

Ad Reed

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SUGGESTED COSTS
in
RAISING PRUNES
in
BUTTE COUNTY

Prepared by: Philip S. Parsons, Extension Economist, University of California.
Davis and Art Retan, Farm Advisor, Butte County

University of California
Farm and Home Advisors' Office
Post Office Building, Oroville

(297)
April, 1960
200 c.

INTRODUCTION

Many people coming into any agricultural business are unacquainted with the true facts of the costs of production for the particular commodity that they are planning on raising. Many commercial growers, in fact, are not fully aware of just what their costs of production are. They are quite informed on what their bills come to and what they may pay in the way of income tax but they may not know what their exact costs for any given operation or group of operations may be.

Farm Advisors are constantly being besieged by people who are interested in buying land or in buying orchards in any given area. These folks, many times, wish to know what the cost of production on a given commodity is and for this reason, we have prepared the following cost study and will attempt to present figures to potential growers on what the production costs for prunes are in Butte County.

With ever rising labor figures and increasing land values the enclosed figures in this study will become inaccurate in a short period of time. For this reason growers and potential growers must compare present costs to those shown in this study, to obtain final accurate figures.

I would like to make it very clear that the costs shown in this study are not average costs. They are the average figures of studies made with better than average prune growers. They are based on the very best prune growing land that has been leveled and prepared for the planting of prunes. Costs are based on a 90 tree per acre planting and on 60 acres of total producing land, with approximately 40 acres in bearing prunes and 20 acres of orchard crops.

Acknowledgment

We wish to thank the growers for their cooperation in making the figures available for the preparation of this cost study.

EQUIPMENT REQUIRED FOR A 60-ACRE PRUNE ORCHARD

Tractor W.D. 40	\$ 5,000
Tractor W.G. 20	2,600
Speed Sprayer 400 Gal.	4,000
Disc 9'9"	1,000
Cultipacker	400
Ridger	350
Check breaker	200
Fertilizer spreader	500
Buck rake	350
Pickup $\frac{1}{2}$ ton	2,500
Nurse tank	150
Pallet wagons 2	1,000
Land plane $\frac{1}{2}$ ownership	600
Ladders, 25 @ \$15	375
Miscellaneous	<u>2,000</u>
	\$21,025

Yield Per Acre Dry Tons	Income Per Acre With An Average Price of \$262 Per Ton*
1.0	-368
1.5	- 98
2.0	- 14
2.5	+ 51
3.0	+131
3.5	+210
4.0	+290

* Average Prune price per ton 1955-1959.

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Butte County Agricultural Extension
Service, Post Office Building
Oroville, California

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SAMPLE COSTS TO PRODUCE PRUNES

40 H.P. Tractor \$1.00/hr.
20 H.P. Tractor .80/hr.
Truck.....1.60/hr.
6.7 Green Tons...2½ tons (2.7-1 Dry away) 90 trees

Skilled labor..\$1.65
Regular " " 1.30

Operation	Hour per acre	Labor	Cash and Labor Cost Per Acre		
			Fuel & Repairs	Materials	Total
<u>CULTURAL</u>					
Prune 90 trees @ .35		\$31.50			\$ 31.50
Brush Removal	1.5	2.48	1.88		4.36
Spray-Dormant-Delay Dormant 2m	1.0	1.65	2.05 (inc. truck)	\$12.00	15.70
Spray-Late Spring	1.0	1.65	2.05 Twig Borer DDT-Para	6.00	9.70
Spray-Summer. Miticides			Applied by plane	10.00	10.00
Fertilizer	.4	.66	.40 (90% N @ 13.8¢)	\$12.42	13.48
<u>IRRIGATION</u>					
Ridge 3x	.7	1.16	.88		2.04
Knock ridges 3x	.4	.66	.50		1.16
Irrigation 4x	8.0	10.40		8.10	18.50
Double disc, cultivate 3x, plane 2 ways 1x	3.0	4.95	3.75		8.70
Cover crops 2m	.4	.66	.48	2.80	3.94
Dig around trees 6¢/ tree every other year		2.70			2.70
Replant	2.0	2.95	.55	.50	4.00

Taxes			20.00	20.00	
Miscellaneous (Inc. Insurance & Licenses)	7.00	5.00	6.00	18.00	
TOTAL CULTURAL	<u>\$68.42</u>	<u>\$17.54</u>	<u>\$77.82</u>	<u>\$163.78</u>	\$163.78

HARVEST

Shake 350 boxes @ 5¢		Contract	17.50	17.50	
Pick " " @25¢	87.50			87.50	
Set out & pick up lug boxes 2m 3.0 (1½ hrs.)	4.25	1.43		5.68	
Pick & haul to de- hydrator 3m (1.2 hr. each) 3.6	4.70	2.00		6.70	
Dehydrate 6.7 tons @\$15			100.50	100.50	
Haul to market \$2.00/ton			5.00	5.00	
Supervision @2¢/box	_____	_____	<u>7.00</u>	<u>7.00</u>	
TOTAL CASH AND LABOR COST- HARVEST	\$96.45	\$3.43	\$130.00	\$229.88	<u>\$229.88</u>
TOTAL CULTURAL AND HARVEST COSTS					\$393.66

<u>INVESTMENT</u>	<u>PER ACRE</u>	<u>DEPRECIATION</u>	<u>INTEREST 6%</u>	
Land	\$1,000	_____	60.00	
Trees 6th yr. break even 900		22.50	27.00	
Irrigation	175	8.75	5.25	
Buildings	330	11.00	9.90	
Equipment	311	<u>31.10</u>	<u>9.33</u>	
TOTAL		\$73.35	\$111.48	
TOTAL DEPRECIATION AND INTEREST				<u>\$184.83</u>
TOTAL COST PER ACRE				\$578.49
COST PER TON ---	\$231.40			