

1973

EARLY MATURING PEACHES FOR FRESH SHIPMENT

Orchard Production Costs
in the
Southern San Joaquin Valley

Cost Analysis Worksheet Showing Sample Costs

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COST ANALYSIS WORK SHEET - 1973

Sample costs to produce early maturing peaches for fresh shipment in the southern San Joaquin Valley. Costs are for a mature orchard containing 108 trees per planted acre, producing 650 lugs of fruit (22 lbs.) with approximately 25% of the total crop discarded as culls. Common labor \$2.70 per hour total and equipment operator \$2.95. Wages include Social Security, Workman's Compensation and insurance. Medium wheel tractor per hour cash costs \$1.80, depreciation \$2.00 and interest \$1.00.

Prepared by Edward A. Yeary, Farm Advisor-Statewide

	SAMPLE COSTS		MY COSTS	
	Per Acre	Per Lug	Per Acre	Per Lug
Pre-Harvest Cash Costs:				
Pruning: 108 trees at \$1.50	\$ 162.00			
Brush shredding: contract \$6.50 per acre	6.50			
3 hrs. raking brush	8.10			
Fertilize: 100 lbs. N at 15¢	15.00			
½ hr. labor and tractor	2.38			
Spray 2 times: materials	40.42			
Application 2¢/gallon, 800 gallons	16.00			
Furrow 3 times: 1½ hrs. labor and tractor	7.13			
Irrigate 7 times: labor 8 hrs.	21.60			
¾ ft. water: power + tax \$8/ac. ft.	28.00			
Disc 5 times: 7½ hrs. labor and tractor	35.63			
Thin: 108 trees at \$3.00	324.00			
Girdle: 25¢ per tree	27.00			
Tie: 5 hrs. labor	13.50			
Materials	10.00			
Taxes	32.00			
Miscellaneous labor, materials, field power including 4 hrs. labor and 1 tractor hr.	15.85			
Repairs to equipment except tractor	12.00			
Office, insurance, capital, business expenses	69.69			
TOTAL PRE-HARVEST CASH COSTS	\$ 846.80	\$1.30		
Harvesting Costs:				
Pick: 650 lugs (22 lbs.) at 50¢	\$ 325.00			
Haul: 8¢ per packed lug	52.00			
Misc.: 2 hrs. labor, 1 tractor hr.	7.45			
TOTAL HARVESTING COSTS	\$ 384.45	\$.59		
TOTAL CASH COSTS	\$1231.25	\$1.89		
Depreciation:				
Irrigation system and well \$300, 20 yrs.	\$ 15.00			
Bldgs. and equip. except tractor \$120, 12 yrs.	10.00			
Tractor: 11½ hrs. at \$2.00	23.00			
Trees: Cost \$1918, 15 yrs.	127.86			
TOTAL DEPRECIATION	\$ 175.86	\$.27		
Interest on Investment at 8%:				
Irrigation system and well ½ cost \$150	\$ 12.00			
Bldgs. and equip. except tractor ½ cost \$60	4.80			
Tractor 11½ hrs. at \$1.00	11.50			
Trees: ½ cost \$959.00	76.72			
Land: \$1200	96.00			
TOTAL INTEREST ON INVESTMENT	\$ 201.02	\$.31		
TOTAL COST OF PRODUCTION	\$1608.13	\$2.47		

SAMPLE COSTS AT VARYING YIELDS

Yield: Tons per acre	Average			Exceptional	
	8	10	12	14	16
Total Cost of Production/Ton	\$193.37	\$162.70	\$142.13	\$127.50	\$116.50
Cash costs only: per 22 lb. packed lug	2.15	1.83	1.62	1.47	1.36
Total Costs per 22 lb. packed lug	2.84	2.38	2.08	1.87	1.71
Packed lugs/acre with 25% cull-out	545	682	818	955	1091

ABOUT THIS SHEET

This work sheet was developed to show sample costs for a good yielding, mature orchard under southern San Joaquin Valley conditions. Specific years, areas and orchards may have different costs because of the following considerations:

1. Seasonal variations influence fruit set and quality. Consequently, differences in thinning, pest control and cullage will occur.
2. No account is made for partial or complete crop loss.
3. Interest and depreciation costs are based on present costs of establishing an orchard. Present bearing orchards were probably established at lower costs. Variety patent fees are not included in the development costs.
4. Costs per 2-layer lug are based on an average net weight of 22 lbs. Net weights vary depending on fruit size and maturity.
5. No allowance is made for cost of management, packing costs or commission charges.
6. Water costs vary in the southern San Joaquin Valley and an average cost is used in this study.

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