

AGRICULTURAL EXTENSION SERVICE, UNIVERSITY OF CALIFORNIA

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CHILI PEPPERS - SAMPLE COSTS OF PRODUCTION

Based on a yield of 1.5 tons per acre dry weight, produced on a large commercial vegetable farm.  
Total Labor Costs per hour: Tractor driver \$1.95. Irrigator \$1.65. Other labor \$1.55.

| Operation  | Hours Per Acre    | Labor             | Fuel & Repairs      | Materials and Other Costs      | Total Per Acre                 |
|--|-------------------|-------------------|---------------------|--------------------------------|--------------------------------|
| <b>CULTURAL</b>  |                   |                   |                     |                                |                                |
| Land preparation   | 4.0               | \$ 7.80           | \$ 11.25            |                                | \$19.05                        |
| Plant  | 2.0               | 3.50              | 3.70                | Seed: 4 lbs. @ \$6.25          | \$25.00<br>32.20               |
| Pre-emergence spray  |                   |                   |                     | Material \$6.60 Appli. \$3.50  | 10.10<br>10.10                 |
| Irrigate 11 times  | 22.0              | 36.30             | 6.00                | Water: 4' @ \$5.00             | 20.00<br>62.30                 |
| Cultivate 6 times  | 3.0               | 5.85              | 5.10                |                                | 10.95                          |
| Fertilize 2 times  |                   |                   |                     | Material \$45.00 Appli. \$5.00 | 50.00<br>50.00                 |
| Pest control   |                   |                   |                     | Material \$10.00 Appli. \$3.50 | 13.50<br>13.50                 |
| Thin - contract  |                   |                   |                     |                                | 18.60<br>18.60                 |
| Hoe 2 times  | 11.0              | 17.05             |                     |                                | 17.05                          |
| Miscellaneous  | 4.0               | 6.20              | 4.00                |                                | 10.20                          |
| <b>Total Cultural Costs</b>  |                   | <b>76.70</b>      | <b>30.05</b>        |                                | <b>137.20</b><br><b>243.95</b> |
| <b>HARVEST</b>   |                   |                   |                     |                                |                                |
| Pick: 5¢ per lb.   |                   | 150.00            |                     |                                | 150.00                         |
| Conveyer belt, tractor, truck, trailer, etc.                       |                   |                   |                     |                                | 35.00<br>35.00                 |
| <b>Total Harvest Costs</b>   |                   | <b>150.00</b>     |                     |                                | <b>35.00</b><br><b>185.00</b>  |
| Misc. overhead, office and business expense (6% of cultural costs) |                   |                   |                     |                                | 14.64                          |
| Rent   |                   |                   |                     |                                | 90.00                          |
| <b>Total Cash Costs</b>  |                   |                   |                     |                                | <b>533.59</b>                  |
| Management: 5% of 1.5 tons @ \$400.00 (\$600.00)                   |                   |                   |                     |                                | 30.00                          |
| <b>ANNUAL COSTS:</b>   |                   |                   |                     |                                |                                |
|  | <u>Investment</u> | <u>Per Acre</u>   | <u>Depreciation</u> | <u>Interest-7%</u>             |                                |
| Buildings  |                   | \$ 40.00          | \$ 2.00             | \$ 1.40                        |                                |
| Irrigation system  |                   | 30.00             | 3.00                | 1.05                           |                                |
| Equipment  |                   | 220.00            | 22.00               | 7.70                           |                                |
| <b>Total</b>   |                   | <b>\$290.00</b>   | <b>\$27.00</b>      | <b>\$10.15</b>                 | <b>37.15</b>                   |
| <b>Total Cost per Acre</b>   |                   |                   |                     |                                | <b>600.74</b>                  |
| <b>Cost per Ton @ 1.5 Ton Yield</b>                                |                   |                   |                     |                                | <b>400.49</b>                  |
| <b>COST PER TON AT VARYING YIELDS:</b>                             |                   |                   |                     |                                |                                |
|  |                   | <u>Yield-Tons</u> | <u>Cost/Ton</u>     |                                |                                |
|  |                   | 1.25              | \$456.59            |                                |                                |
|  |                   | 1.50              | 400.49              |                                |                                |
|  |                   | 1.75              | 360.42              |                                |                                |

MJS/EAY:sd  
1/30/68:400c.