

# SURVEY OF COST OF PRODUCTION OF RAW COTTON



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## SURVEY OF COST OF PRODUCTION OF RAW COTTON

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labor costs in the United States account for only 6 percent of total costs. In that country, rising productivity of labor exceeded the advance in wages, resulting in declining labor cost - from \$65 in the 1970 season to \$57 and \$39 per hectare in 1974 and 1975, respectively. However, this is an exceptional case. In most countries, instead, labor cost has been increasing, at least in absolute terms. In some cases the increase has even been dramatic. In Iran, for instance, labor cost increased from \$84 per hectare in 1970/71 to \$246 in 1974/75 and, again, to \$310 in 1975/76.

The cost of power and equipment was obviously higher in areas where greater mechanization is prevalent. For example, in the United States and Australia, this item constituted a major expense in cotton production. Worldwide, in the last two years, the cost of power and equipment has shown a sharp increase over earlier years as many countries have been expanding mechanization to offset labor shortages. The higher cost of fuel also explains the increased cost of power in most countries. Since 1971, the cost of power and equipment has more than doubled in Greece, and nearly tripled in Venezuela. In Syria, the rise in this item has indeed been dramatic: during the past six years power and equipment costs have gone up tenfold.

Fertilizers and other agricultural chemicals, which used to be relatively moderate items of expense, particularly in developing nations, are now among the most expensive inputs. This has been due to the sharp rise in their price following the energy crisis of 1973 together with increased application of these items in many areas. However, in 1975/76, the increase in fertilizer and chemical prices was comparatively moderate in relation to a year earlier. In fact, in several cases the cost of some fertilizers and chemical inputs declined as they became more abundant. For instance, in Syria, the cost of fertilizers increased more than six-fold between 1969 and 1974, but then declined by 27 percent in 1975. Similarly, in the Ivory Coast, the cost of insecticides rose by two and a half times between 1970 and 1974 and then dropped by about 9 percent in 1975.

The cost of irrigation varied greatly among different areas depending on the extent and methods of irrigation as well as the value of water. For example, while farmers in most countries spend less than \$100 per hectare for irrigation, in Israel, where fresh water supply is limited, irrigation is the single most expensive item in cotton production, accounting for about one-fourth of total direct costs.

In the aggregate, on-farm direct costs have shown a significant increase over the years as a result of inflation and tight supply of some inputs. Meanwhile, the increase in the off-farm direct costs, with the exception of transportation, has been relatively moderate. With sharply lower production in 1975/76, excess ginning capacity served to moderate any inflationary trend in ginning charges.

The lower cost of some individual production inputs during 1975/76 is attributable to a number of factors. In addition to the slow pace of economic recovery in most countries, smaller cotton acreage and depressed cotton prices earlier in the season reduced the demand for many inputs. On the other hand, the supply of some inputs, such as fertilizers and chemicals, has increased due to greater capacity coming on stream.

In recent years, improved demand for cottonseed has enhanced its value and hence added to farmers' returns. In most countries, the value of cottonseed paid for more than 13 percent of total production costs. In Pakistan, the value of cottonseed was equivalent to almost a third of total costs.

In 1975/76, total cost of production varied from less than \$300/hectare, as in Pakistan, to more than \$1,600/hectare in Israel. However, in about half of the countries surveyed total costs fell in the range of \$500 to \$900/hectare. Net costs per pound

of lint for the responding countries varied from 24 cents in Pakistan to 87 cents in Spain. Production costs also varied widely within a country. For example, in India production costs were \$432/hectare for the 320 F variety compared to \$1,378/hectare for Varalaxmi. However, more important than total cost is the cost per unit of output since it directly reflects on profitability. Generally, the countries with high total costs also have higher average yields, and hence, the range in production costs is narrower when expressed per pound rather than per hectare.

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## ENQUETE SUR LE COUT DE PRODUCTION DU COTON BRUT

### Introduction

Vu l'importance grandissante des renseignements concernant les coûts de la production cotonnière, notamment dans le contexte des perspectives de l'offre à long terme, le CCIC leur a consacré plusieurs enquêtes au cours des dernières années. Après un premier tour d'horizon en 1971, il présenta les résultats de la première enquête ordinaire dans le document 13 de la Réunion Plénière de 1972 (Nicaragua). Depuis cette époque, le taux d'inflation s'est nettement accéléré, rendant nécessaire la mise à jour fréquente des données concernant les coûts. C'est ainsi qu'une deuxième enquête sur les coûts de la production cotonnière fut réalisée en 1975, à l'intention de la Réunion Plénière d'Abidjan (Document 13). Lors de cette réunion, le Secrétariat fut chargé d'entreprendre une enquête analogue dont serait saisie la 35e Réunion Plénière de San Francisco. Le présent document renferme, pays par pays, les résultats statistiques de cette dernière enquête, dont il met en relief les points saillants. Il convient cependant de faire preuve de prudence lorsqu'on compare les données. Malgré l'utilisation d'un dénominateur commun (le dollar des Etats-Unis), les coûts nationaux ou les changements relatifs de position dans le temps doivent être comparés avec certaines précautions. En effet, les taux de change varient souvent, et l'existence de taux de change multiples et d'autres pratiques de gestion monétaire ne vont pas sans poser de problèmes.

Les coûts de la production cotonnière ont pour principaux éléments les coûts directs et les frais généraux. Parmi les coûts directs figurent les coûts de production et de cueillette à la ferme, ainsi que d'autres coûts, tels les transports et les frais d'égrenage, qui se situent en dehors de l'exploitation de production proprement dite. Les frais généraux englobent les paiements concernant, par exemple, la gestion et les terres. On a obtenu les coûts net du coton-fibre en soustrayant la valeur des graines de l'ensemble des coûts de production du coton-graine; ils sont indiqués en cents des Etats-Unis la livre.

Les coûts de la production cotonnière varient beaucoup entre les pays et entre les régions d'un même pays, en fonction d'éléments tels que les modes d'irrigation, la mécanisation, l'emploi des engrais, les variétés cultivées, les mesures de lutte contre les fléaux, les autres façons culturales, et la dimension moyenne des unités de production. Bien entendu, le coût unitaire est également fonction des rendements.

Depuis le début de la présente décennie, les coûts de production du coton ont nettement augmenté; en effet, plusieurs facteurs, dont en particulier les engrais, les produits chimiques, les terrains et la main d'oeuvre se sont fortement accrus dans de nombreux pays. L'inflation mondiale a été sévère en 1973, et la brusque élévation du coût de l'énergie et des dérivés du

pétrole est venue aggraver le problème en 1974. L'inflation s'est ralentie en 1975/76, et dans le cas de certains facteurs de production, les prix ont en fait enregistré un recul. Toutefois, comme les rendements ont diminué dans de nombreux pays, les prix de revient unitaires sont restés élevés.

Au total, les coûts de main d'oeuvre sont fonction des salaires, mais varient aussi selon que la production fait surtout appel à la main d'oeuvre ou au capital. Par exemple, aux Etats-Unis, le coût de la main d'oeuvre à l'hectare est resté bien au-dessous des autres pays producteurs, malgré le niveau élevé des salaires agricoles. Par contre, dans les pays producteurs de coton d'Europe occidentale et du Moyen Orient, la main d'oeuvre représente le poste le plus important de la production cotonnière, absorbant quelque 40 pour cent du total en 1975/76 en Grèce et en Iran. Mais aux Etats-Unis, où l'agriculture est très mécanisée, la main d'oeuvre ne représente que 6 pour cent du total. Dans ce pays, l'accroissement de productivité de la main d'oeuvre a dépassé la montée des salaires, entraînant le recul des coûts de main d'oeuvre qui sont passés de \$65 durant la campagne de 1970 à \$57 et \$39 à l'hectare en 1974 et 1975, respectivement. Il s'agit là toutefois d'un cas exceptionnel. Dans la plupart des pays, au contraire, les coûts de main d'oeuvre ont augmenté, tout au moins en chiffres absolus. En Iran, par exemple, les coûts de main d'oeuvre sont passés de \$84 à l'hectare en 1970/71, à \$246 en 1974/75 et \$310 en 1975/76.

Evidemment, l'énergie et le matériel coûtent plus cher dans les régions où la mécanisation est plus générale. Par exemple, aux Etats-Unis et en Australie, ils représentent une forte proportion des coûts de la production cotonnière. Pour l'ensemble du monde, le coût de l'énergie et du matériel a brusquement augmenté durant les deux dernières campagnes au fur et à mesure que de nombreux pays redoublaient d'efforts pour mécaniser les exportations afin de surmonter le manque de main d'oeuvre. La hausse des coûts des carburants explique aussi l'accroissement du coût de l'énergie dans la plupart des pays. Depuis 1971, l'énergie et le matériel ont plus que doublé de prix en Grèce et presque triplé au Venezuela. En Syrie, la hausse a été spectaculaire: au cours des six dernières années, le coût de l'énergie et du matériel a décuplé.

Les engrais et autres produits chimiques agricoles, qui représentaient des postes de dépenses relativement modérés, notamment dans les pays en développement, comptent désormais parmi les plus onéreux. Ce phénomène s'explique par la brusque hausse de leurs prix, à la suite de la crise énergétique de 1973, ainsi que par l'intensification de leur emploi dans de nombreuses régions. Toutefois, en 1975/76, les engrais et les produits chimiques ont subi une hausse relativement modérée par rapport à la campagne précédente. En fait, dans plusieurs cas, certains engrais et produits chimiques ont baissé de prix au fur et à mesure qu'ils devenaient plus abondants. Par exemple, en Syrie, le prix des engrais a plus que sextuplé entre 1969 et 1974, puis a baissé de 27 pour cent en 1975. De même, en Côte d'Ivoire, le coût des insecticides a augmenté de deux fois et demi entre 1970 et 1974, puis a reculé d'environ 9 pour cent en 1975.

Le coût de l'irrigation a beaucoup varié parmi les diverses régions, en fonction du degré et des méthodes d'utilisation, ainsi que du prix de l'eau. Par exemple, tandis que, dans la plupart des pays, les producteurs dépensent moins de \$100 à l'hectare pour l'irrigation, en Israël, où l'eau est rare, l'irrigation représente le poste le plus onéreux de la production cotonnière, dont elle absorbe environ le quart des coûts directs.

Dans l'ensemble, les coûts directs à l'exploitation ont sensiblement augmenté au cours des ans, à la suite de l'inflation et des difficultés d'approvisionnements en certains éléments. Entre-temps, l'accroissement des coûts directs en dehors de l'exploitation, à l'exception des transports, a été relativement modéré. Dans le contexte d'une diminution brutale de la production en 1975/76, l'existence d'un excédent de capacité a permis de modérer la poussée inflationniste dans le secteur de l'égrenage.

L'abaissement du prix de certains facteurs de production, en 1975/76, est imputable à un certain nombre d'éléments. S'ajoutant à la lenteur de la reprise économique dans la plupart des pays, la contraction de la superficie cotonnière et l'affaissement des cours du coton en

début de campagne se sont conjugués pour réduire la demande de nombreux facteurs. Par ailleurs, certains facteurs, dont les engrais et les produits chimiques, ont été offerts en plus grosses quantités à la suite de la mise en service de nouvelles usines.

Au cours de ces dernières années, la graine de coton est devenue plus recherchée, ce qui en a rehaussé la valeur, améliorant d'autant les revenus des producteurs. Dans la plupart des pays, la graine de coton permet de couvrir plus de 13 pour cent de l'ensemble des coûts de production. Au Pakistan, la graine de coton représente près du tiers de l'ensemble des coûts.

En 1975/76, le coût de la production a oscillé, au total, entre moins de \$300 à l'hectare, au Pakistan, et plus de \$1.600 à l'hectare, en Israël. Toutefois, dans le tiers environ des pays étudiés, le total des coûts s'est situé entre \$500 et \$900 à l'hectare. Les coûts net par livre de fibre ont oscillé, dans les pays qui ont répondu à l'enquête, entre 24 cents au Pakistan et 87 cents en Espagne. Les coûts de production ont également présenté de fortes variations à l'intérieur d'un même pays. Par exemple, en Inde, les coûts de production étaient de \$432 à l'hectare pour la variété 320F contre \$1.378 à l'hectare pour la variété Varalaxmi. Cependant, le coût unitaire est plus important que le coût total, car il conditionne directement la rentabilité. En règle générale, les pays où le coût total est élevé ont également les meilleurs rendements moyens; la fourchette des coûts de production devient alors plus étroite quand on l'exprime à la livre au lieu de le faire à l'hectare.

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## ENCUESTA SOBRE LOS COSTOS DE PRODUCCION DEL ALGODON EN RAMA

### Introducción

Debido a la creciente importancia de la información relativa a los costos de producción del algodón, sobre todo en el contexto de las perspectivas de la oferta a largo plazo, el CCIA ha llevado a cabo varias encuestas sobre el tema en los últimos años. Después de un esfuerzo preliminar realizado en 1971, los resultados de la primera encuesta regular fueron presentados como documento 13 a la Reunión Plenaria celebrada en Nicaragua en 1972. Desde esa fecha, sin embargo, la tasa de inflación se ha elevado en grado significativo, señalando la necesidad de actualizar con frecuencia los datos de los costos. De aquí que la segunda encuesta sobre los costos de producción del algodón se llevara a cabo en 1975 para presentarla a la Reunión Plenaria de Abidján (documento 13). En esa reunión se dieron instrucciones a la Secretaría para que emprendiera una encuesta similar y la sometiera a la consideración de la 35a. Reunión Plenaria de San Francisco. El presente documento contiene los resultados estadísticos de esta última encuesta, a nivel de país, y los aspectos más destacados de las conclusiones se presentan en los párrafos siguientes. Conviene, sin embargo, hacer una advertencia con respecto a las comparaciones de datos. Aunque para calcular los costos se ha utilizado un denominador común (el dólar de los Estados Unidos), de todos modos deberá procederse con cuidado al hacer comparaciones entre países o comparaciones sobre el tiempo, debido a las frecuentes fluctuaciones en los valores de las divisas así como a los problemas que plantean las múltiples paridades cambiarias y otras prácticas de administración monetaria adoptadas por determinados países.

Los principales factores de los costos de producción del algodón son los costos directos y los generales. Los primeros incluyen los costos de producción y cosecha a nivel de granja, así como los costos fuera de la granja como son los de transporte y los cargos por concepto de desmote. Los costos generales comprenden los pagos por partidas como administración y terrenos. Los costos netos correspondientes a la fibra de algodón se han obtenido sustrayendo el valor de la semilla de algodón de los costos totales de producir algodón con semilla, y estos se presentan en centavos de dólar de los Estados Unidos por libra.

Los costos de producción del algodón varían muchísimo tanto entre países como entre regiones dentro de un mismo país, dependiendo de factores como los métodos de irrigación, grado de mecanización, aplicación de fertilizantes, variedades cultivadas, medidas para combatir plagas, otras prácticas agrícolas y tamaño promedio de las unidades de producción. Por supuesto, el costo unitario también depende de los rendimientos.

Desde los primeros años del decenio de 1970, los costos de producción del algodón se han elevado en grado considerable, ya que el costo de varios insumos, en especial los fertilizantes, productos químicos, tierras y mano de obra, ha aumentado abruptamente en muchos países. La inflación mundial revistió caracteres graves en 1973, y el brusco aumento del costo de la energía y de otros derivados del petróleo durante 1974 agravó el problema. La inflación se ha atenuado en 1975/76 y, en el caso de algunos insumos, los precios han descendido en realidad. Ahora bien los rendimientos más bajos registrados en muchos países han mantenido los costos unitarios a un nivel elevado.

Los costos totales de la mano de obra dependen no solamente de los salarios sino también de si la producción hace uso intensivo de la fuerza laboral o del capital. En los Estados Unidos, por ejemplo, pese a los elevados salarios de la mano de obra agrícola, el costo de la misma por hectárea es muy inferior a la de la mayoría de otros países productores. En los países cultivadores de algodón de Europa Occidental y del Oriente Medio, la mano de obra constituye la partida más costosa de la producción algodonera, la cual llega a representar alrededor del 40 por ciento de los costos totales en 1975/76 en Grecia e Irán. Por otra parte, debido a la índole altamente mecanizada de las operaciones agrícolas, el costo de la mano de obra en los Estados Unidos sólo constituye el 6 por ciento de los costos totales. En ese país, el incremento de la productividad de la mano de obra superó el aumento de salarios, lo que tuvo como resultado el descenso del costo de la mano de obra, que pasó de US\$65 en la temporada de 1970 a US\$57 y US\$39 por hectárea en las temporadas de 1974 y 1975, respectivamente. Esto, sin embargo, constituye un caso excepcional. En la mayor parte de los países, por el contrario, el costo de la mano de obra ha estado incrementándose por lo menos en términos absolutos. En algunos casos el aumento ha sido incluso espectacular. En Irán por ejemplo, el costo de la mano de obra se elevó de US\$80 por hectárea en 1970/71 a US\$246 en 1974/75, y de nuevo a US\$310 en 1975/76.

El costo de la energía y el equipo fue evidentemente más elevado en zonas donde prevalece una mayor mecanización. Por ejemplo, en los Estados Unidos y Australia, esa partida constituyó un gasto principal en la producción algodonera. A nivel mundial, el costo de la energía y el equipo ha mostrado un brusco incremento con respecto a años anteriores ya que muchos países han estado expandiendo la mecanización a fin de contrarrestar la escasez de mano de obra. El costo más elevado del combustible explica así mismo el mayor costo de la energía en muchos países. Desde 1971, el costo de la energía y equipo han aumentado en más del doble en Grecia y casi triplicado en Venezuela. En Siria, el aumento de este rubro ha sido definitivamente dramático: durante los últimos seis años los costos de la energía y el equipo han aumentado diez veces.

Los fertilizantes y otros productos químicos utilizados en la agricultura, que solían ser partidas de gasto relativamente moderadas, en particular en las naciones en desarrollo, en la actualidad figuran entre los insumos más costosos. Esto se ha debido al acentuado aumento de su precio después de la crisis de energéticos registrada en 1973, y a la aplicación de esos productos en muchas zonas. Sin embargo, en 1975/76, el aumento en los precios de fertilizantes y productos químicos fue comparativamente moderado en relación con un año anterior. En realidad, en varios casos el costo de algunos fertilizantes e insumos químicos descendió ya que se contó con mayor abundancia de ellos. En Siria, por ejemplo, el costo de los fertilizantes se incrementó más de seis veces entre 1969 y 1974, pero después descendió en 27 por ciento en 1975. De manera análoga, en la Costa de Marfil el costo de los insecticidas aumentó por dos veces y medio entre 1970 y 1974, y después disminuyó en alrededor del 9 por ciento en 1975.

El costo de la irrigación varió considerablemente entre diferentes zonas de acuerdo con la escala y métodos de riego, así como con el valor del agua. Por ejemplo, en tanto que los agricultores de la mayoría de los países gastan menos de US\$100 por hectárea para riego, en Israel, donde el suministro de agua dulce es limitado, el riego constituye la partida más costosa de la producción algodonera y representa alrededor de una cuarta parte de los costos directos totales.

En términos generales, los costos directos a nivel de granja han mostrado un considerable incremento en el curso de los años como resultado de la inflación y del suministro restringido de algunos insumos. Mientras tanto, el aumento de los costos directos fuera de la explotación, excepción hecha del transporte, han sido relativamente moderados. Con una producción apreciablemente más baja en 1975/76, el exceso de capacidad desmotadora contribuyó a moderar toda tendencia inflacionaria en los cargos por concepto de desmote.

El costo más bajo de algunos insumos particulares de distribución durante la temporada de 1975/76 cabe atribuirlo a diversos factores. Además del lento ritmo de recuperación económica de la mayoría de los países, la menor superficie de cultivo del algodón y los precios deprimidos de éste a principios de la temporada redujeron la demanda de muchos insumos. Por otra parte, la oferta de algunos insumos, como fertilizantes y productos químicos, ha aumentado debido a una mayor capacidad continuada.

En los últimos años la mayor demanda de semilla de algodón ha hecho aumentar su valor y por consiguiente los beneficios de los agricultores. En la mayor parte de los países el valor de la semilla de algodón pagó más del 13 por ciento del total de los costos de producción. En Paquistán el valor de la semilla de algodón equivalió a casi una tercera parte de los costos totales.

En 1975/76, el costo total de producción varió de menos de US\$300 por hectárea, como en Paquistán, a más de US\$1,600 por hectárea, en Israel. Sin embargo, en alrededor de la mitad de los países encuestados los costos descendieron en una escala de US\$500 a US\$900 por hectárea. Los costos netos por libra de fibra de algodón en los países que respondieron al cuestionario variaron de 24 centavos en Paquistán a 87 centavos en España. Los costos de producción también variaron ampliamente dentro de un país. En la India, por ejemplo, los costos de producción fueron de US\$432 por hectárea para la variedad 320 F, comparada con US\$1.378 por hectárea para la variedad Varalaxmi. Ahora bien, más importante que el costo total es el costo unitario de producción ya que se refleja directamente en los beneficios. En términos generales, los países que tienen elevados costos totales también tienen un promedio más elevado de rendimiento y, por consiguiente, la escala de los costos de producción es más angosta cuando se expresa por libra que cuando se hace por hectárea.

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Item	Estimated cost of producing a hectare of cotton	
	New South Wales	Queensland
	Average producer	Average producer
Yield used (kilos per hectare)		
- For seed cotton . . . . .	2,700	3,082
- For cotton lint . . . . .	900	1,048
<u>On farm direct costs</u>	<u>US \$ per hectare</u>	
<u>Preharvesting:</u>		
Labor . . . . .	203.00	104.30
Power and equipment . . . . .	179.00	64.24
Seed . . . . .	14.00	5.86
Fertilizer . . . . .	38.00	27.71
Herbicides . . . . .	43.00	)
Insecticides and fungicides . . . . .	143.00	) 119.44
Defoliant and other chemicals . . . . .	23.00	)
Irrigation . . . . .	65.00	--
Custom or contract work . . . . .	22.00	.47
Other (specify) <u>Building Repairs -</u>	--	71.04
<u>Depreciation</u>		
Subtotal . . . . .	730.00	393.06
<u>Harvesting:</u>		
Labor . . . . .	73.00	24.74
Power and equipment . . . . .	66.00	18.56
Custom or contract work . . . . .	--	--
Other (specify) <u>Depreciation</u>	--	8.22
Subtotal . . . . .	139.00	51.52
<u>Interest on operating capital</u> . . . . .	--	142.07
<u>Off farm direct costs</u>		
Transportation to gin . . . . .	--	.33
Ginning (including bagging and ties) . . . . .	158.00	) 415.17
Other (specify) <u>Marketing</u>	--	)
Subtotal . . . . .	158.00	415.50
Total direct costs . . . . .	1,027.00	1,002.15
<u>Overhead costs:</u>		
Management and administration . . . . .	--	61.01
Land cost (typical rental value) . . . . .	121.00	--
Other (specify) _____	--	--
TOTAL COSTS FOR SEED COTTON . . . . .	1,148.00	1,063.16
MINUS - value of cottonseed extracted in ginning . . . . .	108.00	91.02
NET COSTS FOR LINT . . . . .	1,040.00	972.14
Net costs for lint in US cents per pound	52.40	42.08

Rate of exchange: New South Wales - \$1.35 = \$A1; Queensland - \$1.2372 = \$A1.

Tolima Region

Crop year 1975

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .	1,374	1,780	2,250
- For cotton lint . . . . .	487	631	798
<u>On farm direct costs</u>	<u>US \$ per hectare</u>		
<u>Preharvesting:</u>			
Labor . . . . .	26.10	31.18	44.14
Power and equipment . . . . .	78.63	94.78	98.02
Seed . . . . .	7.28	8.26	8.26
Fertilizer . . . . .	57.71	62.01	62.01
Herbicides . . . . .	19.65	19.53	19.53
Insecticides and fungicides . . . . .	113.99	116.16	116.16
Defoliant and other chemicals . . . . .	0.00	0.00	0.00
Irrigation . . . . .	0.00	0.00	3.24
Custom or contract work . . . . .	40.32	46.96	46.96
Other (specify) _____	--	--	--
Subtotal . . . . .	343.68	378.88	398.32
<u>Harvesting:</u>			
Labor . . . . .	3.77	3.24	5.31
Power and equipment . . . . .	22.13	21.05	21.05
Custom or contract work . . . . .	64.80	68.43	87.95
Other (specify) _____	--	--	--
Subtotal . . . . .	90.70	92.72	114.31
<u>Interest on operating capital</u> . . . . .	17.00	18.72	18.72
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	7.72	8.16	10.49
Ginning (including bagging and ties) . . . . .	30.47	35.91	44.07
Other (specify) _____	12.61	14.44	18.62
Subtotal . . . . .	50.80	58.51	73.18
Total direct costs . . . . .	502.18	548.83	604.53
<u>Overhead costs:</u>			
Management and administration . . . . .	62.24	64.44	64.44
Land cost (typical rental value) . . . . .	77.72	90.67	90.67
Other (specify) _____	--	--	--
TOTAL COSTS FOR SEED COTTON . . . . .	642.14	703.94	759.64
MINUS - value of cottonseed extracted in ginning . . . . .	90.05	116.84	147.70
NET COSTS FOR LINT . . . . .	552.09	587.10	611.94
Net costs for lint in US cents per pound	51.40	42.20	34.80

Rate of exchange: \$1.00 = 30.88 Pesos.

## Costa Meta Region

Crop year 1974/75

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .	1,374	1,620	2,100
- For cotton lint . . . . .	487	542	703
<u>On farm direct costs</u>	<u>US \$ per hectare</u>		
<u>Preharvesting:</u>			
Labor . . . . .	26.10	21.05	34.00
Power and equipment . . . . .	78.63	62.50	65.73
Seed . . . . .	7.28	6.31	6.31
Fertilizer . . . . .	57.71	53.43	53.43
Herbicides . . . . .	19.65	19.81	19.81
Insecticides and fungicides . . . . .	113.99	111.85	111.85
Defoliant and other chemicals . . . . .	--	--	--
Irrigation . . . . .	--	--	9.72
Custom or contract work . . . . .	40.32	38.86	38.86
Other (specify) _____	--	--	--
Subtotal . . . . .	343.68	313.81	339.71
<u>Harvesting:</u>			
Labor . . . . .	3.77	4.31	4.80
Power and equipment . . . . .	22.13	23.22	23.73
Custom or contract work . . . . .	64.80	63.43	82.16
Other (specify) _____	--	--	--
Subtotal . . . . .	90.70	90.96	110.69
<u>Interest on operating capital</u> . . . . .	17.00	17.00	17.00
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	7.72	8.45	13.04
Ginning (including bagging and ties) . . . . .	30.47	29.31	36.04
Other (specify) _____	12.61	12.59	16.32
Subtotal . . . . .	50.80	50.35	65.40
Total direct costs . . . . .	502.18	472.12	532.80
<u>Overhead costs:</u>			
Management and administration . . . . .	62.24	60.07	60.07
Land cost (typical rental value) . . . . .	77.72	64.77	64.77
Other (specify) _____	--	--	--
TOTAL COSTS FOR SEED COTTON . . . . .	642.14	596.96	657.64
MINUS - value of cottonseed extracted in ginning . . . . .	90.05	106.02	137.40
NET COSTS FOR LINT . . . . .	552.09	490.94	520.24
Net costs for lint in US cents per pound	51.40	41.09	33.60

Rate of exchange: \$1.00 = 30.88 Pesos

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .	1,590.9		
- For cotton lint . . . . .	588.6		
<u>On farm direct costs</u>		<u>US \$ per hectare</u>	
<u>Preharvesting:</u>			
Labor . . . . .		120.20	
Power and equipment . . . . .		97.00	
Seed . . . . .		8.00	
Fertilizer . . . . .		78.28	
Herbicides . . . . .		13.20	
Insecticides and fungicides . . . . .		100.22	
Defoliant and other chemicals . . . . .		--	
Irrigation . . . . .		--	
Custom or contract work . . . . .		--	
Other (specify) _____		--	
Subtotal . . . . .		416.90	
<u>Harvesting:</u>			
Labor . . . . .		112.60	
Power and equipment . . . . .		--	
Custom or contract work . . . . .		--	
Other (specify) <u>Sacks</u> _____		6.00	
Stalk destruction _____		20.00	
Subtotal . . . . .		138.60	
<u>Interest on operating capital</u> . . . . .		37.49	
<u>Off farm direct costs</u>			
Transportation to gin . . . . .		14.00	
Ginning (including bagging and ties) . . . . .		)	
Other (specify) <u>Various</u> _____		) 51.80	
Subtotal . . . . .		65.80	
Total direct costs . . . . .		658.79	
<u>Overhead costs:</u>			
Management and administration . . . . .		44.44	
Land cost (typical rental value) . . . . .		16.80	
Other (specify) <u>Unforeseen items</u> _____		27.77	
TOTAL COSTS FOR SEED COTTON . . . . .		747.80	
MINUS - value of cottonseed extracted in ginning . . . . .		121.80	
NET COSTS FOR LINT . . . . .		626.00	
Net costs for lint in US cents per pound		48.00	

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .	1,946.00	2,600.00	3,242.00
- For cotton lint . . . . .	712.24	951.60	1,186.60
<u>On farm direct costs</u>	<u>US \$ per hectare</u>		
<u>Preharvesting:</u>			
Labor . . . . .	77.88	77.88	77.88
Power and equipment . . . . .	152.00	152.00	152.00
Seed . . . . .	4.11	4.11	4.11
Fertilizer . . . . .	95.20	95.20	95.20
Herbicides . . . . .	--	--	--
Insecticides and fungicides . . . . .	313.08	313.08	400.00
Defoliant and other chemicals . . . . .	--	--	--
Irrigation . . . . .	--	--	--
Custom or contract work . . . . .	18.48	18.48	18.48
Other (specify) <u>Hand tools and kits</u>	10.00	10.00	10.00
Subtotal . . . . .	670.75	670.75	757.67
<u>Harvesting:</u>			
Labor . . . . .	101.14	134.86	168.57
Power and equipment . . . . .	--	--	--
Custom or contract work . . . . .	9.77	9.77	9.77
Other (specify) <u>Daily transportation of workers</u>	8.00	8.00	8.00
Subtotal . . . . .	118.91	152.63	186.34
<u>Interest on operating capital</u> . . . . .	51.33	53.52	61.36
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	17.14	22.86	28.57
Ginning (including bagging and ties) . . . . .	37.37	49.83	62.29
Other (specify) _____	--	--	--
Subtotal . . . . .	54.51	72.69	90.86
Total direct costs . . . . .	895.50	949.59	1,096.23
<u>Overhead costs:</u>			
Management and administration . . . . .	31.81	31.81	31.81
Land cost (typical rental value) . . . . .	114.29	142.66	171.43
Other (specify) <u>Maintenance of fences, roads and drains</u>	20.00	20.00	20.00
TOTAL COSTS FOR SEED COTTON . . . . .	1,061.60	1,144.06	1,319.47
MINUS - value of cottonseed extracted in ginning . . . . .	136.56	182.47	227.50
NET COSTS FOR LINT . . . . .	925.04	961.59	1,091.97
Net costs for lint in US cents per pound	59.00	46.00	42.00

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .	2,700		
- For cotton lint . . . . .	--		
<u>On farm direct costs</u>		<u>US \$ per hectare</u>	
<u>Preharvesting:</u>			
Labor . . . . .	194.44		
Power and equipment . . . . .	121.25		
Seed . . . . .	22.22		
Fertilizer . . . . .	45.00		
Herbicides . . . . .	19.44		
Insecticides and fungicides . . . . .	33.33		
Defoliant and other chemicals . . . . .	--		
Irrigation . . . . .	138.88		
Custom or contract work . . . . .	--		
Other (specify) _____	--		
Subtotal . . . . .	574.56		
<u>Harvesting:</u>			
Labor . . . . .	333.30		
Power and equipment . . . . .	35.00		
Custom or contract work . . . . .	--		
Other (specify) <u>Transportation of</u> <u>seed cotton and workers</u> . . . . .	44.44		
Subtotal . . . . .	412.74		
<u>Interest on operating capital and</u> <u>circulating capital</u> . . . . .	36.11		
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	--		
Ginning (including bagging and ties) . . . . .	--		
Other (specify) _____	--		
Subtotal . . . . .			
Total direct costs . . . . .	1,023.41		
<u>Overhead costs:</u>			
Management and administration . . . . .	--		
Land cost (typical rental value) . . . . .	236.11		
Other (specify) <u>Local tax</u> . . . . .	42.77		
<u>2% harvesting &amp; preharvesting cost</u> . . . . .	19.40		
TOTAL COSTS FOR SEED COTTON . . . . .	1,321.69		
MINUS - value of cottonseed extracted in ginning . . . . .			
NET COSTS FOR LINT . . . . .			
Net costs for lint in US cents per pound			

Rate of exchange:

Item	Estimated cost of producing a hectare of cotton			
	MCU-5	H-4	Varalaxmi	320 F
Yield used (kilos per hectare)				
- For seed cotton . . . . .	2, 150	2, 400	3, 000	894
- For cotton lint . . . . .	717	800	1, 000	298
<u>On farm direct costs</u>	<u>US \$ per hectare</u>			
<u>Preharvesting:</u>				
Labor . . . . .	68.91	68.26	255.00	45.43
Power and equipment . . . . .	--	--	--	--
Seed . . . . .	13.04	17.39	36.30	2.93
Fertilizer . . . . .	90.76	306.41	230.54	35.33
Herbicides . . . . . )				
Insecticides and fungicides . . . . . )	60.87	204.57	145.65	19.89
Defoliant and other chemicals . . . . . )				
Irrigation . . . . .	52.17	11.63	1.41	11.41
Custom or contract work . . . . .	--	--	--	--
Other (specify) <u>Depreciation of machinery, maintenance of cattle, etc.</u>	92.93	32.39	53.80	8.80
Subtotal . . . . .	378.68	640.65	722.70	123.79
<u>Harvesting:</u>				
Labor . . . . .	28.37	29.35	28.80	19.02
Power and equipment . . . . .	--	--	--	--
Custom or contract work . . . . .	--	--	--	--
Other (specify) _____	--	--	--	--
Subtotal . . . . .	28.37	29.35	28.80	19.02
<u>Interest on operating capital</u> . . . . .	--	--	--	--
<u>Off farm direct costs</u>	18.48	55.65	33.80	13.15
Transportation to gin . . . . . )				
Ginning (including bagging and ties) . . . . . )	239.67	271.30	404.35	127.17
Other (specify) _____	--	--	--	--
Subtotal . . . . .	258.15	326.95	438.15	140.32
Total direct costs . . . . .	665.20	996.95	1, 189.65	283.13
<u>Overhead costs:</u>				
Management and administration . . . . .	135.87	135.87	135.87	135.87
Land cost (typical rental value) . . . . .	--	--	--	--
Other (specify) <u>Insurance</u>	23.91	44.89	53.04	13.15
TOTAL COSTS FOR SEED COTTON . . . . .	824.98	1, 177.71	1, 378.56	432.15
MINUS - value of cottonseed extracted in ginning . . . . .	202.17	234.78	260.87	90.76
NET COSTS FOR LINT . . . . .	622.81	942.93	1, 117.69	341.39
Net costs for lint in US cents per pound	39.00	53.00	51.00	52.00

Rate of exchange: \$1.00 = Rs. 9.2

In India, cotton is grown in different regions with differing agro-climatic conditions. However, regionwise, data on cost of producing cotton per unit area is not readily available. Data furnished here relate to the crop grown by some selected progressive farmers in the country during 1974/75.

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .	1,500	2,000	3,000
- For cotton lint . . . . .	500	660	990
<u>On farm direct costs</u>	<u>US \$ per hectare</u>		
<u>Preharvesting:</u>			
Labor . . . . .	200.00	202.00	190.00
Power and equipment . . . . .	25.00	25.00	32.00
Seed . . . . .	7.00	7.00	6.00
Fertilizer . . . . .	30.00	33.00	34.00
Herbicides . . . . .	--	--	--
Insecticides and fungicides . . . . .	40.00	57.00	71.00
Defoliant and other chemicals . . . . .	--	--	--
Irrigation . . . . .	70.00	66.00	56.00
Custom or contract work . . . . .	--	--	--
Other (specify) _____	--	--	--
Subtotal . . . . .	372.00	390.00	389.00
<u>Harvesting:</u>			
Labor . . . . .	110.00	130.00	160.00
Power and equipment . . . . .	--	--	--
Custom or contract work . . . . .	--	--	--
Other (specify) _____	--	--	--
Subtotal . . . . .	110.00	130.00	160.00
<u>Interest on operating capital</u> . . . . .	22.00	26.00	27.00
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	9.00	10.00	16.00
Ginning (including bagging and ties) . . . . .	20.00	32.00	47.00
Other (specify) _____	--	--	--
Subtotal . . . . .	29.00	42.00	63.00
Total direct costs . . . . .	533.00	588.00	639.00
<u>Overhead costs:</u>			
Management and administration . . . . .	40.00	40.00	50.00
Land cost (typical rental value) . . . . .	150.00	214.00	214.00
Other (specify) _____	--	--	--
TOTAL COSTS FOR SEED COTTON . . . . .	723.00	852.00	903.00
MINUS - value of cottonseed extracted in ginning . . . . .	104.00	140.00	217.00
NET COSTS FOR LINT . . . . .	619.00	712.00	686.00
Net costs for lint in US cents per pound	56.27	49.00	31.50



Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .	4,000		
- For cotton lint . . . . .	1,320		
<u>On farm direct costs</u>		<u>US \$ per hectare</u>	
<u>Preharvesting:</u>			
Labor . . . . .	145.00		
Power and equipment . . . . .	221.00		
Seed . . . . .	8.60		
Fertilizer . . . . .	77.00		
Herbicides . . . . .	43.00		
Insecticides and fungicides . . . . .	114.00		
Defoliants and other chemicals . . . . .	16.00		
Irrigation . . . . .	356.00		
Custom or contract work . . . . .	31.00		
Other (specify) _____	31.00		
<u>Insurance</u>	16.00		
Subtotal . . . . .	1,058.60		
<u>Harvesting:</u>			
Labor . . . . .	46.00		
Power and equipment . . . . .	180.00		
Custom or contract work . . . . .	--		
Other (specify) _____	--		
Subtotal . . . . .	226.00		
<u>Interest on operating capital</u> . . . . .	63.00		
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	20.00		
Ginning (including bagging and ties) . . . . .	156.00		
Other (specify) _____	--		
Subtotal . . . . .	176.00		
Total direct costs . . . . .	1,523.60		
<u>Overhead costs:</u>			
Management and administration . . . . .	57.00		
Land cost (typical rental value) . . . . .	14.00		
Other (specify) _____			
<u>Marketing expenses</u>	80.00		
TOTAL COSTS FOR SEED COTTON . . . . .	1,674.60		
MINUS - value of cottonseed extracted in ginning . . . . .	448.00		
NET COSTS FOR LINT . . . . .	1,226.60		
Net costs for lint in US cents per pound	42.23		

Special rental conditions

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .		700	
- For cotton lint . . . . .			
<u>On farm direct costs</u>		<u>US \$ per hectare</u>	
<u>Preharvesting:</u>			
Labor . . . . .		96.49	
Power and equipment . . . . .		59.98	
Seed . . . . .		45.64	
Fertilizer . . . . .		84.76	
Herbicides . . . . .		11.74	
Insecticides and fungicides . . . . .		--	
Defoliant and other chemicals . . . . .		--	
Irrigation . . . . .		--	
Custom or contract work . . . . .		--	
Other (specify) _____		--	
Subtotal . . . . .		298.61	
<u>Harvesting:</u>			
Labor . . . . .		134.31	
Power and equipment . . . . .		--	
Custom or contract work . . . . .		-	
Other (specify) _____		5.22	
Subtotal . . . . .		139.53	
<u>Interest on operating capital</u> . . . . .		--	
<u>Off farm direct costs</u>			
Transportation to gin . . . . .		29.99	
Ginning (including bagging and ties) . . . . .		7.82	
Other (specify) _____		--	
Subtotal . . . . .		37.81	
Total direct costs . . . . .		475.95	
<u>Overhead costs:</u>			
Management and administration . . . . .		29.99	
Land cost (typical rental value) . . . . .		75.63	
Other (specify) _____		--	
TOTAL COSTS FOR SEED COTTON . . . . .		581.57	
MINUS - value of cottonseed extracted in ginning . . . . .		93.88	
NET COSTS FOR LINT . . . . .		487.69	
Net costs for lint in US cents per pound		31.60	

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)	(Hand cultivation)		(Animal powered cultivation)
- For seed cotton . . . . .	1,000		1,200
- For cotton lint . . . . .	400		480
<u>On farm direct costs</u>	<u>US \$ per hectare</u>		
<u>Preharvesting:</u>			
Labor . . . . .	133.00		67.00
Power and equipment . . . . .	--		14.00
Seed . . . . .	1.00		1.00
Fertilizer . . . . .	69.00		69.00
Herbicides . . . . .	--		--
Insecticides and fungicides . . . . .	64.00		64.00
Defoliant and other chemicals . . . . .	--		--
Irrigation . . . . .	--		--
Custom or contract work . . . . .	--		--
Other (specify) _____	--		--
Subtotal . . . . .	267.00		215.00
<u>Harvesting:</u>			
Labor . . . . .	50.00		60.00
Power and equipment . . . . .	--		--
Custom or contract work . . . . .	--		--
Other (specify) <u>Transportation,</u> <u>stalk destruction</u>	21.00		24.00
Subtotal . . . . .	71.00		84.00
<u>Interest on operating capital</u> . . . . .	--		8.00
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	23.00		28.00
Ginning (including bagging and ties) . . . . .	124.00 *	(* Actual ginning - 87.00 depreciation & finance charges - 37.00)	149.00
Other (specify) <u>Purchasing costs</u>	7.00		9.00
Subtotal . . . . .	154.00		186.00
Total direct costs . . . . .	492.00		493.00
<u>Overhead costs:</u>			
Management and administration . . . . .	--		--
Land cost (typical rental value) . . . . .	--		--
Other (specify) <u>Supervision</u>	80.00		80.00
TOTAL COSTS FOR SEED COTTON . . . . .	572.00		573.00
MINUS - value of cottonseed extracted in ginning . . . . .	21.00		25.00
NET COSTS FOR LINT . . . . .	551.00		548.00
Net costs for lint in US cents per pound	62.00		52.00

Rate of exchange: \$1.00 = 235 CFA

Item	Estimated cost of producing a hectare of cotton <u>1/</u>			
	Delicias Chihuahua	El Fuerte Sinaloa	Navjoa Sonora	C. Obregon Sonora
	<u>US \$ per hectare</u>			
Labor . . . . .	268.17	262.86	274.71	232.23
Machinery and equipment . . . .	82.08	77.04	80.91	60.20
Seed . . . . .	14.31	12.49	12.48	14.58
Fertilizer . . . . .	69.09	44.96	51.58	36.20
Herbicides . . . . .	-	3.55	-	3.81
Insecticides and fungicides . . . . .	108.28	16.97	10.23	14.04
Defoliantes . . . . .	4.01	-	6.24	-
Ginning and packing	82.97	-	97.32	-
Applications of para- siticides and fertilizer	42.29	27.91	19.87	24.22
Water . . . . .	10.35	18.27	22.45	15.84
Interest . . . . .	22.24	8.46	13.46	11.50
Land . . . . .	40.00	43.48	60.00	43.76
Taxes, etc. . . . .	78.38	57.97	28.87	31.62
<b>TOTAL COSTS</b>	<b>822.17</b>	<b>573.96</b>	<b>678.12</b>	<b>488.00</b>

1/ Gravity irrigated.

Crop year 1974

Item	Estimated cost of producing a hectare of cotton <u>1/</u>		
	Sto. Domingo Baja California	Hermosillo Sonora	Caborca Sonora
	<u>US \$ per hectare</u>		
Labor . . . . .	283.31	260.32	201.54
Machinery and equipment . . . .	99.00	71.96	68.25
Seed . . . . .	13.21	12.24	11.07
Fertilizer . . . . .	55.94	38.84	58.04
Herbicides . . . . .	7.11	11.28	10.90
Insecticides and fungicides . . . .	34.34	66.93	55.27
Defoliants . . . . .	-	6.12	-
Ginning and packing	130.54	163.62	99.08
Applications of para- siticides and fertilizer	25.76	48.74	44.85
Water . . . . .	134.52	67.96	135.78
Interest . . . . .	17.14	17.37	16.77
Land . . . . .	41.38	40.00	40.00
Taxes, etc. . . . .	61.18	38.33	39.15
TOTAL COSTS . .	903.43	843.71	780.70

1/ Pump irrigated.

Crop year 1974

Item	Estimated cost of producing a hectare of cotton					
	Mexicali Baja California		Comarca Laguna		Juarez Chihuahua	
	Irrigation		Irrigation		Irrigation	
	Pump	Gravity	Pump	Gravity	Pump	Gravity
	<u>US \$ per hectare</u>					
Labor . . . . .	271.77	206.56	247.33	253.81	161.31	261.99
Machinery and equipment. . . . .	77.90	67.32	69.87	72.36	44.14	66.68
Seed . . . . .	17.73	7.86	16.74	12.68	11.83	12.41
Fertilizer . . . . .	38.67	35.68	49.87	56.80	23.45	35.37
Herbicides . . . . .	-	2.60	-	-	-	-
Insecticides and fungicides . . . . .	78.55	58.97	57.06	82.61	-	1.00
Defoliant . . . . .	-	-	-	-	-	-
Ginning and packing	93.90	111.03	84.76	93.30	54.42	63.98
Applications of para- siticsides and fertilizer	61.07	55.97	20.04	30.75	6.72	22.07
Water . . . . .	85.35	30.22	115.44	9.09	107.12	5.66
Interest . . . . .	16.95	13.59	17.88	16.64	13.31	16.75
Land . . . . .	40.00	40.00	40.00	40.00	40.00	40.00
Taxes, etc. . . . .	20.62	25.55	66.65	60.96	54.48	45.21
<b>TOTAL COSTS</b>	<b>802.51</b>	<b>655.35</b>	<b>785.64</b>	<b>729.00</b>	<b>516.78</b>	<b>571.12</b>

\* The same data as supplied last year.

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer <u>a/</u>	Above average producer <u>b/</u>
Yield used (kilos per hectare)			
- For seed cotton . . . . .	1,682	1,727	1,818
- For cotton lint . . . . .	560	576	606
<u>On farm direct costs</u>	<u>US \$ per hectare</u>		
<u>Preharvesting:</u>			
Labor . . . . .	95.56	98.44	93.51
Power and equipment . . . . .	53.89	57.46	51.96
Seed . . . . .	8.24	8.18	8.57
Fertilizer . . . . .	101.67	104.37	98.35
Herbicides . . . . .	8.13	6.99	14.40
Insecticides and fungicides . . . . .	182.99	186.32	187.38
Defoliant and other chemicals . . . . .	--	--	--
Irrigation . . . . .	--	--	--
Custom or contract work . . . . .	15.24	11.27	11.39
Other (specify) <u>Application of insecticides and other costs</u>	47.78	52.43	52.69
Subtotal . . . . .	513.50	525.46	518.25
<u>Harvesting:</u>			
Labor . . . . .	100.44	106.09	104.70
Power and equipment . . . . .	--	--	--
Custom or contract work . . . . .	--	--	--
Other (specify) _____	--	--	--
Subtotal . . . . .	100.44	106.09	104.70
<u>Interest on operating capital</u> . . . . .	35.17	36.11	36.21
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	5.08	3.71	3.12
Ginning (including bagging and ties) . . . . .	52.86	61.37	66.25
Other (specify) <u>Penalty, transport to port, loading and classification</u>	26.03	27.93	35.94
Subtotal . . . . .	83.97	93.01	105.31
Total direct costs . . . . .	733.08	760.67	764.47
<u>Overhead costs:</u>			
Management and administration . . . . .	13.82	14.18	14.18
Land cost (typical rental value) . . . . .	77.74	81.63	68.66
Other (specify) <u>Taxes</u>	11.59	11.29	11.77
TOTAL COSTS FOR SEED COTTON . . . . .	836.23	867.77	859.08
MINUS - value of cottonseed extracted in ginning . . . . .	142.19	146.03	153.72
NET COSTS FOR LINT . . . . .	694.04	721.74	705.36
Net costs for lint in US cents per pound	56.2	57.6	52.9

Rate of exchange: 7.00 cordobas = \$1.00

Note: One Manzana = 0.7026 Hectares. a/ Between 50 and less than 300 Manzanas.b/ More than 300 Manzanas.

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .		1,012.70	
- For cotton lint . . . . .		368.03	
<u>On farm direct costs</u>		<u>US \$ per hectare</u>	
<u>Preharvesting:</u>			
Labor . . . . .		18.30	
Power and equipment . . . . .		63.24	
Seed . . . . .		3.49	
Fertilizer . . . . .		28.35	
Herbicides . . . . . )			
Insecticides and fungicides . . . . )		13.97	
Defoliant and other chemicals . . )			
Irrigation . . . . .		4.00	
Custom or contract work . . . . .		--	
Other (specify) _____		--	
Subtotal . . . . .		131.35	
<u>Harvesting:</u>			
Labor . . . . .		25.70	
Power and equipment . . . . .		--	
Custom or contract work . . . . .		--	
Other (specify) _____		--	
Subtotal . . . . .		25.70	
<u>Interest on operating capital</u> . . . . .		10.15	
<u>Off farm direct costs</u>			
Transportation to gin . . . . .		5.49	
Ginning (including bagging and ties) . . . . .		14.97	
Other (specify) _____		--	
Subtotal . . . . .		20.46	
Total direct costs . . . . .		187.66	
<u>Overhead costs:</u>			
Management and administration . .		14.97	
Land cost (typical rental value) . .		78.59	
Other (specify) _____		--	
TOTAL COSTS FOR SEED COTTON .		281.22	
MINUS - value of cottonseed extracted in ginning . . . . .		87.32	
NET COSTS FOR LINT . . . . .		193.90	
Net costs for lint in US cents per pound		24.00	



Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare) . . . .	950		
<u>US \$ per hectare</u>			
<u>On farm direct costs</u>			
<u>Preharvesting:</u>			
Labor . . . . .	38.00	29.23	
Power and equipment . . . . .	25.50	19.60	
Seed . . . . .	6.50	5.00	
Fertilizer . . . . .	--	--	
Herbicides . . . . .	--	--	
Insecticides and fungicides . . . . .	35.50	27.30	
Defoliant and other chemicals . . . . .	--	--	
Irrigation . . . . .	--	--	
Custom or contract work . . . . .	--	--	
Other (specify) <u>Stalk destruction</u> . . . . .	6.00	4.60	
Subtotal . . . . .	111.50	85.73	
<u>Harvesting:</u>			
Labor . . . . .	95.00	73.10	
Power and equipment . . . . .	--	--	
Custom or contract work . . . . .	3.00	2.30	
Other (specify) _____ . . . . .	--	--	
Subtotal . . . . .	98.00	75.40	
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	9.50	7.30	
Ginning (including bagging and ties) . . . . .	--	--	
Other (specify) _____ . . . . .	--	--	
Subtotal . . . . .	9.50	7.30	
Total direct costs . . . . .		168.43	
<u>Overhead costs:</u>			
Management and administration . . . . .	--	--	
Land cost (typical rental value) . . . . .	6.00	4.60	
Other (specify) <u>10% on operating capital</u> . . . . .		16.84	
TOTAL COSTS . . . . .	225.00	189.87	

\* Data identical to that provided last year.

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
	<u>Extra-Long Staples (Pima, etc.)</u>		
Yield used (kilos per hectare)			
- For seed cotton . . . . .	1,884	1,610	2,050
- For cotton lint . . . . .	587	502	639
	<u>US \$ per hectare</u>		
<u>On farm direct costs</u>			
<u>Preharvesting:</u>			
Labor . . . . .	220.60	229.28	216.52
Power and equipment . . . . .	64.66	48.00	72.51
Seed . . . . .	8.53	8.53	8.53
Fertilizer . . . . .	67.88	50.67	76.00
Insecticides and fungicides . . . . .	62.10	55.56	65.18
Irrigation . . . . .	56.02	51.11	58.33
<u>Other:</u>			
Aerial spraying . . . . .	8.61	--	12.67
Internal transportation . . . . .	1.73	0.67	2.22
Water cannon - Irr. Board, etc.	10.00	10.00	10.00
Miscellaneous . . . . .	20.80	17.78	22.22
Subtotal	520.93	471.60	544.18
<u>Harvesting:</u>			
Labor . . . . .	177.09	145.91	191.77
Power and equipment . . . . .	--	--	--
Custom or contract work . . . . .	--	--	--
Other (specify) <u>Internal transp't'n</u>	1.49	1.11	1.66
<u>Sacks, covers, etc.</u>	12.76	4.44	16.68
Subtotal . . . . .	191.34	151.46	210.11
<u>Interest on operating capital</u> . . . . .	32.05	28.04	33.94
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	7.78	7.78	7.78
Ginning (including bagging and ties) . . . . .	51.20	39.11	56.89
Other (specify) _____	--	--	--
Subtotal . . . . .	58.98	46.89	64.67
Total direct costs . . . . .	803.30	697.99	852.90
<u>Overhead costs:</u>		69.80	72.21
Management and administration . . . . .	71.44	55.56	66.67
Land cost (typical rental value) . . . . .	63.11	--	--
Other (specify) _____	--	--	--
TOTAL COSTS FOR SEED COTTON . . . . .	937.85	823.35	991.78
MINUS - value of cottonseed extracted in ginning . . . . .	94.09	80.11	100.67
NET COSTS FOR LINT . . . . .	843.76	743.24	891.11
Net costs for lint in US cents per pound	65.42	68.11	64.15

Cost figures based on an area equivalent to 20 percent of the total E. L. S. area. For the national average, production costs using limited technology have not been taken into account. Overall national average is: Seed cotton - 1,787 kg/ha and Cotton lint - 637 kg/ha.

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
		<u>Tanguis</u>	
Yield used (kilos per hectare)			
- For seed cotton . . . . .	1,892	1,610	2,170
- For cotton lint . . . . .	728	619	835
		<u>US \$ per hectare</u>	
<u>On farm direct costs</u>			
<u>Preharvesting:</u>			
Labor . . . . .	189.19	237.33	168.11
Power and equipment . . . . .	92.93	31.11	120.00
Seed . . . . .	10.67	10.67	10.67
Fertilizer . . . . .	82.97	48.00	98.30
Insecticides and fungicides . . . . .	16.04	17.78	15.29
Irrigation . . . . .	79.61	88.89	75.56
Other:			
Aerial spraying . . . . .	7.73	--	11.11
Internal transportation . . . . .	1.71	0.55	2.22
Water cannon - Irr. Board, etc.	10.00	10.00	10.00
Miscellaneous . . . . .	20.87	17.78	22.22
Subtotal . . . . .	511.72	462.11	533.48
<u>Harvesting:</u>			
Labor . . . . .	155.86	132.40	166.13
Power and equipment . . . . .	--	--	--
Custom or contract work . . . . .	--	--	--
Other (specify) <u>Internal transp't'n</u>	3.43	1.11	4.44
<u>Sacks, covers, etc.</u>	12.48	4.44	16.00
Subtotal . . . . .	171.77	137.95	186.57
<u>Interest on operating capital</u> . . . . .	30.89	27.45	32.40
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	9.64	7.78	10.45
Ginning (including bagging and ties) . . . . .	59.67	49.78	64.00
Other (specify) _____	--	--	--
Subtotal . . . . .	69.31	57.56	74.45
Total direct costs . . . . .	783.69	685.07	826.90
<u>Overhead costs:</u>	76.66	66.67	81.04
Management and administration . . . . .	63.28	55.55	66.67
Land cost (typical rental value) . . . . .	--	--	--
Other (specify) _____	--	--	--
TOTAL COSTS FOR SEED COTTON . . . . .	923.63	807.29	974.61
MINUS - value of cottonseed extracted in ginning . . . . .	90.41	75.16	97.09
NET COSTS FOR LINT . . . . .	833.22	732.13	877.52
Net costs for lint in US cents per pound	51.91	53.65	47.67

Cost figures based on an area equivalent to 10 percent of the total Tanguis area.

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones *	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .	1,950	2,250	3,600
- For cotton lint . . . . .	650	750	1,200
<u>On farm direct costs</u>	<u>US \$ per hectare</u>		
<u>Preharvesting:</u>			
Labor . . . . .	132.00	136.00	146.00
Power and equipment . . . . .	54.00	56.00	66.00
Seed . . . . .	19.00	19.00	19.00
Fertilizer . . . . .	138.00	144.00	155.00
Herbicides . . . . .	21.00	21.00	28.00
Insecticides and fungicides . . . . .	103.00	107.00	116.00
Defoliant and other chemicals . . . . .	--	--	--
Irrigation . . . . .	22.00	22.00	22.00
Custom or contract work . . . . .	148.00	153.00	161.00
Other (specify) _____	--	--	--
Subtotal . . . . .	637.00	658.00	713.00
<u>Harvesting:</u>			
Labor . . . . .	244.00	279.00	391.00
Power and equipment . . . . .	--	--	--
Custom or contract work . . . . .	--	--	--
Other (specify) _____	--	--	--
Subtotal . . . . .	244.00	279.00	391.00
<u>Interest on operating capital</u> . . . . .	30.00	32.00	38.00
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	10.00	12.00	14.00
Ginning (including bagging and ties) . . . . .	42.00	48.00	78.00
Other (specify) _____	--	--	--
Subtotal . . . . .	52.00	60.00	92.00
Total direct costs . . . . .	963.00	1,029.00	1,234.00
<u>Overhead costs:</u>			
Management and administration . . . . .	61.00	63.00	69.00
Land cost (typical rental value) . . . . .	178.00	194.00	226.00
Other (specify) _____	--	--	--
TOTAL COSTS FOR SEED COTTON . . . . .	1,202.00	1,286.00	1,529.00
MINUS - value of cottonseed extracted in ginning . . . . .	13.00	15.00	25.00
NET COSTS FOR LINT . . . . .	1,189.00	1,271.00	1,504.00
Net costs for lint in US cents per pound	83.00	77.00	57.00

Rate of exchange: \$1.00 = 68 pesetas. \* Andalucia

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .	2,500		
- For cotton lint . . . . .	950		
<u>On farm direct costs</u>		<u>US \$ per hectare</u>	
<u>Preharvesting:</u>			
Labor . . . . .	169.86		
Power and equipment . . . . .	187.67		
Seed . . . . .	16.44		
Fertilizer . . . . .	102.19		
Herbicides . . . . . )			
Insecticides and fungicides . . . . )	8.22		
Defoliant and other chemicals . . )			
Irrigation . . . . .	41.10		
Custom or contract work . . . . .	--		
Other (specify) <u>Sacks and cord</u>	42.47		
<u>Miscellaneous</u>	6.85		
Subtotal . . . . .	574.80		
<u>Harvesting:</u>			
Labor . . . . .	82.19		
Power and equipment . . . . .	--		
Custom or contract work . . . . .	--		
Other (specify) <u>Warehousing</u>	5.48		
Subtotal . . . . .	87.67		
<u>Interest on operating capital</u> . . . . .	27.40		
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	34.25		
Ginning (including bagging and ties) . . . . .	68.50		
Other (specify) _____	--		
Subtotal . . . . .	102.75		
Total direct costs . . . . .	792.62		
<u>Overhead costs:</u>			
Management and administration . .	--		
Land cost (typical rental value) . .	184.93		
Other (specify) _____	--		
TOTAL COSTS FOR SEED COTTON .	977.55		
MINUS - value of cottonseed extracted in ginning . . . . .	127.40		
NET COSTS FOR LINT . . . . .	850.15		
Net costs for lint in US cents per pound	40.59		

Item	Estimated cost of producing a hectare of cotton		
	Average producer in major producing zones		
	Agean Sea (Izmir)	Antalya	Adana (Cukurova)
Yield used (kilos per hectare)			
- For seed cotton . . . . .	2,352	2,808.50	1,503
- For cotton lint . . . . .	894	1,039.14	541
	<u>US \$ per hectare</u>		
<u>On farm direct costs</u>			
<u>Preharvesting:</u>			
Labor . . . . .	194.36	124.20	35.64
Power and equipment . . . . .	36.94	16.14	60.28
Seed . . . . .	18.29	7.87	10.33
Fertilizer . . . . .	100.00	71.33	83.33
Herbicides . . . . .	--	13.06	--
Insecticides and fungicides . . . . .	16.77	165.25	166.67
Defoliant and other chemicals . . . . .	--	--	--
Irrigation . . . . .	27.83	11.33	29.53
Custom or contract work . . . . .	--	--	55.00
Other (specify) <u>Spraying by air-</u> <u>plane x</u> . . . . .	17.41	20.00 <sup>x</sup>	6.67
Subtotal . . . . .	411.60	429.18	447.45
<u>Harvesting:</u>			
Labor . . . . .	229.83	218.18	74.00
Power and equipment . . . . .	3.22	8.16	26.65
Custom or contract work . . . . .	--	--	11.50
Other (specify) . . . . .	--	--	20.00
Subtotal . . . . .	233.05	226.34	132.15
<u>Interest on operating capital</u> . . . . .	--	--	--
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	3.47	)	5.50
Ginning (including bagging and ties) . . . . .	82.12	) 39.36	155.00
Other (specify) . . . . .	2.62	) --	--
Subtotal . . . . .	88.21	39.36	160.50
Total direct costs . . . . .	732.86	694.88	740.10
<u>Overhead costs:</u>			
Management and administration . . . . .	76.33	251.58	82.67
Land cost (typical rental value) . . . . .	193.54	333.33	166.60
Other (specify) . . . . .	16.12	--	73.33
TOTAL COSTS FOR SEED COTTON . . . . .	1,018.85	1,279.79	1,062.70
MINUS - value of cottonseed extracted in ginning . . . . .	204.00*	253.88	135.00
NET COSTS FOR LINT . . . . .	814.85*	1,025.91	927.70
Net costs for lint in US cents per pound	41.35*	44.78	77.78

Rate of exchange: Aegean Sea (Izmir) - \$1.00 = 15.50 TL; Antalya - \$1.00 = 15.00 TL.

\* Estimated by the Secretariat.

Upland cotton production: Average yields and costs  
per hectare planted, U. S. and selected subregions,  
1975 1/

Crop year 1975

Item	Estimated cost of producing a hectare of cotton		
	National average	Southeast	
		Average producer	Above average producer
Yield used (kilos per hectare)			
- For seed cotton . . . . .	1,538	1,265	1,859
- For cotton lint . . . . .	461	420	618
		<u>US \$ per hectare</u>	
<u>On farm direct costs</u>			
<u>Preharvesting:</u>			
Labor . . . . .	27.58	20.73	17.91
Power and equipment . . . . .	90.49	85.50	62.39
Seed . . . . .	16.78	14.01	16.06
Fertilizer . . . . .	65.23	104.40	92.91
Herbicides . . . . .	35.26	42.20	32.07
Insecticides and fungicides . . . . .	33.23	85.99	65.36
Defoliant and other chemicals . . . . .	6.92	3.06	1.95
District water costs <u>2/</u> . . . . .	2.32	--	--
Custom or contract work . . . . .	12.26	18.38	12.65
Other (specify) <u>Lime</u> . . . . .	1.43	7.98	11.98
Subtotal . . . . .	291.50	382.25	313.28
<u>Harvesting:</u>			
Labor . . . . .	11.81	11.66	10.03
Power and equipment . . . . .	65.51	85.52	62.44
Custom or contract work . . . . .	15.22	19.69	13.20
Other (specify) . . . . .	--	--	--
Subtotal . . . . .	92.54	116.87	85.67
<u>Interest on operating capital</u> . . . . .	10.40	13.02	13.94
<u>Off farm direct costs</u>			
Transportation to gin . . . . .	10.18	9.27	13.62
Ginning (including bagging and ties) . . . . .	71.78	54.54	80.16
Other (specify) . . . . .	--	--	--
Subtotal . . . . .	81.96	63.81	93.78
Total direct costs . . . . .	476.40	575.95	506.67
<u>Overhead costs:</u>			
Management and administration <u>3/</u> . . . . .	35.63	32.42	47.64
Land cost (typical rental value) . . . . .	81.54	69.19	79.07
Other (specify) <u>General overhead</u> . . . . .	23.15	19.17	15.34
TOTAL COSTS FOR SEED COTTON . . . . .	616.72	696.73	648.72
MINUS - value of cottonseed extracted in ginning . . . . .	85.00	77.37	113.72
NET COSTS FOR LINT . . . . .	531.72	619.36	535.00
Net costs for lint in US cents per pound	52.2	66.8	39.3

(continued)

Crop year 1975

Item	Estimated cost of producing a hectare of cotton			
	Mississippi Delta		Southern Plains	
	Average producer	Above av. producer	Average producer	Above av. producer
Yield used (kilos per hectare)				
- For seed cotton . . . . .	1,222	1,649	1,311	1,912
- For cotton lint . . . . .	472	637	296	432
<u>On farm direct costs</u>	<u>US \$ per hectare</u>			
<u>Preharvesting:</u>				
Labor . . . . .	21.62	21.20	21.35	19.22
Power and equipment . . . . .	114.98	99.28	69.86	54.49
Seed . . . . .	17.17	18.21	17.27	15.44
Fertilizer . . . . .	66.59	60.59	41.61	42.87
Herbicides . . . . .	32.54	26.69	32.89	22.02
Insecticides and fungicides . . . . .	46.43	38.08	2.32	1.56
Defoliant and other chemicals . . . . .	6.33	8.65	3.39	2.27
District water costs <u>2/</u> . . . . .	--	--	--	--
Custom or contract work . . . . .	8.50	12.31	9.93	9.29
Other (specify) <u>Lime</u> . . . . .	2.45	4.94	--	--
Subtotal . . . . .	316.61	289.95	198.62	167.16
<u>Harvesting:</u>				
Labor . . . . .	12.70	12.45	5.34	6.18
Power and equipment . . . . .	80.85	71.14	46.58	34.94
Custom or contract work . . . . .	5.63	8.10	10.35	9.64
Other (specify) _____ . . . . .	--	--	--	--
Subtotal . . . . .	99.18	91.69	62.27	50.76
<u>Interest on operating capital</u> . . . . .	7.88	7.24	8.30	6.97
<u>Off farm direct costs</u>				
Transportation to gin . . . . .	10.40	14.04	6.52	9.51
Ginning (including bagging and ties) . . . . .	73.12	98.72	50.70	74.03
Other (specify) _____ . . . . .	--	--	--	--
Subtotal . . . . .	83.52	112.76	57.22	83.54
Total direct costs . . . . .	507.19	501.64	326.41	308.43
<u>Overhead costs:</u>				
Management and administration <u>3/</u> . . . . .	36.42	49.12	19.64	28.64
Land cost (typical rental value) . . . . .	79.07	91.43	59.30	66.72
Other (specify) <u>General farm overhead</u> . . . . .	23.05	23.28	17.57	13.52
TOTAL COSTS FOR SEED COTTON . . . . .	645.73	665.47	422.92	417.31
MINUS - value of cottonseed extracted in ginning . . . . .	86.86	117.20	54.46	79.44
NET COSTS FOR LINT . . . . .	558.87	548.27	368.46	337.87
Net costs for lint in US cents per pound	53.7	39.1	56.5	35.5



(continued)

Crop year 1975

Item	Estimated cost of producing a hectare of cotton	
	West	
	Average producer	Above average producer
Yield used (kilos per hectare)		
- For seed cotton . . . . .	3,667	4,363
- For cotton lint . . . . .	1,139	1,355
<u>On farm direct costs</u>	<u>US \$ per hectare</u>	
<u>Preharvesting:</u>		
Labor . . . . .	80.41	97.28
Power and equipment . . . . .	116.61	125.92
Seed . . . . .	18.88	18.53
Fertilizer . . . . .	131.23	86.49
Herbicides . . . . .	46.60	29.82
Insecticides and fungicides . . . . .	90.39	57.85
Defoliant and other chemicals . . . . .	30.07	19.25
District water costs <u>2/</u> . . . . .	19.62	24.71
Custom or contract work . . . . .	34.94	19.64
Other (specify) _____	--	--
Subtotal . . . . .	568.75	479.49
<u>Harvesting:</u>		
Labor . . . . .	26.79	28.12
Power and equipment . . . . .	81.05	87.52
Custom or contract work . . . . .	60.00	12.36
Other (specify) _____	--	--
Subtotal . . . . .	167.84	128.00
<u>Interest on operating capital</u> . . . . .	23.45	19.47
<u>Off farm direct costs</u>		
Transportation to gin . . . . .	25.11	29.87
Ginning (including bagging and ties) . . . . .	165.73	197.21
Other (specify) _____	--	--
Subtotal . . . . .	190.84	227.08
Total direct costs . . . . .	950.88	854.04
<u>Overhead costs:</u>		
Management and administration <u>3/</u> . . . . .	90.51	107.69
Land cost (typical rental value) . . . . .	153.20	175.44
Other (specify) <u>General farm overhead</u> . . . . .	52.71	40.05
TOTAL COSTS FOR SEED COTTON . . . . .	1,247.30	1,177.22
MINUS - value of cottonseed extracted in ginning . . . . .	209.64	249.45
NET COSTS FOR LINT . . . . .	1,037.66	927.77
Net costs for lint in US cents per pound	41.3	31.1

1/ Based on update of 1974 survey data. Average yields in 1975 were relatively low, resulting in above-average unit costs in some areas of the country. 2/ Other irrigation costs, including labor and power and equipment, are included in preharvest labor and power and equipment categories. 3/ Based on 7% of the value of production.

Item	Estimated cost of producing a hectare of cotton		
	National average	In major producing zones	
		Average producer	Above average producer
Yield used (kilos per hectare)		1,875	
- For seed cotton . . . . .		--	
- For cotton lint . . . . .			
<u>On farm direct costs</u>		<u>US \$ per hectare</u>	
<u>Preharvesting:</u>			
Labor . . . . .		41.86	
Power and equipment . . . . .		121.63	
Seed . . . . .		7.27	
Fertilizer . . . . .		69.09	
Herbicides . . . . .		25.81	
Insecticides and fungicides . . . . .		155.30	
Defoliant and other chemicals . . . . .		8.60	
Irrigation . . . . .		--	
Custom or contract work . . . . .		52.33	
Other (specify) _____		--	
Subtotal . . . . .		481.89	
<u>Harvesting:</u>			
Labor . . . . .		21.80	
Power and equipment . . . . .		8.72	
Custom or contract work . . . . .		196.22	
Other (specify) _____		--	
Subtotal . . . . .		226.74	
<u>Interest on operating capital</u> . . . . .		56.69	
<u>Off farm direct costs</u>			
Transportation to gin . . . . .		21.80	
Ginning (including bagging and ties) . . . . .		--	
Other (specify) _____		--	
Subtotal . . . . .		21.80	
Total direct costs . . . . .		787.12	
<u>Overhead costs:</u>			
Management and administration . . . . .		--	
Land cost (typical rental value) 8% . . . . .		37.21	
Other (specify) _____		--	
TOTAL COSTS FOR SEED COTTON . . . . .		824.33	
MINUS - value of cottonseed extracted in ginning . . . . .			
NET COSTS FOR LINT . . . . .			
Net costs for lint in US cents per pound			

Rate of exchange: \$1.00 = Bs 4.30

NOTE - Ginning costs, value of cottonseed and net lint costs are not mentioned, due to the fact that the Associates sell their raw cotton to the Asociacion Nacional de Cultivadores de Algodon at Bs 2.10 (US\$ 0.49) per kilo. Costs and kilos mentioned are the average of the regions under the jurisdiction of the Asociacion.