



**SAMPLE COSTS TO PRODUCE APRICOTS
IN SANTA CLARA COUNTY - 1967**

Sample Costs to Produce Apricots

Production data: 40 acre orchard - 24 x 24 planting - 75 trees per acre with a yield of 8 tons /A. Labor: \$1.65 per hour unskilled labor and \$2 for skilled per hour.

Operation	Hours Per Acre	Cash and labor cost per acre			Total
		Labor	Fuel and Repairs	Materials Kind and Quantity Cost	
<u>Cultural costs</u>					
Pruning	60.0	\$ 99.00			\$ 99.00
Brush Disposal	3.0	5.50	1.40		6.90
Spray (3x)	1.5	3.00	5.25	\$ 16.80	25.05
Fertilize	.3	.60	.40	30#N @ .12 3.60	4.60
Irrigate Power and Tax				15 inches 19.20	19.20
Sprinkle	3.0	4.95	2.00		6.95
Cultivate (6x)	3.0	4.95	3.65		8.60
Thinning (every other yr)	28.0	46.20			46.20
Cytosporina (cutting and tree removal)	5.0	8.25	3.00		11.25
Miscellaneous	5.0	8.25	2.00		10.25
TOTAL CULTURAL COSTS	108.8	180.70	17.70	39.60	238.00
<u>Harvest costs</u>					
Picking 800 buckets @	.19	152.00			152.00
Sorting	.15	24.75			24.75
Supervision	.5	10.00			10.00
Hauling	.5	8.25	5.00		13.25
TOTAL HARVEST COSTS	.34	195.00	5.00		200.00
<u>Cash Overhead</u>					
Misc., office, etc.				21.75	21.75
Taxes				100.00	100.00
TOTAL CASH OVERHEAD				121.75	121.75
TOTAL CASH COST		375.70	22.70	161.35	559.75
Management 5% of 8 tons @ 110.00 per ton					44.00
<u>Annual Cost</u>					
<u>Investment</u>	<u>Per Acre</u>	<u>Depreciation</u>	<u>Interest</u>		
Land	\$3,000		\$180.00		
Trees	1,000 (20 yrs)	\$ 50.00	30.00		
Irrigation System	175	10.00	3.00		
Buildings	50	2.00	1.50		
Equipment	700	70.00	21.00		
Total Investment	\$4,925	\$132.00	\$235.50		367.50
TOTAL COST PER ACRE					971.25
Cost per ton @ 8 tons yield					121.40

The Sample costs in this study are based on a typical set of conditions and include the operations that a good farmer would perform to reach the yield that is indicated. This study is not the average cost of production of a crop and will vary from one year to another, depending on the weather conditions, prices (both paid out and received) and the methods used in performing certain operations.

For the individual grower, some of the operations and materials listed in this study may not be necessary. For others, however, additional operations may have to be performed.

BASIS OF COST CALCULATIONS

Labor

Labor is broken down into two categories;

1) Skilled labor which includes tractor drivers, truck drivers, and crew supervisors.

2) Unskilled labor which includes pruners, irrigators, harvesters and other labor that do not operate equipment or perform other specialized tasks.

Included in the labor costs of \$1.65 for the unskilled and \$2 for the skilled laborer are social security, compensation insurance, housing and utilities which are paid by the grower.

Management

Management costs are calculated at 5% of the assumed gross income.

Cash Overhead

Cash overhead is calculated as 5% of the total cultural and harvest cost and includes incidentals, such as running parts or parts and fuel for operation of a pickup truck, that were not covered in other places in the study.

Interest on land and trees

The 6% interest charge on land and trees is based on the assumption that the growers investment could reasonably be expected to provide a 6% return if this money were invested in bank loans or similar enterprises.

EQUIPMENT INVESTMENT

<u>ITEM</u>	<u>COST</u>
Pickup	\$ 2,600
Truck	4,000
Tractor WD 30	5,000
Sprayer	5,500
Disk - 6 ft	900
Ridger	600
Fertilizer spreader	450
Ladders, Buckets, etc.	5,000
Trailer	1,400
Sled	300
Miscellaneous	2,250
Total Investment	\$28,000.00
Per Acre-on <u>40</u> acres	<u>700.00</u>
Depreciation per acre	<u>70.00</u>
Interest per acre	<u>21.00</u>

BY William W. Barnett, Farm Advisor and A. D. Reed, Extension Economist
University of California Agricultural Extension Service
2320 Moorpark Avenue, San Jose, California 95128

9/67 - 200 c
12/67 - 300 c