

# Current Economics of Citrus Production

## Citrus Expo

August 17, 2016

Fort Myers, FL

Ariel Singerman

Assistant Professor / Extension Economist  
Citrus Research and Education Center (CREC)

[singerman@ufl.edu](mailto:singerman@ufl.edu)

(863) 956-8870

# Presentation Outline

- 1) Costs of production for processed oranges SW Florida in 2015/16
- 2) Understanding growers' participation decisions in CHMAs
- 3) Summary

# Cost of Production in Southwest Florida 2015/16

- Survey conducted in Spring 2016
- Estimates for Cost of Production per Acre for Processed Oranges
- 13 participants accounted for approximately 41,000 acres (16% of citrus acreage in the SW)

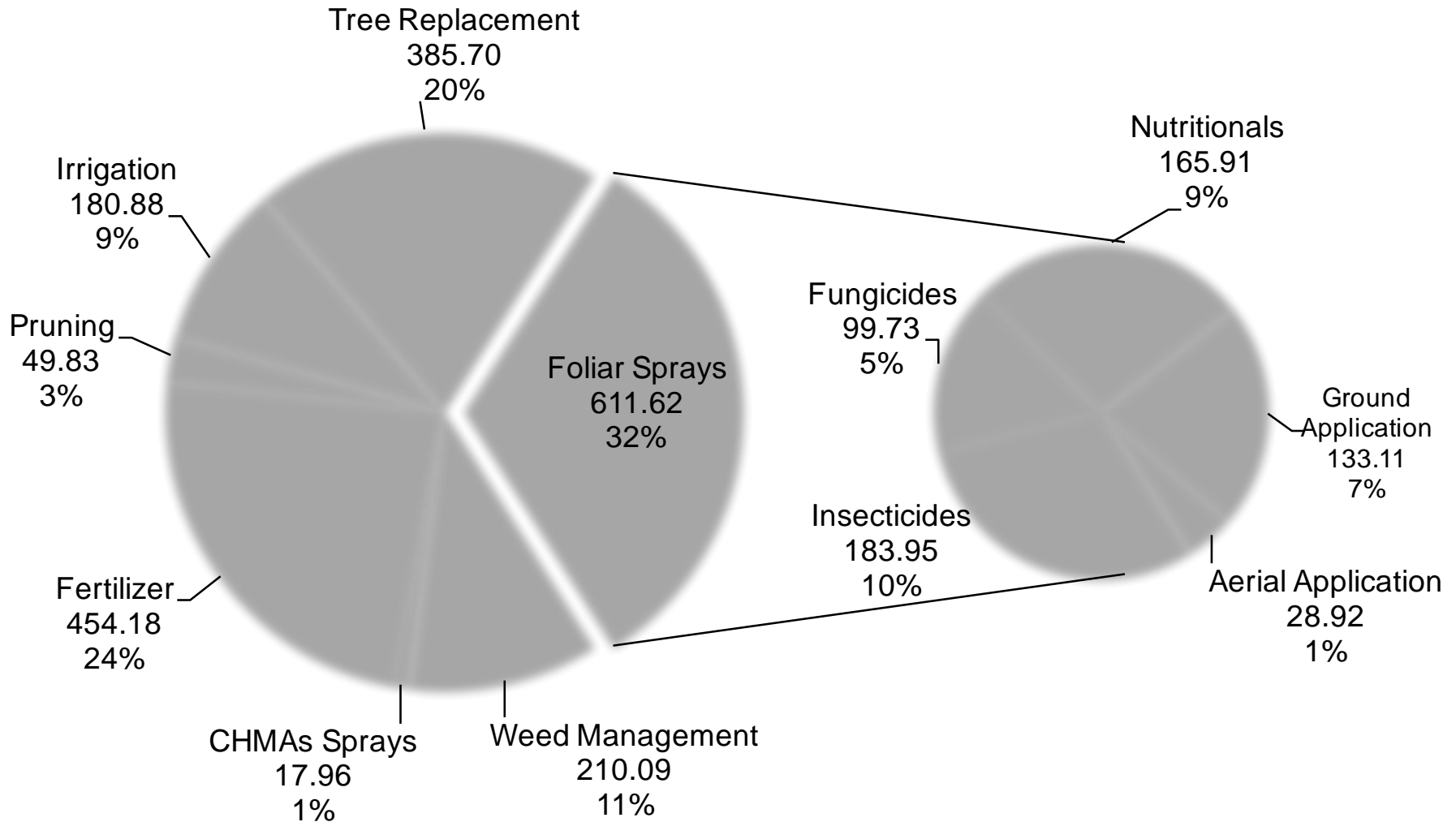
# 2015/16 Cultural Cost of Production per Acre for Processed Oranges in Southwest Florida

Costs represent a mature grove (10+ years old) including resets

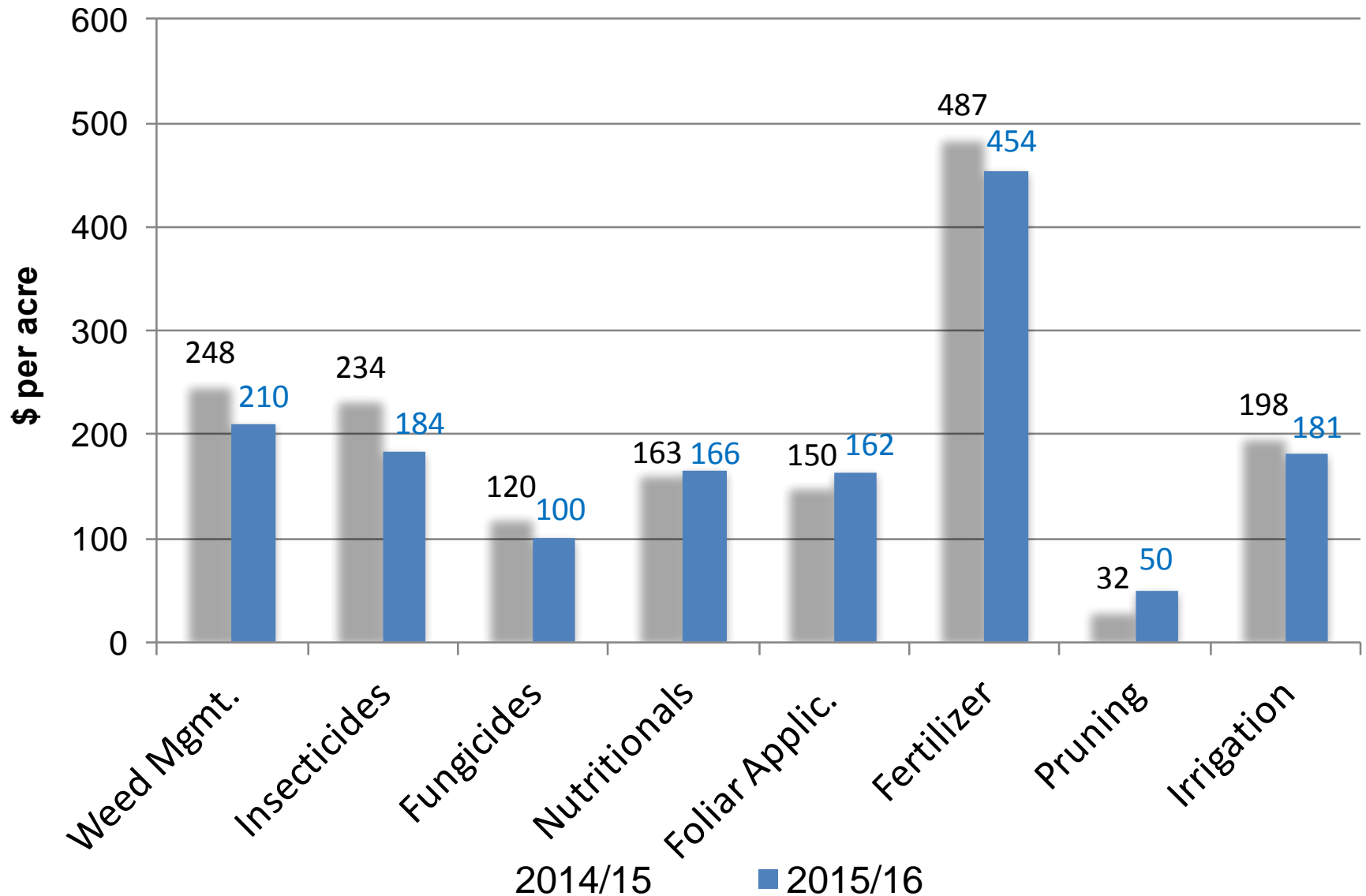
	Cost per acre (\$)
Weed Management	210.09
Foliar Sprays	611.62
CHMAs Sprays	17.96
Fertilizer	454.18
Pruning (topping, hedging, chop/mow Brush)	49.83
Irrigation <sup>1</sup>	180.88
<b>Total Cultural Costs without Tree Replacement</b>	<b>1524.55</b>
Tree Replacement (9 trees)	385.70
<b>Total Cultural Costs with Tree Replacement</b>	<b>1910.25</b>

<sup>1</sup>Irrigation includes: pH management, maintenance and repairs to emitters, clean ditches, ditch and canal maintenance, water control

# 2015/16 Cultural Cost of Production per Acre for Processed Oranges in Southwest Florida



## Cost of Production for Processed Oranges in SW Florida by Program, 2014/15 vs. 2015/16

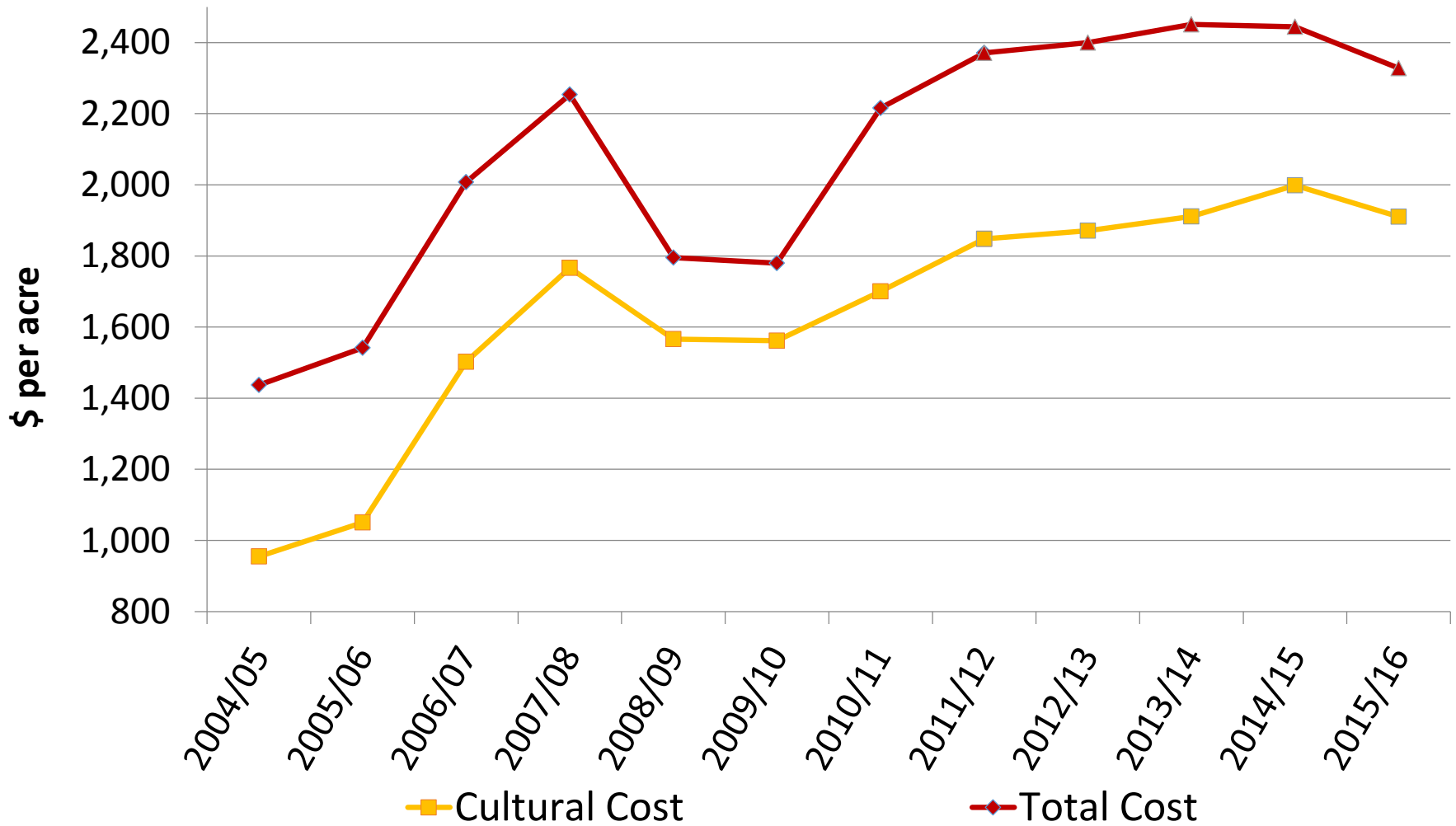


## 2015/16 Total Cost of Production per Acre for Processed Oranges in Southwest Florida

	Cost per acre (\$)
<hr/> <b>Total Cultural Costs</b>	<b>1910.25</b>
<b>Other Costs</b>	
Interest on Operating (Cultural) Costs	95.51
Management Cost	131.24
Property Tax/Water Management Assessment	28.73
Interest on Average Capital Investment	162.25
<hr/> <b>Total Other Costs</b>	<b>417.73</b>
<hr/> <b>Total Costs</b>	<b>2327.98</b>

Source: University of Florida, IFAS, CREC

## Processed Oranges in Southwest Florida: Nominal Cost of Production



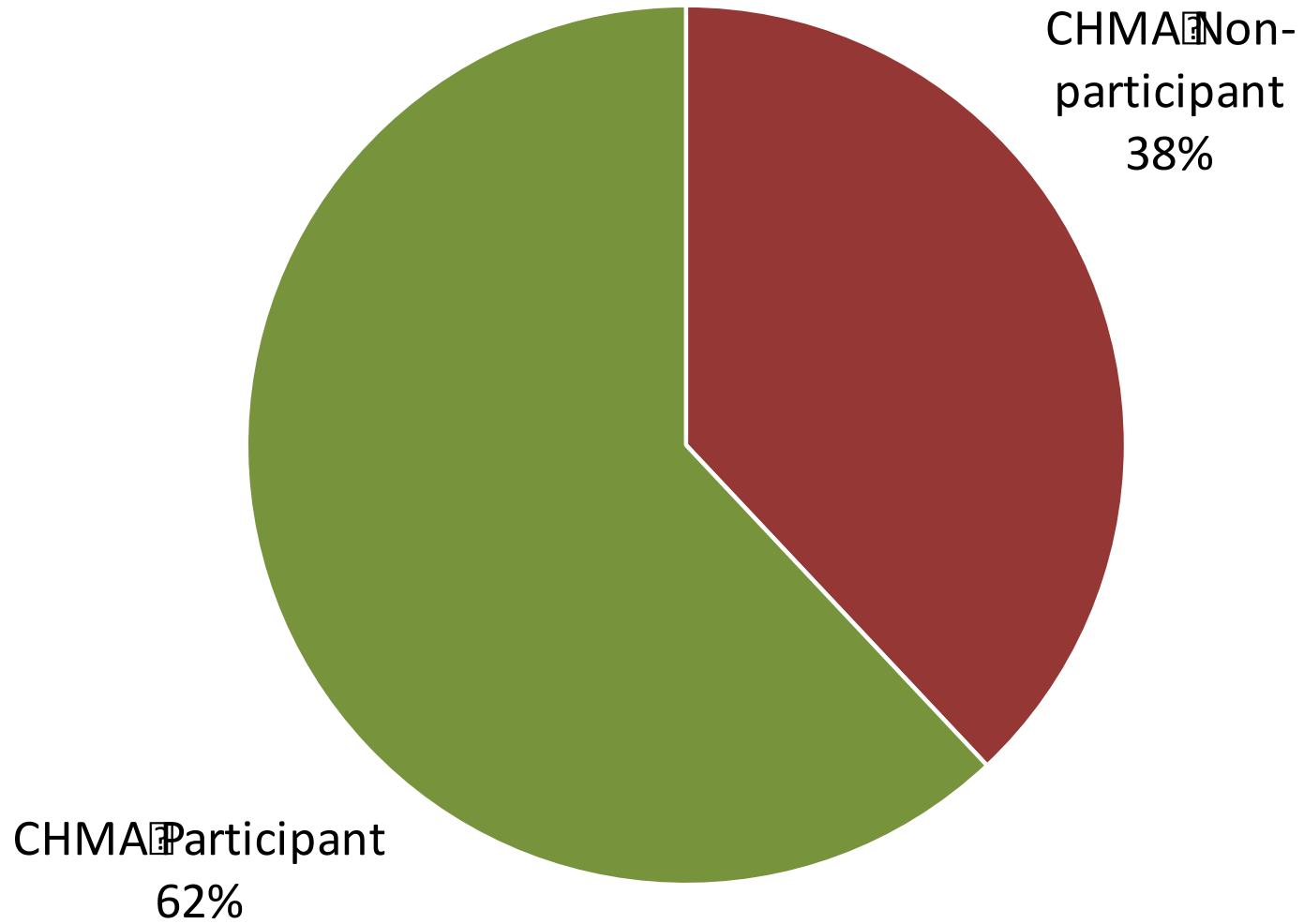


# CHMAs: Understanding Grower's Participation

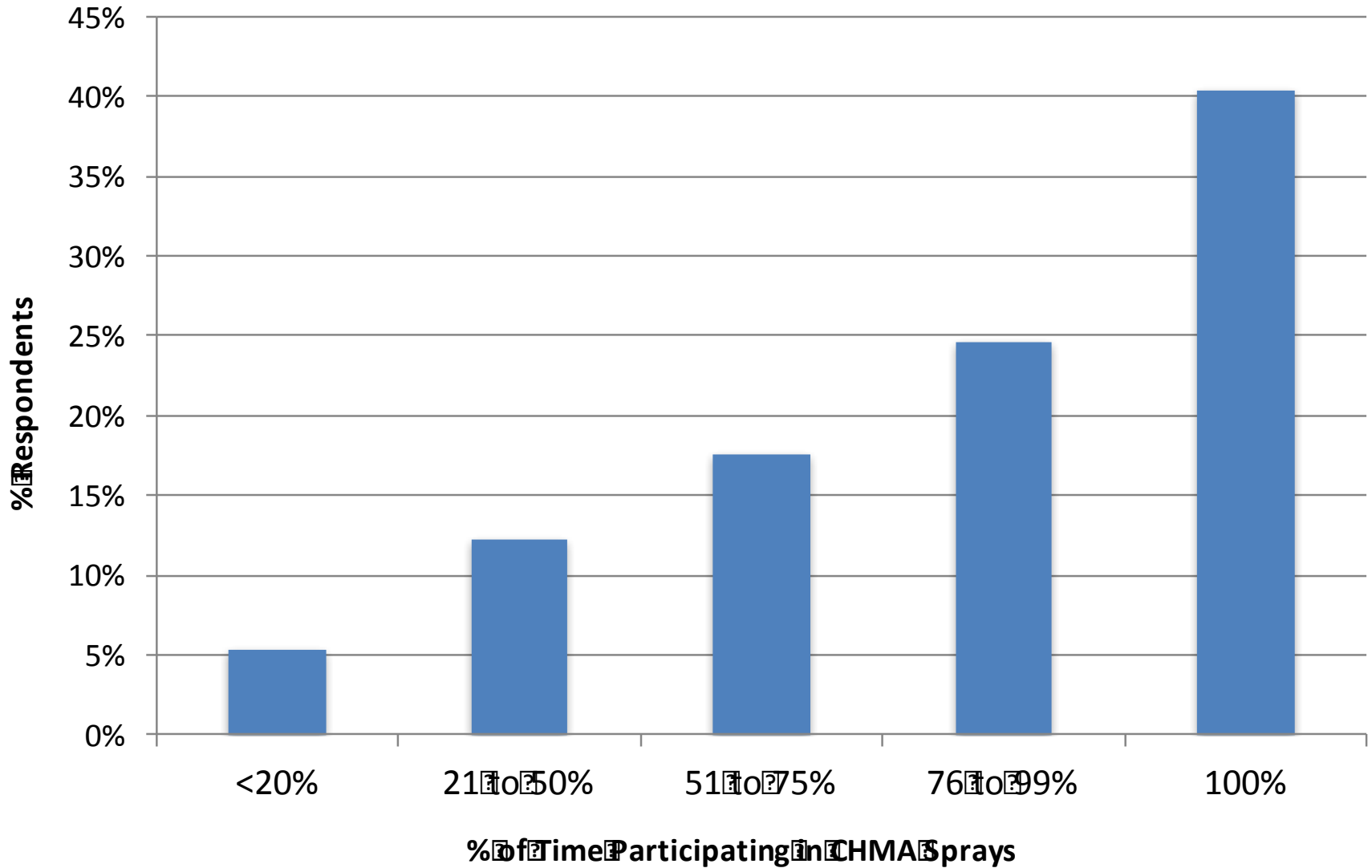
In 2015 presented case study data-> CHMAs can contribute to enhance growers' profitability

- In 2015 there were 55 CHMAs but only 19 were active
- Even for active CHMAs -> no data on participation
- Conducted a survey during the Florida Citrus Growers Institute to gather data on CHMA participation

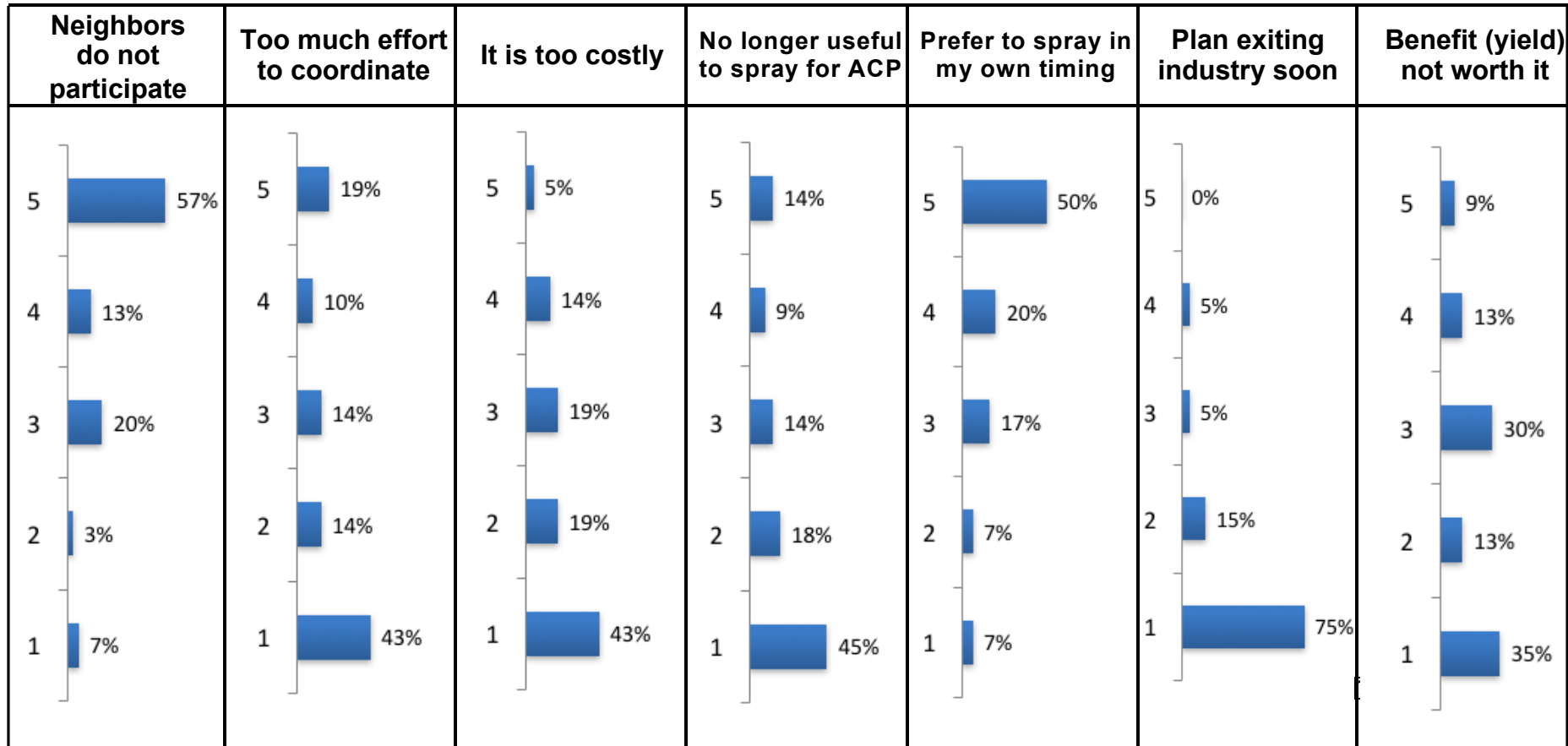
# CHMA Participation



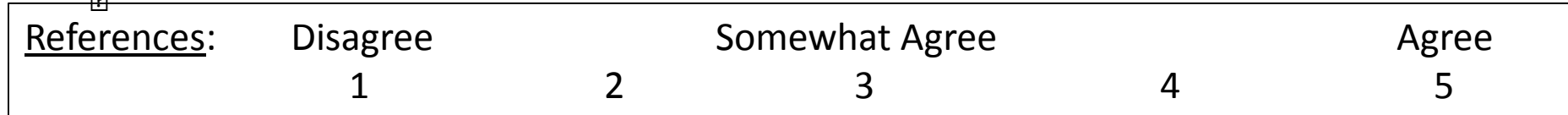
# Level of Participation in CHMAs



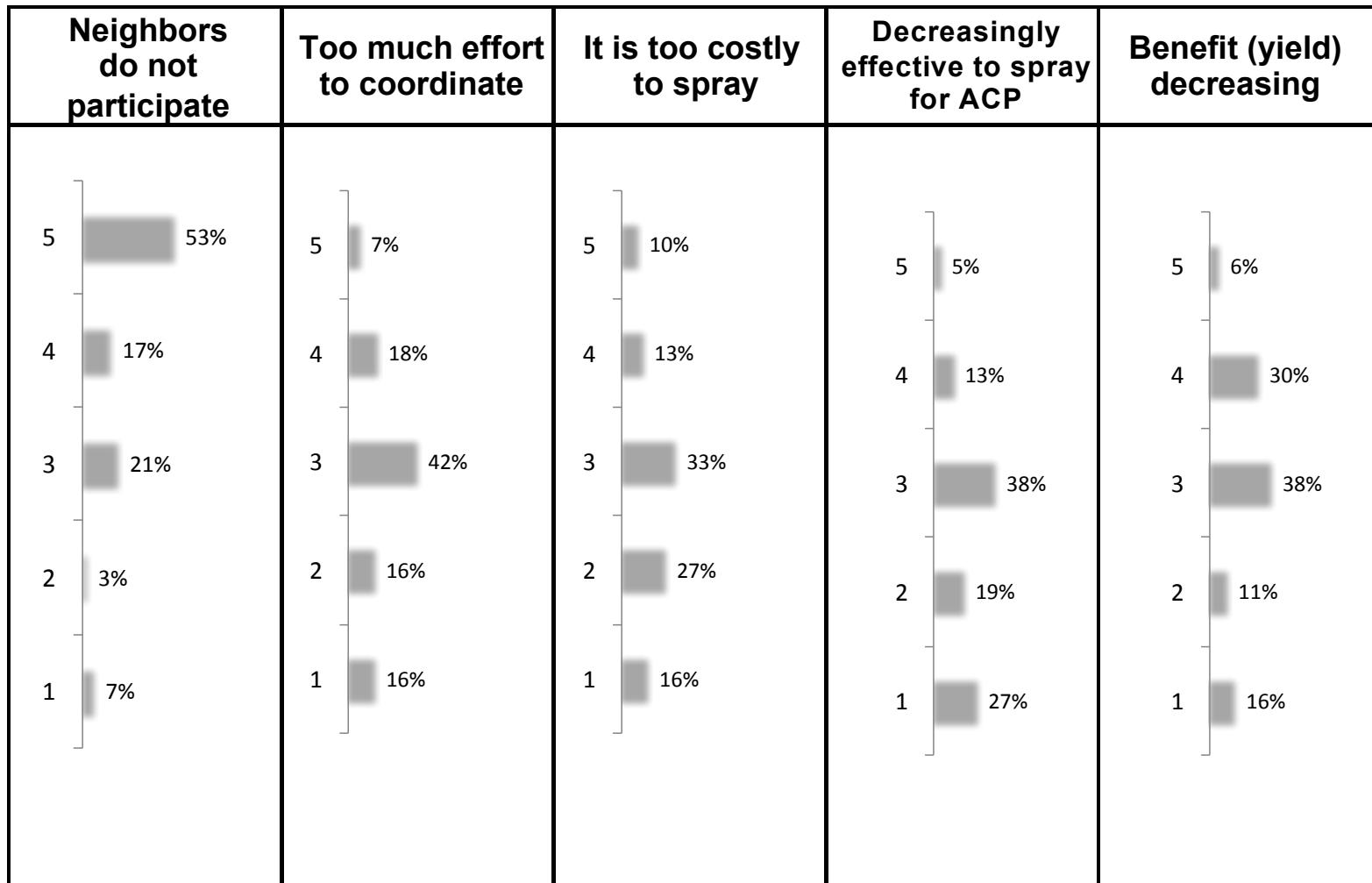
# Non-CHMA Participants: Reasons for not Participating in CHMAs



2



# CHMA Participants: Obstacles to Increase CHMAs Effectiveness



References:

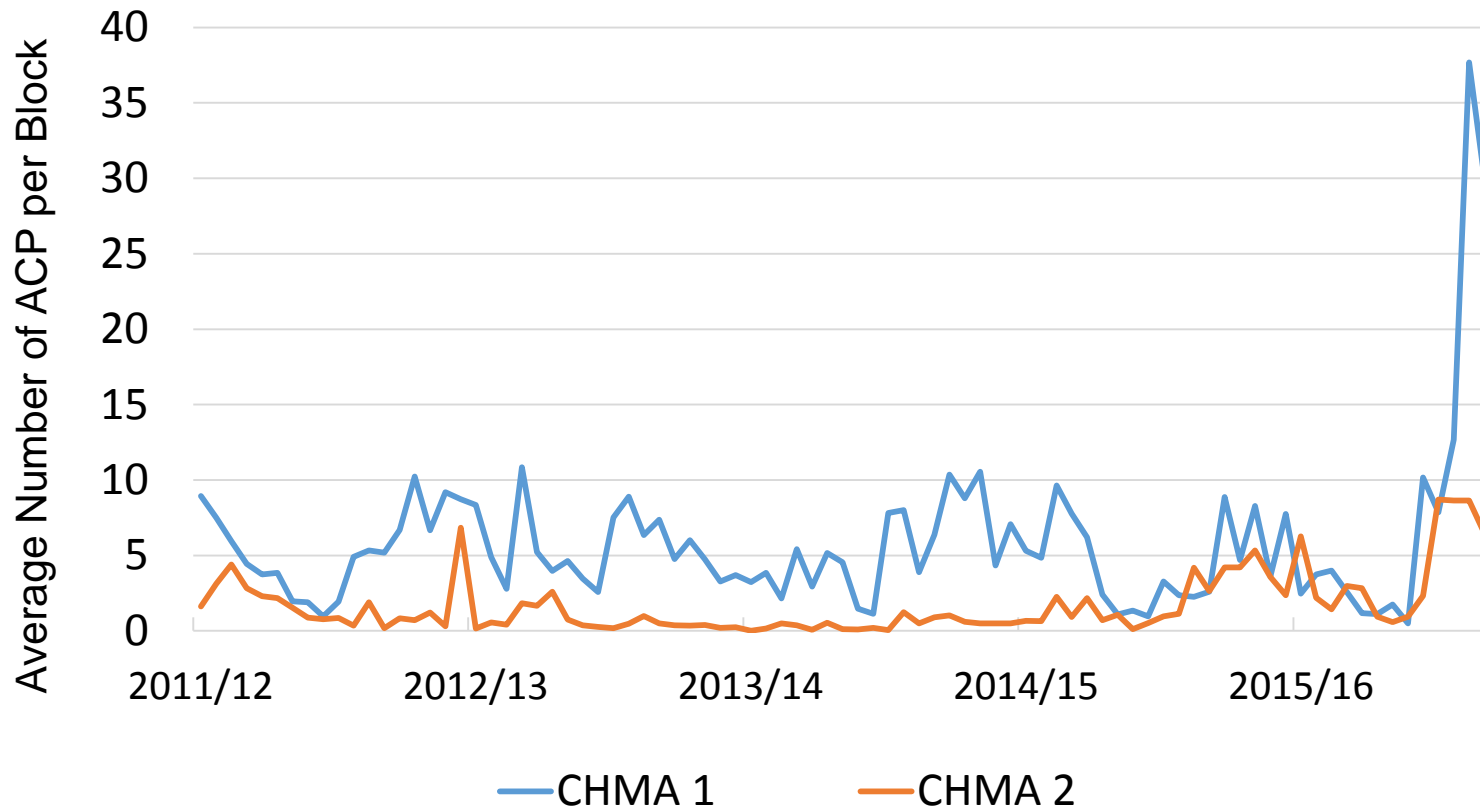
Disagree  
1

Somewhat Agree  
2          3

4

Agree  
5

# Spike in ACP Counts



Factors that could have contributed to the spike :

1. Lower profitability of citrus production → reduction in inputs (i.e.: insecticides)
2. Long and late bloom period → reduction in sprays to avoid spraying pollinators
3. Higher vegetative growth → New flush
4. Very wet year → insecticides less effective
5. Approval of bactericides → are growers substituting insecticides with bactericides?

Thank you for your attention

Ariel Singerman

Citrus Research and Education Center

[singerman@ufl.edu](mailto:singerman@ufl.edu)

(863) 956-8870

[www.crec.ifas.ufl.edu/extension/economics](http://www.crec.ifas.ufl.edu/extension/economics)