

COST ANALYSIS WORK SHEET
SAMPLE COSTS TO PRODUCE MANZANILLO OLIVES IN TULARE COUNTY
1970

Based on a yield of 4 tons per acre. Man labor at \$2.00 and \$2.20 per hour. Medium wheel tractor: Cash cost \$1.40 per hour.

	<u>Sample Costs</u>		<u>Your Cost</u>	
	<u>Per Acre</u>	<u>Per Ton</u>	<u>Per Acre</u>	<u>Per Ton</u>
PRE-HARVEST CASH COSTS:				
Pruning: 48 trees @ \$1.50	\$ 72.00			
Brush disposal: contract	8.00			
Fertilize: 1 hr. M & T	3.60			
Fertilizer: 40 lbs. N @ 11¢	5.28			
Irrigate: 7 times - 12 M hrs.	24.00			
Water: power for 3 ac. ft. @ \$5.50 + dist. tax \$6	22.50			
Weed control	12.00			
Spray: 1½ times - contract 2000 gal. @ 1½¢	30.00			
Spray material: Parathion & oil + ½ Bordeaux	18.00			
Misc. labor: 4 M & 1 T hrs.	9.60			
Misc. material	6.00			
County taxes	60.00			
Office, car, operating capital, etc.	50.93			
Repairs: irrig. system, equip. except tractor	7.00			
TOTAL PRE-HARVEST CASH AND LABOR COST	\$318.91	\$ 79.98		
VESTING COST:				
Picking at \$105 per ton	\$420.00	105.00		
Hauling at \$6.00 per ton	24.00	6.00		
Misc. harvest: 2 M & 1 T hr.	5.60	1.40		
TOTAL HARVESTING COST	\$449.60	\$112.40		
TOTAL CASH AND LABOR COST	\$768.51	\$192.21		
DEPRECIATION COSTS:				
Trees: (\$1100 cost - 50 years)	\$ 22.00			
Irrigation facilities: (\$200 cost)	12.00			
Building and equip.: (\$200 cost)	17.50			
TOTAL DEPRECIATION COST	\$ 51.50	\$ 12.88		
TOTAL CASH AND DEPRECIATION COST	\$820.01	\$ 20.50		
INTEREST ON INVESTMENT @ 6%:				
Trees: on ½ original cost (\$550)	\$ 38.50			
Irrigation facilities: on ½ cost (\$100)	7.00			
Buildings & equip.: on ½ cost (\$100)	7.00			
Land @ \$1,200	84.00			
TOTAL INTEREST ON INVESTMENT	\$136.50	\$ 34.13		
TOTAL COST OF PRODUCTION	\$956.51	\$239.13		

COST PER TON AT VARYING YIELDS

Yield - tons per acre	2	3	4	5	6	7
Cash and depreciation cost	\$299.00	\$236.34	\$205.00	\$186.20	\$173.67	\$164.72
TOTAL Cost Per Ton	\$376.25	\$281.84	\$239.13	\$213.50	\$196.42	\$184.22

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1970 MANZANILLO OLIVE COST AND MANAGEMENT DATA

Tulare County grows more Manzanillo olives than combined production for canning of all other olive growing areas in California. Cost data presented herein represents best available current estimates. Each grove varies according to its special situation relating to location, soil, water, tree and management factors.

Location: Manzanillo olives grow throughout the so-called "thermal belt" located roughly in a 10- to 15- mile zone along the Sierra foothills. Temperature minimums do not restrict olive growing. Scattered trees and small plantings may be found further west on the valley floor.

Soil Requirements: Olive trees tolerate a wide range of soil conditions. Highly alkaline soil, however, is unsuitable.

Water Requirements: Although olive trees withstand both drought and flooding, for best production, adequate, but not excessive, moisture should be available throughout the growing period. The most critical period is during flowering and fruit setting. Heaviest water use comes during hot weather--June, July, August and September. Total water applied varies according to season and to soil--about three acre feet per year is usual.

Pollination: Experimental work indicates usefulness of Sevillanos as pollinators for Manzanillo, the reverse pollen cross benefits also.

Rootstocks: Own rooted (cuttings) Manzanillos bear more crop and grow more vigorously than grafted trees.

Planting Distances: Usual planting distances with Manzanillos varies from 30 x 30 to 35 x 35. With deep, fertile soil, wider spacing is preferred. Double setting in young groves assists in utilizing the ground area while trees are young. Intersets should be removed when they crowd the permanent tree.

Fertilization: Orchards on fertile soils need only enough nitrogen to maintain trees adequately. About one pound of nitrogen per tree per year will usually suffice. Excessive fertilization wastes money. No other fertilizer substance appears necessary under Tulare County conditions.

Pest and Disease Control: Olive Scale must be controlled in order to produce canning quality olives. Peacock Spot and Olive Knot are diseases that can be largely avoided or rectified by good cultural procedures.

Verticillium wilt: A fungus disease of olive, is severe in many areas of Tulare County. Control procedures has not, as yet been worked out and considerable production loss occurs where disease is severe.

Harvesting and Marketing: Good harvesting techniques, proper timing, expeditions, careful picking and rapid handling will assist in maintaining best fruit quality. Olives harvested for oil bring very little return.

Fruit Thinning: Chemical spray thinning offers best means of reducing excessive crops. Proper dosage of the hormone and timing applications is essential.

Outlook: Olive production costs are considerable and relatively "fixed". Costs per unit down with increasing production. Top quality commands best prices. Maximum yields with good canning sizes bring best returns.