

Agricultural Briefs

SACRAMENTO COUNTY

1977 - SAMPLE COST TO PRODUCE PEARS

The sample costs in this study are based on a typical set of conditions and include the operations of an average or better producer. Figures are not average and will vary one year to another with weather variations in cultural practices, and prices paid and received.

Sacramento County Bartlett Pear Production for Years 1967 through 1976

Year	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	Av(10 Yrs)
Yields/Acre*	3.8	19.4	20.3	15.1	16.7	15.8	13.8	15.7	14.6	18.1	15.3

*From Sacramento County Agricultural Commissioner Reports.

Sprinkler instead of flood irrigation costs were used since the trend is toward this method. For any individual grower, some items might be omitted, others added depending on his methods of production.

Basis of Cost Calculation

- Labor:
1. Skilled, which includes equipment operators and crew supervisors.
 2. Unskilled, including pruners, pickers, irrigators and other labor that does not operate equipment or perform specialized tasks.

Interest: The 8% interest charge on investment is based on the assumption that this money could reasonably be expected to provide an 8% return if it were invested elsewhere.

EQUIPMENT INVESTMENT

ITEM	COST
Tractor W.D. 50 H.P.	\$ 14,000
Tractor W.D. 30 H.P. (2) used	9,000
Sprayer air carrier 36" diesel	15,000
Forklift attachment (2) low lift	1,100
Bin carrier	20,000
Tree squirrel	5,600
Cover crop and limb shredder 9'	2,500
Nurse truck (for sprayer)	7,000
Weed sprayer, P.T.O.	2,000
Pickup truck 3/4 ton	6,500
Ladders (100)	7,000
Picking bags (120)	1,700
Bin trailer	2,100
Forklift	9,000
TOTAL INVESTMENT	\$102,500

Prepared by

Gordon W. Morehead, Farm Advisor & Lynn Horel, Research Associate Agriculture Economics
University of California Cooperative Agricultural Extension

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SAMPLE COSTS TO PRODUCE PEARS
Sacramento County - 1977

Production Data: Yield - 15 and 20 tons per acre
134 trees per acre -- 150 acre orchard
Skilled Labor: \$5.00 per hour including social security and workmen's compensation insurance, and other fringe costs.
Unskilled Labor: \$3.50 per hour including social security and workmen's compensation insurance.

OPERATION	HOURS/ ACRE	CASH AND LABOR COST PER ACRE				TOTAL
		LABOR	FUEL & REPAIRS	MATERIALS KIND & QUANTITY	COST	
<u>Cultural Costs</u>						
Prune (contract)	100.0	\$335.00				\$335.00
Brush disposal	3.0	10.50	\$ 6.60			17.10
Spray 6x	6.0	30.00	27.50	Chemicals	\$ 98.00	155.50
Blight spray 9x	1.9	9.50	16.50	Chemicals	41.00	67.00
Blight cutting	7.0	24.50	8.35			32.85
Fertilizer	.5	2.50	1.15	N @150 lbs+K ₂ SO ₄ @400	61.00	64.65
Chop cover crop 6x	3.0	15.00	9.85			24.85
Weed control(strip 4x)	1.0	5.00	1.70	Chemicals	14.00	20.70
Irrigate(sprinkler 9x)	10.4	36.40	1.40	Power for 3-1/2 ac.ft.@ @\$7.00	24.50	62.30
Supervision	6.0	30.00				30.00
Miscellaneous	2.0	7.00	3.00			10.00
TOTAL CULTURAL COSTS		\$505.40	\$76.05		\$238.50	\$819.95

<u>Harvest Costs</u>						
Pick \$21.60/ton		\$432.00				\$432.00
Scatter bins 3m	1.2	4.20	\$ 3.25			7.45
Haul 2m	2.4	12.00	7.55			19.55
TOTAL HARVEST COST		\$448.20	\$10.80			\$459.00

<u>Cash Overhead</u>						
Misc., office, interest on production loan, pickup truck operating costs						\$ 77.10
Taxes						100.00
						Land (under Williamson Act) equipment and reclamation
TOTAL CASH OVERHEAD						\$177.10

TOTAL CASH COST		\$953.60	\$56.85		\$415.60	\$1,456.05
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Management		5% of 20 tons @ \$120				\$120.00
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INVESTMENT	Per Acre	Annual Cost		TOTAL
		Depreciation	Interest	
Land	\$1,500	\$ --	\$120.00	
Trees	4,000	100.00	160.00	
Irrigation system	500	33.33	20.00	
Buildings	200	10.00	78.00	
Equipment	683	68.30	27.32	
TOTAL	\$6,883	\$211.53	\$335.32	\$546.95

TOTAL COST PER ACRE	@ 20 ton yield	\$2,123.00
	@ 15 ton yield	1,954.16
TOTAL COST PER TON	@ 20 ton yield	\$ 106.15
	@ 15 ton yield	130.28