

COST OF PRODUCING

WALNUTS

IN

TULARE COUNTY

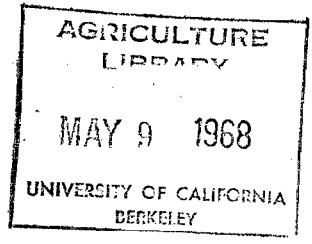
1967

Co-operative Extension work in Agriculture and Home Economics, College of Agriculture, University of California, and United States Department of Agriculture co-operating. Distributed in furtherance of the Acts of Congress of May 8, and June 30, 1914. George B. Alcorn, Director, California Agricultural Extension Service.

COST ANALYSIS WORK SHEET
SAMPLE COSTS TO PRODUCE WALNUTS IN TULARE COUNTY - 1967

Based on an average yield of 2,500 lbs. dry nuts per acre. Man labor at \$1.60 and \$1.80 per hour, including compensation insurance and Social Security; medium wheel tractor per hour cash cost \$1.30, depreciation \$.75, interest \$.30.

	Sample Costs Per Acre	Per Cwt.	Your Costs Per Acre	Per Cwt.
PRE-HARVEST CASH COSTS:				
Pruning: 10 man hours @ \$1.60	\$ 16.00			
Brush disposal: 4 man and 1 tractor hour	7.90			
Fertilizer: 125 lbs. N @ 11¢ applied	13.75			
Cover crop seed \$2.00; plant ½ hr., man & tractor	3.55			
Spray application: 2 times - contract	15.00			
Spray material:	15.00			
Tillage and prep. for harvest: 7 hr. man & tr.	21.70			
Irrigate: 6 times - 6 man hrs.	9.60			
Water: power 40" @ \$5.50/A ft. + dist. tax \$6.00	24.33			
Misc. labor: 4 man & 1 tractor hour	7.90			
Misc. material:	8.00			
County taxes:	35.00			
Office, car, int. on operating capital, etc.	15.00			
Repairs, except tractor	6.00			
TOTAL PRE-HARVEST CASH AND LABOR COST	\$198.73		\$ 7.95	
HARVESTING COSTS:				
Shake & pick: contract @ \$60/ton	75.00		\$ 3.00	
Hull, dehydrate & haul: contract @ \$35/ton	43.75		\$ 1.75	
TOTAL HARVESTING	\$118.75		\$ 4.75	
TOTAL CASH AND LABOR COST	\$317.48		\$12.70	
DEPRECIATION:				
Trees: cost - \$1500 - 40 year life	37.50			
Irrigation Facilities: \$200 cost	12.00			
Bldgs. & equipment, except tractor: \$100 cost	7.50			
Tractor: 9½ hr.	7.13			
TOTAL DEPRECIATION COST	\$ 64.13		\$ 2.57	
TOTAL CASH AND DEPRECIATION COST	\$381.61		\$15.27	
INTEREST ON INVESTMENT @ 6%:				
Trees: on ½ cost (\$750)	45.00			
Irrigation facilities: on ½ cost (\$100)	6.00			
Bldgs. & equip., except tractor: on ½ cost (\$50)	3.00			
Tractor: 9½ hours @ 30¢	2.85			
Land at \$1000	60.00			
TOTAL INTEREST ON INVESTMENT	\$116.85		\$ 4.67	
TOTAL COST OF PRODUCTION	\$498.46		\$19.94	



COST PER HUNDRED WEIGHT AT VARYING YIELDS

Yield, pounds per acre	1,000	1,500	2,000	2,500	3,000	3,500
Cash and depreciation cost	\$31.04	\$22.27	\$17.89	\$15.27	\$13.51	\$12.26
TOTAL COST PER CWT.	\$42.73	\$30.06	\$23.73	\$19.94	\$17.41	\$15.60

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350 copies

ABOUT THIS SHEET

This work sheet is designed to be useful as a guide for determining production costs for a specific orchard. The figures we have used are not intended to represent industry averages but are based on what is considered good management practice.

When using this work sheet it will be important to consider the following items that influence cost and returns:

- 1) Walnut Variety - Walnut varieties differ in cultural operations required. Susceptibility to various insects and disease varies widely and will greatly influence cultural costs.
- 2) Yield - Yield is the most important factor affecting cost per ton and profit per acre. This will vary with variety, location, management and tree age. In conjunction with yield, nut quality is also an important factor influencing net return.
- 3) Cultural Practices - Costs for cultural operations vary with variety and location. For instance, irrigation labor and water costs are affected by amount applied, number of irrigations, and size of head - large heads of water in some districts lower water costs.
- 4) Size Of Operation - Larger acreages lower many fixed costs on a per acre basis. Small farms may not be profitable from figures presented in this work sheet.