

Despite drought, produce prices stay stable

By Russ Parsons, Los Angeles Times

California's drought has driven the prices of some fruits and vegetables up substantially, but others are actually cheaper than they were a year ago. In fact, the U.S. Agriculture Department's forecast for produce prices predicts modest increases of 2 to 3 percent.

Why aren't fruit and vegetable prices skyrocketing in these dry times?

There are several reasons, farm experts say. For one, many produce products are grown in coastal areas that have not been as affected by the drought as the Central Valley has been.

Also, they say, it's partly because the actual cost of growing the produce makes up only about 10 percent of the retail price – the rest covers transportation, handling, packaging and mark-up.

And almost paradoxically, except for the lack of rain, growing conditions have been nearly ideal.

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