

WHAT'S A PERFECT MELON REALLY WORTH?¹

Christopher Bodnar[©]

Melon season arrived on the farm today and melons make me think of money. Prices, more specifically. And I've been thinking about prices and money a lot this week, after a CBC radio host commented on the cost of local, organic food . . . but more on that in a moment. I'm also thinking about watermelons. The truth is, the melons surprised me. I've been ignoring the melon patch. Nothing else is planted around it, so it's been easy to walk by and not look too closely. Today, however, we ran out of fruit in the house. And both children were screaming. And Paige (now eight months pregnant) needed some quiet. It was time for a walk. A trip yielding fruit would be even better.

We ended up in the melon patch. Watermelons were the only conceivable fruit I could think of that might be ready on the farm (apart from apples, of course). In the back of my mind I recalled Jeremy commenting on the fact that melons might be ready for the market this weekend. I didn't think much of it at the time; last year we had melons in mid-August. Beginning of October melons? They couldn't be any good. Watermelons are a difficult crop, but well worth the effort when they grow well. They need heat, lots of water, weeding and more heat. We started growing melons two years ago as an experiment. When we sent a bunch to market for the first time we had to figure out a price -- we had no precedent.

Once our costs were considered, we figured that we would have to charge the same price we have for our squash -- \$1.25/lb. This came as quite a shock to customers who normally pay \$0.29/lb for conventional melons in the stores through the summer. After various comments about the price that first week, we discussed whether we needed to lower the price.

Water and Cash Flow

So, consider this: each melon requires about 190 litres of irrigation water. It makes sense when you think of the primary ingredient of a watermelon: water. In fact, a number of customers noted that our price seemed rather high when most of the fruit is water (of course, they still line up to pay \$3.00/lb for tomatoes that are 94 per cent water and \$2.50/bunch for spinach that is 92 per cent water).

Nonetheless, a large portion of the population doesn't blink an eye at paying \$2.00 for half a litre of bottled water -- that's four times what they pay for a liter of gasoline for their car. So what value do you place on 190 litres of water, especially when fortified with fiber and a great range of nutrients? Then I heard about watermelons in Japan. It turns out they are a delicacy. Many people in Japan have never tasted watermelons. They regularly sell for \$200. Moreover, the first Hokkaido watermelons of the season are auctioned at an astounding price (\$6,000 two years ago). Unbelievable? Read about it [here](#).

All things considered, we figured that \$1.25/lb was a heck of a deal for melons. In fact, Lululemon should be designing yoga bags with melon carriers, not water bottle carriers -- think of the Vancouver fashion statement that would make. The next Saturday morning I explained this to our customers waiting in line at the market. We sold out of melons in an hour.

¹ The Tyee, November 10, 2010

The Cost of Local, Organic Food: Here's the Dirt

Having said all of this, it still doesn't answer the question of why local, organic food costs what it does . . . \$1.25/lb or otherwise. So here is a summary of some of the factors:

Wages: In B.C., many farm workers are paid the agricultural minimum wage of \$8/hour. Pretty lousy. At the same time, B.C. growers are competing against imports from places where people are paid between \$4 and \$8/day. Keep in mind that in the US, most farm workers are illegal migrants working under the table for far less than minimum wage. Even in B.C., in 2008 a judge noted the exploitation in B.C.'s fruit and vegetable industry.

For any operation, labour is generally the greatest expense. Try competing against someone who doesn't pay their employees. Add to that, on our farm we reject the minimum wage. Our apprentices earn \$10/hour plus accommodations and food; our long-time, permanent workers are paid \$13/hour plus a profit-share bonus at the end of the season. Still not great, but this factors into the prices we set.

Labour: In addition to the cost of wages, organic growing requires a significant amount of labour compared to conventional growing. All of our planting, weeding and harvesting is done by hand. Weeding alone is a full-time job for many of us throughout the summer. This is an even greater factor for our farm because we use very little plastic mulch for weed control.

Land: Anyone trying to pay a mortgage in BC knows about the cost of land. Trying to earn a living from farming while paying a mortgage is borderline insane. This is one area where our farm has an advantage; the land is co-operatively owned and leased to us at affordable rates.

Scale: Most of the farms you find at the farmers markets are there because it's one of the few places they can get the price they need to cover their costs. They are small-scale farms. Because of their small scale, they are able to employ more sustainable practices (e.g. hand weeding instead of disposable plastic mulch). By comparison, many large farms depend on volume to make money. If they sell at low prices to wholesalers, earning one or two dollars for each case, they'll make their money by selling a lot. Small producers can't do this, but they can compete on the basis of quality: many people will pay to have fresh and excellent-tasting produce.

Industry pressure . . . or lack thereof: There is huge pressure on farms to sell to distributors for prices that are sometimes less than the cost of production. In the summer when Americans are on holidays and crops are plentiful, Californian farms dump product at low prices. Local farms are then forced to sell cheap or let the food rot. Keep in mind that supermarkets generally lose money on fresh produce -- it's a loss leader -- instead earning their profit from the less-healthy packaged food. The appearance of abundance in the produce aisle has many costs -- wasted food, labour exploitation and dangerous agricultural practices that feed a system with cheap food. One alternative is the farmers market, where a farm can set a price that reflects the cost of production and justify the price to the end consumer.

Opportunity and capacity: I would be naive to state that some farms don't take advantage of the ability to set their own prices at the farmers markets. I have been shocked to see the prices on some produce. In some instances there has been little challenge because there haven't been other farmers. Having said that, this season has been a good example of what farmers markets are cultivating: competition.

There are few places where the primary producers line up, lay out their products and set their own prices, all in direct line of the end consumer's questions and queries. It's somewhat of an ideal form of capitalism. This year, there were many new farms at the markets. Some are existing farms who have figured out that the markets provide a better return on their products. Many, however, are new farmers -- the result of capacity building within the sector over the past few years to get more young farmers into the fields. The end result: Vancouver markets featured local, organic, non-greenhouse (i.e. tasty) tomatoes (normally a high-value crop) for well under \$2/lb, and even lower when buying in bulk.

Out of Reach?

With all of this in mind, it is fair to note that there are many people who can't afford to buy fresh produce at all. There are more people who can't afford to buy organic produce. And there are many more people who choose not to buy organic produce as a personal choice. None of this makes anyone better than anyone else. Rather, it's a distraction from larger issues. As a farmer, I want everyone to be able to access the food I grow. At the same time, I refuse to allow myself or my employees to live in poverty so that someone else can have cheap food. We live in a society with such abundance that there is little reason for people to go hungry. The inequality that results in hunger is a societal problem -- it's not the farmer's fault. Rather, it's all of our fault and all of our responsibility.

Anyway, we think a lot about the price of food on our farm and what makes for fair compensation to the people who grow the food, the cost of environmental stewardship and value for those purchasing the food. There aren't easy answers, but these are important discussions to have. As for the watermelons, we had a great harvest this evening. The screaming stopped and my daughters feasted on a late-September treat after dinner. Actually, it was their dinner. Knowing what came next, they refused to eat anything else. We'll have melons at our markets this week. They might cost a bit more and it might seem late in the season, but at a time when peaches are finished and cherries are but a distant memory these melons will blow you away.