VALUATIONS.

Valuation in agriculture has never been reduced to an exact science, as an industry. The major reason perhaps lies in the fact that cost of production of an agricultural product does not lend itself to statistical reduction in the same way as the costing of an industrial unit such as a coal pit or a factory. In agriculture many of the factors on which total cost depends, are interdependent. A classical case is the cost of a horse day, where the horse consumes some part of the product, of which part of the cost of production is the horses work. In Trinidad, on an average cacao estate, a similar factor is found in the intercultivated crop costs.

For this reason it may fairly be said that accuracy depends to a greater degree on skill, practical knowledge and fairness of the valuer, than on the formula used in valuation. It is necessary at first to define exactly what 'valuation' implies. It is the value of the cacao estate, at a fixed time and place, in terms of money, in exchange. In popular terms, it is its "worth as a going concern".