

SAMPLE COSTS TO PRODUCE PRUNES
IN SANTA CLARA COUNTY - 1967

Sample Costs to Produce Prunes

Production data: 80 acre orchard with a yield of 2.5 dry tons per acre, trees 24' x 24' 75 trees per acre. Labor at \$1.65 for unskilled and \$2 skilled.

Operation	Hours Per Acre	Cash and labor cost per acre			Total
		Labor	Fuel and repairs	Materials Kind and Quantity Cost	
<u>Cultural costs</u>					
Pruning	25.0	\$ 41.25			\$ 41.25
Brush Disposal	3.0	5.50	\$ 1.55		7.05
<u>Cultivation and Harvest Preparation (10x)</u>					
Preparation (10x)	5.0	10.00	11.25		21.25
Spray (3x)	1.5	3.00	5.25	\$ 24.00	32.25
Fertilize	.3	.60	.45	90# N @ .12	11.85
Irrigate - power & tax				For 20"	25.60
Sprinkler (4x)	4.0	6.60	2.00		6.60
Prop, tie, etc.	5.0	8.25	1.00		9.25
Miscellaneous	5.0	8.25	2.00	1.50	11.75
TOTAL CULTURAL COSTS	48.8	83.45	23.50	61.90	168.85
<u>Harvest costs</u>					
Shake and Pick, 6½ ton @15.00		93.75			93.75
Haul and Box work	8.0	13.20	3.00		16.20
Supervision	2.0	4.00			4.00
Dehydration				6½ tons @ 15	93.75
TOTAL HARVEST COSTS		110.95	3.00	93.75	207.70 ^{85%}
<u>Cash Overhead</u>					
Misc., office, etc				18.75	18.75
Taxes				100.00	100.00
TOTAL CASH OVERHEAD				118.75	118.75
TOTAL CASH COST		194.40	26.50	274.40	495.30
Management 5% of 2.5 tons @ 280.00 per ton					35.00
<u>Investment</u>					
Land		\$3,000			\$180.00
Trees		3,050 (40 yrs)	\$ 76.10		91.50
Irrigation system		175	8.75		5.25
Buildings		50	2.00		1.50
Equipment		425	42.50		12.75
Total Investment		6,700	129.35	291.00	420.35
TOTAL COST PER ACRE					950.65
Cost per ton @2.5 ton yield					380.30

The Sample costs in this study are based on a typical set of conditions and include the operations that a good farmer would perform to reach the yield that is indicated. This study is not the average cost of production of a crop and will vary from one year to another, depending on the weather conditions, prices (both paid out and received) and the methods used in performing certain operations.

For the individual grower, some of the operations and materials listed in this study may not be necessary. For others, however, additional operations may have to be performed.

BASIS OF COST CALCULATIONS

Labor

Labor is broken down into two categories;

1) Skilled labor which includes tractor drivers, truck drivers, and crew supervisors.

2) Unskilled labor which includes pruners, irrigators, harvesters and other labor that do not operate equipment or perform other specialized tasks.

Included in the labor costs of \$1.65 for the unskilled and \$2 for the skilled laborer are social security, compensation insurance, housing and utilities which are paid by the grower.

Management

Management costs are calculated at 5% of the assumed gross income.

Cash Overhead

Cash overhead is calculated as 5% of the total cultural and harvest cost and includes incidentals, such as running parts or parts and fuel for operation of a pickup truck, that were not covered in other places in the study.

Interest on land and trees

The 6% interest charge on land and trees is based on the assumption that the growers investment could reasonably be expected to provide a 6% return if this money were invested in bank loans or similar enterprises.

EQUIPMENT INVESTMENT

ITEM	COST
Pickup	\$ 2,600
Truck	4,000
Tractor TD 40	11,700
Tractor WD 30	5,000
Sprayer 500 gals.	5,500
Disk 12 ft	1,750
Fertilizer Spreader	300
Trailer	1,400
Miscellaneous	1,750
Total Investment	\$34,000.00
Per Acre on <u>80</u> acres	<u>425.00</u>
Depreciation per acre	<u>42.50</u>
Interest per acre	<u>12.75</u>

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