

Costs for Establishing and Producing Pecans
Southern San Joaquin Valley - 1984

Prepared by: Steve Sibbett, Tulare County Farm Advisor,
Visalia; Dan Aguiar, Staff Research Associate,
Davis Campus; and Karen Klonsky, Area Farm Management Specialist,
Davis Campus.

1. Acreage - The cost study is based on a 60 acre orchard.
2. Spacing - Orchards are planted 28' by 28' with 55 trees per acre.
3. Fertilizer - The rate of nitrogen applied is as follows:

<u>Year</u>	<u>lbs/acre</u>
1	6
2	12
3	27
4	54
5	54
6	100
7	100
8	100

4. Zinc nutrition spray - Nutrition sprays are applied four times during the growing season at an application cost of \$14 per acre application.
5. Irrigation system - A pipeline irrigation system is used.

Water applications rates are as follows:

<u>Year</u>	<u>Acre Feet/Year</u>
1	1
2	1
3	1.5
4	2
5	3
6	3
7	3
8+	3.5

The first three years are flood irrigation. Borders are put up after that.

6. Pesticide Application - Materials are applied three times per year at an application cost of \$14 per acre per application.
7. Pruning -

<u>Year</u>	<u>Hrs/Acre</u>
1	0.5
2	1
3	2
4	3
5	3
6	4
7	4
8+	4

A tower is rented from years 5 on.

8. Labor Costs - Are based on an hourly rate of \$7.50 for skilled labor and \$5.75 for field labor. Included are cash wages, workman's compensation insurance, social security, and other benefits that the employer might pay.
9. Equipment and Repair - Are listed under fuel and repair. Included are the cost of fuel, maintenance, replacement parts, tires, etc.
10. Harvest Costs - The first two bearing years are harvested with a catching frame. Following years are harvested with conventional shake, sweep, pick equipment.
11. Overhead Costs - County taxes represent a set fee while office and business costs are estimated at about 8% of the total cultural costs. They include such costs as preparing roadways, general weed control, office, bookkeeping, etc.
12. Investment Cost - In allocating the equipment cost per acre, the following calculations were made: (a) "Original Cost" of equipment is the estimated new cost and includes 6% sales tax. (b) "Cost Per Acre" is the new cost divided by the number of acres the equipment will be used on. (c) "Depreciation" is based on the "Per Acre Cost" divided by the expected life of the equipment. (d) "Interest" on investment is figured on one-half of the new cost per acre multiplied by 13%. (e) The investment cost per acre is calculated as 60% of the cost of all new equipment to reflect a mix of new and used equipment.