

SAMPLE PRODUCTION COSTS - IRRIGATED BARLEY - STANISLAUS COUNTY - 1961

Based On A Yield Of 4000 Lbs. Per Acre Westside And 3000 Lbs. Eastside (Double Cropped)

Man Labor @ \$1.35 and \$1.50 per hour, including Social Security and Comp. Insurance, etc.; medium wheel tractor @ \$1.25 per hour cash cost; depreciation @ 70¢ per hour; and interest @ 25¢ per hour.

E. E. Stevenson, Farm Advisor

Burt B. Burlingame, Extension Economist

	WESTSIDE		EASTSIDE	
	Sample Costs per acre	per CWT.	Sample Costs per acre	per CWT.
PRE-HARVEST CASH AND LABOR COSTS:				
Land preparation: man & tractor, 2 hrs.	\$ 5.50		\$ 4.83	
Planting: man & tractor - 0.3 hrs.	.83		.83	
Seed: 90 lbs. @ 5¢	4.50		4.50	
Irrigate: 1-2 X, (2.5 & 1 hrs.)	3.38		1.35	
Water: power - 1.5 acre ft.	6.00		.50	
Fertilizer Application: contract	1.50		1.50	
Fertilizer: 40-60 lbs. N. @ 10¢	6.00		4.00	
Misc. labor & tractor	1.00		1.00	
County Taxes: (40%)	4.80		4.80	
Office, car, operating capital, etc.	2.00		2.00	
Repairs: irrig. system, equip., except tractor	2.00		1.50	
TOTAL PRE-HARVEST CASH AND LABOR COSTS	\$37.51	\$.94	\$26.81	\$.89
HARVESTING COSTS:				
Combine: contract \$5/T Westside, \$6 Eastside	10.00		9.00	
TOTAL HARVESTING COSTS	\$10.00	\$.25	\$ 9.00	\$.30
TOTAL CASH AND LABOR COSTS	\$47.51	\$1.19	\$35.81	\$1.19
DEPRECIATION:				
Irrigation system: (cost \$80, life 20 yrs.-40%)	\$ 1.60		\$ 1.60	
Buildings: (cost \$10, life 20 yrs.-40%)	.20		.20	
Tractor: 2.5 hours @ 70¢	1.75		1.40	
Equip: (Westside \$30, East. \$15-life 10 yrs. -40%)	1.20		.60	
TOTAL DEPRECIATION	\$ 4.75	\$.12	\$ 3.80	\$.13
TOTAL CASH, LABOR AND DEPRECIATION COSTS	\$52.26	\$1.31	\$39.61	\$1.32
INTEREST ON INVESTMENT @ 6%				
Land: @ \$700 (40%)	\$16.80		\$16.80	
Irrigation system: on $\frac{1}{2}$ cost (\$40 - 40%)	.96		.96	
Buildings: on $\frac{1}{2}$ cost (\$5 - 40%)	.12		.12	
Tractor: 2.5 hours @ 25¢	.63		.50	
Equipment: on $\frac{1}{2}$ cost (40%)	.36		.20	
TOTAL INTEREST	\$18.87	\$.47	\$18.58	\$.62
TOTAL COST OF PRODUCTION	\$71.13	\$1.78	\$58.19	\$1.94

* Barley is usually sold in the field with no hauling charge.

COST PER CWT. AT VARYING YIELDS

Yield - Lbs./A	2500	3000	3500	4000	4500
WESTSIDE - Cash & Depreciation Costs	\$1.12	\$1.18	\$1.24	\$1.31	\$1.37
Total Cost	1.59	1.65	1.72	1.78	1.84
EASTSIDE - Cash & Depreciation Costs	1.24	1.32	1.40	1.49	1.57
Total Cost	1.85	1.94	2.02	2.11	2.19

Field Notes

UNIVERSITY OF CALIFORNIA
AGRICULTURAL EXTENSION SERVICE
Stanislaus County - 1961

SAMPLE PRODUCTION COSTS -- (IRRIGATED) BARLEY
BY
E. E. STEVENSON, FARM ADVISOR

Barley has been a popular crop for irrigated land for many years. The cost of production is low and little equipment is needed. It is adapted to practically all soils and is usually double-cropped. It also is sometimes grown to provide some income, following which the soil is worked and dried out to kill Bermuda or Johnson grass or to allow time for leveling.

Market And Acreage Trend

A good market exists for local barley for use as feed for our poultry and livestock enterprises. In spite of this, the outlook is not as good as it might be. Most feed grains are overproduced nationally and are competitive with barley; large surpluses are in government storage; and these stocks are shipped in at prices which are often lower than the cost of production for local farmers.

The USDA Feed Grains Program will probably have little effect on the irrigated acreage because of the unattractive payments, interpretation of "double-cropping eligibility", and the fact that it is impractical to farm only part of the acreage on small fields.

The long-time acreage trend is downward, along with other cereal grains, with the land going into trees, vines and other higher-return crops. The reason for this is obvious. Production costs on cereals have been increasing while grain prices have been dropping.

Analysis Of Costs

The costs listed on the other side include a charge for the owner-operator's labor, his pickup and office. Depreciation charges and interest are included on the equipment, buildings and irrigation facilities. The amount for interest on land investment and for county taxes provides a "rental allowance" of about \$21 an acre.

These costs are based on an owner-operator management. Where crops are grown on a cash or crop share rental basis, rent should be substituted for interest on land, interest and depreciation on buildings and irrigation systems, land taxes and any other items paid for by the land owner.

What Are The Possibilities?

The cost data sheet on the reverse side will provide a more detailed picture of production costs. The cash costs will not differ much from grower to grower. It is obvious that, at present prices, average yields will not return enough money to pay for all of these costs. To make the crop profitable, the farmer must have above average yields.

While barley will not return enough income to pay for all of the costs, including depreciation and interest on the present real estate value of the land, it will "pay taxes" and a little more for the good growers on good land.