. Increases in Washington and Oregon--the principal freezing States--were 28 and 16 percent, respectively.

With a very small carryover of canned corn but a fairly good pack, total supplies during 1981/82 will be about 2 percent larger than last year but 12 percent smaller than the 1979/80 season. Larger supplies usually mean lower prices, but increased processing and marketing costs will probably keep prices near last year's levels and well above 1979/80 prices. These prices should maintain total disappearance at the usual 55 million case (24/303's) level and next summer's carryout should be in the 5 to 7 million case range. Contracted acreage in 1982 will probably remain near the levels recorded this year.

Tomatoes

Processing tomato production under contract in 1981 is estimated at 5.65 million tons (5.13 million metric tons), down 8 percent from the 1980 contracted production. Acreage for harvest is estimated at 245,390 (99,300 hectares) 5 percent below a year ago. Yields per acre, at 23.04 tons, are down 2 percent from a year ago. This forecast is based on an October 1 survey in California and a September 1 survey in other States.

California's processing tomato crop got off to a fast start with good stands and set. However, extremely hot weather in late June damaged the crop in the Sacramento and northern San Joaquin Valleys. Poor vine condition, varying ripening times and small fruit reduced yields severely in some districts. Some Central California fields showed yields below 10 tons per acre but most were much better. Deliveries in August were far below any recent year. Harvest continued through mid-October.

Deliveries to canners through September 26 were estimated at 4.35 million tons, down from 5.1 million tons a year ago. The trade is now looking for a final tonnage of 4.8 million tons and the USDA is forecasting 4.9 million tons, down 11 percent from the 1980 total.

Light deliveries combined with a relatively light carryover from the 1980 crop, portend tight supplies and higher prices for canned tomato and tomato products this marketing season. A number of tomato canners raised prices, effective September 21, as much as 25 to 30 percent. Wholesale prices for California Standard Grade peeled tomatoes were raised to \$11.80 per case (6/10's), up from \$9.25 a year ago and \$7.50 in August, 1979.

This second year of smaller production will be beneficial to the entire California tomato industry. After several years of distress prices, the Tomato Growers' Association was able to negotiate a price of \$50 a ton, cash, and \$53 a ton, deferred payment, for this year's crop. With a prospect of low carryover stocks again next spring and strong processor demand, tomato growers are looking forward to a stronger bargaining position than they have had in recent years.

VEGETABLE CONSUMPTION

Fresh Vegetable and Melon Use Up in 1980

Per capita use of fresh vegetables and melons increased in 1980 to 129.6 pounds, up from 126.6 (revised) a year earlier. Fresh vegetable consumption to 111 pounds for person--up from 105.9 in 1979--but melon consumption dropped to 18.6 pounds, down from 20.7 pounds the year before. Larger production of fresh market vegetables in 1980 and a decline in melon output brought on the changes.

Excluding potatoes, the most popular fresh vegetables in 1980 continued to be lettuce, at 27.4 pounds per person, and tomatoes and onions, both at 13.4 pounds. All three vegetables registered gains in consumption over the year before.

Processed Vegetable Consumption Down

The consumption of both canned and frozen vegetables decreased in 1980 because of lower supplies and somewhat higher prices. Use of canned vegetables fell to 52.7 pounds per person in 1980, down from 54.6 pounds (revised) the year before. Consumption of tomatoes and tomato products--the most important canned vegetable--dropped to 22.2 from 23.5 pounds per person because of the smaller 1980 pack and higher prices. Per capita consumption of canned whole tomatoes rose to 6 pounds, but tomato products dropped to 12.1 pounds, down from 14.1 pounds a year earlier.

Per capita consumption of frozen vegetables also slipped in 1980, interrupting a long-time trend of annual increases. Use of frozen vegetables declined to 27.4 pounds per person, down from 29.6 pounds in 1979 and 28.4 pounds in 1978. Data on frozen vegetables include frozen potato products. Consumption of frozen potato products also fell to 16.9 pounds per person, down from 17.7 pounds in 1979 and 17.2 pounds in 1978. However, frozen potato products still accounted for 62 percent of the total frozen products consumed. Frozen corn, the second most important frozen vegetable, trailed far behind at approximately 2 pounds per person--about 7 percent of the total.

1981 Potato Prospects

The 1981 fall crop is estimated at 287.1 million cwt., 8 percent larger than in 1980 but 3 percent smaller than in 1979. The area for harvest is estimated at 1.04 million acres, 6 percent more than a year ago but 3 percent less than in 1979. Yields in 1981 are expected to average 275 cwt. per acre, but these estimates are tentative. In the Pacific Northwest, where yields are usually the highest, industry sources are saying fields are spotty and yields may average 50 cwt. lower than a year ago.

In the seven Eastern fall States, production is forecast at 45.9 million cwt., up 9 percent from a year earlier. Yields, at 258 cwt. per acre are 22 cwt. higher than in 1980, but the area for harvest is down slightly. As a group, the seven States had the smallest acreage on record, but in Maine and New York acreage was about the same as a year ago. In the eight Central States production is estimated at 63.2 million cwt., up 16 percent from 1980 but up only 1 percent from 1979. The estimated yield of 215 cwt. is up 11 percent from last year, while harvested acreage is up 3 percent. Production in the Western States, at 178 million cwt., is 5 percent above 1980 but 4 percent below 1979. The average yield of 311 cwt. is 5 percent smaller than last year, but acreage for harvest, at 572.7 acres, was 10 percent larger than in 1980.

Price Prospects

With the total fall crop up 8 percent from last year, grower prices will decline from last year's record highs and will probably average in the range of \$4.75 to \$5.25 per cwt., down from the U.S. average of \$6.55 for the 1980 fall crop. Prices will be buoyed somewhat by the generally good quality reported in all areas. In addition, processor demand will be very strong. On October 1, stocks of frozen french fries totaled 446.1 million pounds, down 15 percent from a year ago. Stocks of dehydrated potatoes are also reported to be below normal. Thus with strong demand in both the fresh and processing markets, this will be another good year for potato growers even though prices are down from last year's record highs.

Per Capita Use Down

Consumption of potatoes in 1980 averaged 116.2 pounds per person as the use of fresh potatoes rebounded to 54.2 pounds and the use of processed declined to 62.0 pounds. In 1980, per capita use of dehydrated potatoes dropped again to 9.3 pounds. Consumption of frozen potatoes dipped to 33.8 pounds per person, down from 35.4 pounds (revised) a year earlier. Consumption of chips and shoestrings also eased down to 16.8 pounds per person, but the use of canned potatoes remained at about 2.1 pounds per person.

Sweetpotatoes

1981 Prospects

The 1981 sweetpotato crop is forecast at 12.5 million cwt., up 14 percent from 1980's small crop, but down 7 percent from 1979's large output. Harvested acreage is expected to total 108,800 acres, up 6 percent from 1980 but 4 percent smaller than in 1979. Estimated yield, at 115 cwt. per acre is up 7 percent from 1980 but down 2 percent from 1979.

With canners' carryover stocks of canned sweetpotatoes virtually nonexistent, there will be strong demand for sweetpotatoes for processing. So far, grower prices in the processing market have been higher than a year ago. Canned stocks totaled 3.6 million cases, (24/303's) on April 1, 1981,

down 64 percent from a year earlier. Because of the small supplies and only a moderately larger crop, canners have been paying North Carolina growers \$4.75 per 100 pounds delivered, up slightly from last year when the crop was small but stocks were large.

Prices Lower

Grower prices for fresh market sweetpotatoes remained high through July but edged downward in August when early sweetpotatoes came on the market. In mid-October, quotations for 50-pound cartons of U.S. No. 1 Porto Rico sweetpotatoes, f.o.b. Louisiana shipping points averaged \$10.00 per carton compared with \$8.50 a year earlier. Prices usually advance seasonally, but coming off of this summer's highs, prices will probably remain at current levels or slightly below through much of the marketing season.

Mushrooms

Production Up

Domestic mushroom production reached a new high of nearly 471 million pounds (213,441 metric tons) during the 1980/81 marketing season. This was fractionally higher than in 1979/80 and 4 percent more than production in 1978/79. This continued the upward trend since mushroom estimates were begun in 1966. Pennsylvania, the leading State, with 50 percent of the 1980/81 crop, produced 237 million pounds, 11 percent more than the previous season. Eastern States accounted for 62 percent of the total U.S. production; Central States, 13 percent; and Western States, 25 percent. The U.S. average yield of 3.35 pounds per square foot was up 7 percent from the record yields a year earlier. These higher yields are the result of new production technologies and increased efficiencies that have been introduced into the industry in recent years.

Fresh market sales of mushrooms, at 267 million pounds, were up 4 percent from the 1979/80 season, and accounted for 57 percent of the total U.S. production. The average price received by growers for fresh market mushrooms averaged 91.8 cents a pound, a decrease of 4 cents from the previous season.

While fresh market sales continued the long-term upward trend, processor usage dropped to 203 million pounds, 5 percent less than the previous season, and processings' share of the market dropped to 43 percent. The average price to growers for processing mushrooms dropped to 51.8 cents a pound, a decline of nearly 6 cents a pound from a year earlier.

Per Capita Consumption

Per capita use of all mushrooms declined slightly to 2.8 pounds in 1980/81 (raw equivalent basis) down from 2.9 pounds a year earlier, the first break in the upward trend since these computations were begun in 1966. Of the total consumption, an estimated 1.0 pounds were fresh and 1.8 pounds were processed. Of the processed mushrooms, about 45 percent were imported.

Prospects for the mushroom industry during the 1981/82 marketing year point to continued higher tariffs, lower imports, and higher prices for processed mushrooms. Prices for fresh mushrooms will be about the same as in 1980/81. With a generally sluggish economy and mushrooms classified as a gourmet item, some further decline in per capita consumption can be expected during the 1981/82 season.

Dry Edible Beans

Dry edible bean production in 1981 is estimated at a record 31.0 million cwt. (1.4 million metric tons), 19 percent more than last year's record crop. The estimated acreage for harvest is 2.17 million acres, 18 percent above a year ago. The average yield this year is estimated at 1,426 pounds per acre, 4 pounds larger than in 1980.

Harvest began about mid-August in California, Idaho, and Washington. by the first of September harvest had begun in other States but was running somewhat later than normal.

Average prices received by growers increased each month during 1981 and reached their peak in June at \$36.80 per cwt., compared with \$23.60 a year earlier. The industry reflected the forthcoming record crop by dropping prices to \$35.40 in July and to \$26.70 in August. Grower prices rose again in October after the excessive rains in Michigan and are expected to remain in the \$30 to \$35 range this fall because prices also will be buoyed by deliveries of sales made from the 1981 crop.

Exports Up

Exports of dry edible beans for the September 1980-August 1981 period were 744,539 metric tons, 45 percent above a year earlier. Of the white classes, exports of Navy beans increased 22 percent, and Great Northerns increased 18 percent. Pinto exports (largely to Mexico) and Red Kidney exports were more than double a year earlier.

Summary

Because most vegetables are readily inter-changeable with one another at both the production and consumption ends of the marketing spectrum, forecasting supplies and prices of individual items is difficult, if not impossible. We are assured, however, that we will have smaller supplies of processed vegetables during the fall and winter of the 1981/82 marketing season. These smaller supplies, plus higher processing and marketing costs, will result in higher prices for both canned and frozen vegetables. Because of higher prices in 1981, larger plantings and increased supplies are indicated for most major vegetables during the spring and summer of 1982. Melon production will remain high next year and keep pace with population growth. Although farm prices for potatoes will be lower this year than last, it will still be a good year for potato growers. Lower prices at retail may also increase potato consumption to new, higher levels. The production of dry edible beans, peas, and lentils is strongly influenced by prospects for exports. The strong export markets of the past 2 years may weaken in 1982. However, the trend for exports of these items is up, so any reduction in production of these commodities will be of a temporary nature.