

SAMPLE COSTS TO PRODUCE WALNUTS
SAN BENITO COUNTY - 1970

Based on an 80 acre orchard with 30 acres of walnuts yielding 2500 lbs. per acre. Labor at \$1.80/hr. including compensation and social security. Tractor costs at \$1.55/hr.

Operation	Hours per Acre	Cash and labor cost per acre			
		Labor	Fuel and Repairs	Materials Kind and Quantity Cost	Total
<u>Cultural costs</u>					
Pruning	22.0	\$39.60	\$.50		\$ 40.10
Brush disposal	1.0	1.80	1.55		3.35
Fertilize	0.5	.90	.78	200 lbs. N @ 12.8¢	\$25.60
Spray 4x	2.5	4.50	11.18	Materials	36.70
Cult. & har. prep.	4.5	8.10	9.00		17.10
Irrigate 4x	5.0	9.00	1.00	Power for 24"	18.20
Misc., replace trees, graft, tie, hoe	4.0	7.20	1.55		5.50
TOTAL CULTURAL COSTS	9.50	71.10	25.56		86.00
<u>Harvest costs</u>					
Shake	2	Custom @ \$14.00/hr.			\$ 28.00
Picking (hand)		\$55.00 per ton			68.75
Sweep (rake)	2.5	\$ 4.50	\$ 3.88		8.38
Hulling		Custom @ \$20.00/ton (dry)			25.00
Dehydrating		Custom @ \$20.00/ton (dry)			25.00
TOTAL HARVEST COSTS					\$155.13
<u>Cash overhead</u>					
Misc., office, interest on operating capital, etc.					\$ 20.09
Taxes					58.08
TOTAL CASH OVERHEAD					\$ 78.17
TOTAL CASH COST					\$415.96
Management 5% of 1.25 tons @ \$554.00					\$ 34.63
<u>INVESTMENT</u>					
		Per Acre	Annual Cost Depreciation	Interest	
Land		\$1,960	\$ ---	\$137.20	
Trees		860	28.67	30.10	
Irrigation system		200	17.50	7.00	
Buildings		40	2.00	1.40	
Equipment		250	20.83	8.75	
Total		\$3,310	\$69.00	\$184.45	\$253.45
TOTAL COST PER ACRE					\$704.04
Cost per ton @ 1½ tons per acre yield					\$563.23

COSTS OF PRODUCTION AT VARYING YIELDS

Yield - Lbs. per Acre	1500	2000	2500	3000	3500	4000
Cash costs	\$352.10	\$382.53	\$415.96	\$443.39	\$473.82	\$504.25
Overhead	274.22	281.15	288.08	295.01	301.94	308.87
Total Cost per Acre	\$626.32	\$663.68	\$704.04	\$738.40	\$775.76	\$813.12
Cash Cost per Ton	\$469.46	\$382.53	\$332.77	\$295.59	\$270.75	\$252.13
Total Cost per Ton	\$835.09	\$663.68	\$563.23	\$492.27	\$443.29	\$406.56
Cash Cost per Lb.	23.5¢	19.1¢	16.6¢	14.8¢	13.5¢	12.6¢
Total Cost per Lb.	41.8¢	33.2¢	28.2¢	24.6¢	22.2¢	20.3¢