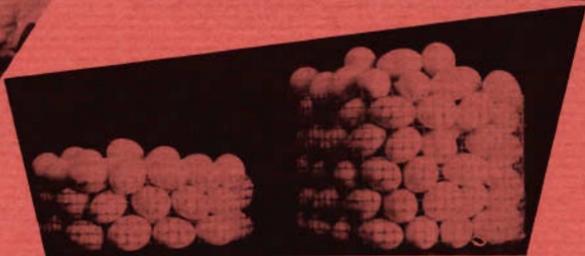


COOPERATIVE EXTENSION SERVICE
PUBLIC AFFAIRS SERIES
NUMBER 4--JULY 1960

Problems of Oahu's Hog and Poultry Farmers: PAST AND FUTURE

MITSUGI DOTE
EXECUTIVE SECRETARY
OAHU POULTRYMEN



*Cooperative Extension Work in Agriculture and Home Economics
College of Tropical Agriculture, University of Hawaii, Honolulu 14, Hawaii
United States Department of Agriculture Cooperating
Y. Baron Goto, Director, Hawaii Agricultural Extension Service
Distributed in Furtherance of the Acts of Congress of May 8 and June 30, 1914*

PROBLEMS OF OAHU'S HOG AND POULTRY FARMERS: PAST AND FUTURE*

MITSUGI DOTE
*Executive Secretary
Oahu Poultrymen*

I have had the pleasure of being very closely associated with both poultrymen and hog raisers for the past 35 years and have shared many problems with them. I have seen the progress made and have watched both industries grow.

When we consider the potential increase of our population, and when we also consider the imports of mainland eggs, poultry, and pork, it is safe to say that the future of these two industries should be bright. However, I feel that as in any other business, those engaged in poultry and hog production will have to face many problems. Some of these problems will be old problems and some will be new. I wish to take up three of the major problem areas that I personally feel must be faced. The first includes land and relocation problems; the second, production problems; and the third, marketing problems.

Land and relocation problems are not new. I remember the days when I used to call on poultry and hog farms right where Kapiolani Boulevard is today--from Sheridan Street all the way to Kapahulu. As these areas were developed and as leases expired, farmers were forced to relocate. Most of them continued farming.

* *Talk presented on February 2, 1960, at a conference on "The 1970 Honolulu Market for Produce and Livestock," sponsored by the Trade Committee of the Chamber of Commerce of Honolulu in cooperation with the University of Hawaii Agricultural Extension Service and the Hawaii Farm Bureau Federation.*

Some moved to Damon Tract, Puuloa, and Kalihi Valley, while others moved to Waiialae and Kahala. Then as these areas were developed for residential and business use and as leases expired, the farmers were forced to relocate again. Many stopped farming. Some bought land in Waianae, Mikilua, Kahaluu, or Waimanalo. Others moved to the Koko Head area. Those who bought land outside the city limits are secure for quite some time to come and will continue to improve their farms and increase their stock. On the other hand, you all know what the predicament of the farmers in the Koko Head area is. I believe that more than 50 percent of our local hogs are being produced in this area. What the future holds for these farmers is difficult to say. However, unless they can find a place to move to, they will be forced to quit farming.

Agricultural land on Oahu may be limited, but I feel that land can be made available for poultry and hog raising. These industries do not need good, level, fertile land. Marginal land can be utilized. Furthermore, of all agricultural products, poultry and hogs give about the highest gross return per acre of land. An efficiently operated poultry farm, whether it is in egg production or poultry meat, can gross better than \$20,000 per year per acre. An efficiently operated hog farm can gross better than \$15,000 per year per acre. These are very conservative figures.

With the help of the State government and the City Planning Commission and with the support of the Hawaii Farm Bureau and the Chamber of Commerce, I honestly



believe land can be made available on this island for poultry and hog raising; and, most important of all, this land can be zoned for agricultural purposes, so that the farmers can operate with security for a longer period of time. For unless they have security in land tenure, they cannot put in the improvements necessary to operate a farm efficiently.

Problems in poultry and hog production will be a little different from those of the past. Poultry raising and hog raising will be highly specialized businesses. In the past many people went into the poultry business even though they did not know anything about producing eggs. They weren't too concerned about this, because the hen knew how to produce eggs and they left it up to her. It is getting more and more evident that the successful poultrymen will be the ones who can squeeze the most additional eggs out of a hen.

In the past 10 years great progress has been made in improving the quality of poultry and livestock feed through research. Great progress has been made in breeding, and I'm sure that further improvements will be made along these lines.

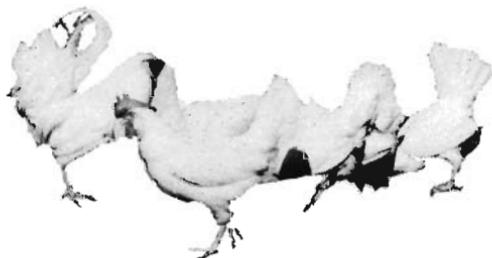
About 20 years ago, we had some 500 commercial egg producers on Oahu. Together with poultrymen on the other islands, these producers were supplying about 40 percent of Hawaii's egg requirements; the remaining 60 percent was imported. Today there are less than 100 commercial egg producers on Oahu, and together with neighbor-island producers, they are producing about four times as many eggs as in 1940. But because of the increase in our population and because of the increase in per capita consumption, Island poultrymen are supplying about 80 percent of the State's requirements.

It will not be long before our local producers will be operating more efficiently and will be able to compete with mainland eggs in price. I do not think Hawaii will be

an egg-exporting state, so there will be a place for mainland eggs here to serve as a cushion for local producers. When I say we are now producing about 80 percent of our requirement, which is roughly about 300,000 cases per year, it may seem that we cannot increase output much more. But actually there is still room for increase. Our consumption of eggs per capita has increased, but we are still far behind in comparison with mainland consumption. In the State of California, the per capita consumption is about 360 eggs or 1 case per year. And if in the next 10 years our population should increase to 750,000 people, and if we can bring up the per capita consumption to the same level as California, our requirements will be more than double of what we are producing today.

We will find small farms going out of business and the remaining farms getting larger and larger. Poultrymen and hog raisers will realize that they will be making less profit per bird or per pig and to make up the difference, they must operate for bigger volume. And to increase, they must mechanize and use automation in the farm. They will be purchasing their feed in bulk and will do their feeding with mechanical carts or automatic feeders and thus double or triple the number of birds or pigs handled per man. They must continually try to find ways and means to reduce the cost of production because the price that they will get for their product will not only be based on supply and demand, but also on mainland competition.

As far as poultry meat production is concerned, I feel there is great potential for growth. I believe we are



producing only about 35 percent of our requirements. But unless we can bring the cost down so that the price to consumers will be a little more competitive with the price of imported chickens, we will not be able to produce more than 35 percent of our needs. However, if farmers can produce on a bigger scale, operate the farm on an "all in-all out" basis, and develop a good processing organization, then I feel they will be able to replace a good portion of mainland chickens. The "all in-all out" basis of operation means raising birds of the same age at the farm, selling all as soon as the birds are ready for the market, and starting with a new batch of chicks.

It wasn't long ago that local poultrymen were putting into their farms almost 100 percent mainland chicks. That is, we were either importing baby chicks or hatching eggs. We now have some good breeding stock on this island, and I feel that in the next few years almost all chicks supplied to farms will be from eggs produced by local breeders.

Hog farms will be farther away from the city. This means that the cost of collecting garbage will increase and farmers will be using grain more and more. The hog producers are supplying a little more than 50 percent of our requirements at the present time. And as in the case of poultry producers, they will realize that they must raise more animals at minimum cost to be able to market them at a price a little more competitive with the price of imported pork. It may take time, but I personally feel that someday the hog raisers will be able to reduce their cost of production to such an extent that we will be able to process local hogs for ham and bacon.

It is fine to talk about how good and bright the future of the poultry and hog industries look. But what scares me is the possibility of all producers increasing too fast. Then we will have a terrific oversupply and many will be hurt. The producers must increase their production, but

I only hope that this increase will be gradual.

Another danger that I'm worried about concerns the fact that there is a point of maximum efficiency on each farm. Any producer increasing beyond this point will lose in efficiency. What this point of maximum efficiency will be for any particular farm depends on the acreage, the housing, the equipment, and the manpower on that farm.

Marketing of poultry, eggs, and pork has been a major problem in the past. It will continue to be a major problem as long as each individual producer tries to sell his own product. Marketing agricultural products is a highly specialized business by itself and I believe more and more poultrymen and hog raisers will learn that it is much better for them to go into cooperative marketing and put more time on their own farm and produce more. Progress has been made in improving the quality of products, but there is still room for further improvement. Every egg producer will be refrigerating eggs at his farm to maintain top quality, because top quality and freshness are our greatest assets in competing with mainland products.

I believe there may be some who will disagree with my line of thinking. I have expressed my personal views based on many years of close association with the local poultrymen and hog raisers. And I am sure that these farmers will continue to take a bigger and more important part in building the economy of this wonderful State of Hawaii.

