

REQUIREMENTS AND COSTS FOR PRODUCING STRAWBERRIES
LAKE CUMBERLAND AREA - FIRST-YEAR HARVEST, 1956*

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Preliminary Report

Production requirements and cost information were obtained from a random sample of first-year strawberry growers in Laurel, Russell, Pulaski and Wayne counties, Kentucky, for 1956. Growers who had less than half an acre and harvested fewer than 25 crates, however, were not included in the group sampled. The acreage of strawberries in the sample ranged from half an acre to 3.75 acres and averaged 1 acre per farm. The strawberries harvested averaged 164 crates (24-quart) per acre.

Total estimated cost of production at rates prevailing in the area for farm-furnished items, materials purchased, hired labor and equipment hired, averaged \$707.69 per acre; the total estimated cost per crate was \$4.32. For the first-year strawberries harvested in the 41-farm sample, the average receipts were \$820.00 per acre or \$5.00 a crate, leaving a net return of \$112.31 an acre or 68 cents a crate.

Labor was 60 percent of the total estimated cost of producing first-year strawberries; the labor cost averaged \$2.69 a crate of \$440.26 an acre. The preharvest labor cost was 55¢ a crate; harvesting (except picking) was 70¢, and picking was \$1.44 a crate. Total hours, rate per hour and estimated cost per acre, were as follows:

<u>Labor Utilization</u>	<u>Man labor hours</u>	<u>Rate per hour</u>	<u>Estimated cost of labor</u>
Preharvest labor	224	40¢	\$ 89.60
Harvesting, except picking	229	50¢	114.50
Picking, 10 quarts per hour	410	57.6¢	236.16
Total	863	51.2¢	\$440.26

The rate for preharvest labor of 40¢ an hour was based on the prevailing wages for hired labor in the area. Also, the wages for harvesting labor, except picking, were arrived at from local wages during the picking season. Most of this labor was performed by the farm operator and members of his family, except for extra help in grading and packing on some of the farm with larger acreages. Most of the 229 hours of harvesting labor was for grading and packing. Picking labor on a man-equivalent basis was about two-fifths of a crate (10-quart) per hour.

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The estimated total cost of production varied significantly with the rate of production per acre; the farmers who harvested between 50 and 125 crates per acre, averaging 85 crates, had a total estimated cost of \$5.63 per crate and produced at a loss of 50 cents per crate. Those who harvested between 125 and 199 crates per acre, averaging 164 crates, had an estimated cost of \$4.33 a crate and a net return above estimated total costs of 70 cents a crate. The farmers harvesting between 200 and 394 crates per acre, averaging 263 crates, had an estimated cost of \$3.72 a crate and a net return of \$1.22 a crate.

Some significant facts may be observed in the information presented below:

<u>Item</u>	<u>50 to 125 crates per acre</u>	<u>125 to 199 crates per acre</u>	<u>200 to 394 crates per acre</u>
Crates per acre, Av.	85	164	263
Total receipts, per crate	\$5.13	\$5.03	\$4.93
Cost of materials, per crate	1.53	0.85	0.68
Cost of crates not returned	.34	.35	.46
Cost of picking and hauling*	<u>1.56</u>	<u>1.56</u>	<u>1.56</u>
Total cost of materials, crates not returned, pick- ing and hauling	3.43	2.76	2.70
Return to labor, use of land and equipment, per crate	1.70	2.27	2.23
Estimated value for use of equipment and land, per crate	0.44	.20	.12
Return to labor and manage- ment, principally family labor, per crate	1.26	2.07	2.11
Return to labor and manage- ment, per acre	\$107.58	\$341.20	\$556.50
Hours of man labor, except picking, per acre	334 hr.	504 hr.	519 hr.
Returns per hour of man labor (and mgt.)	32¢	68¢	1.06

* The picking cost was calculated at \$1.44 a crate, and hauling (use of car or truck exclusive of labor) averaged 12¢ a crate. Picking time is estimated at 2/5 of a crate (about 10-quart) per hour. On this basis the labor for picking would be 212 hours, 410 hours, and 658 hours, respectively, for the above-mentioned groups.