

2011 Dairy Cost Study - Business Analysis
Dairy Enterprise Costs and Returns - Alberta Total

	----- 2011 -----		---- Average 2009-2011 ----	
	\$/Cow	\$/HI Sold	\$ / Cow	\$/HI Sold
Income:				
Milk Sales	\$6,886.01	\$79.15	\$6,769.25	\$77.03
Pool Adjustments / Levies (+/-)	(0.11)	0.00	11.49	0.13
Miscellaneous Receipts	53.64	0.62	53.63	0.61
Net Cattle Sales (+/-)	199.22	2.29	167.19	1.90
Net Inventory Change	171.02	1.97	90.52	1.03
Gross Income	\$7,309.78	\$84.02	\$7,092.06	\$80.71
Expenses:				
Grain	\$326.01	\$3.75	\$296.94	\$3.38
Complete Feed	1,032.55	11.87	837.30	9.53
Supplement	255.87	2.94	291.43	3.32
Minerals & Vitamins	60.08	0.69	46.95	0.53
Roughage	703.66	8.09	827.90	9.42
Processing Costs	18.34	0.21	17.45	0.20
Total Feed Costs	\$2,396.51	\$27.54	\$2,317.97	\$26.38
Bedding & Supplies	211.75	2.42	212.71	2.42
Breeding	83.44	0.96	80.35	0.91
Vet. & Medicine	154.95	1.78	149.21	1.70
Milk Hauling	241.86	2.78	231.67	2.64
Producer's Fees	160.97	1.85	158.90	1.81
Utilities	149.32	1.72	138.51	1.58
Fuel, Oil, Lube	120.57	1.39	98.54	1.12
Bldg. & Mach. Repairs	208.45	2.40	213.63	2.43
Miscellaneous	266.55	3.06	269.52	3.07
Total Other Costs	\$1,597.87	\$18.37	\$1,553.04	\$17.67
Hired Labour	293.00	3.37	311.38	3.54
Family Labour	741.29	8.52	702.41	7.99
Total Labour Costs	\$1,034.29	\$11.89	\$1,013.79	\$11.54
Total Operating Costs	\$5,028.66	\$57.80	\$4,884.79	\$55.59
Rent	14.85	0.17	12.77	0.15
Taxes & Insurance	129.53	1.49	142.17	1.62
Depreciation	722.25	8.30	719.16	8.18
Interest (Cap.Debt)	194.90	2.24	222.54	2.53
Total Capital Costs	\$1,061.52	\$12.20	\$1,096.63	\$12.48
Total Production Costs	\$6,090.18	\$70.00	\$5,981.42	\$68.07
Contribution Margin (\$)	\$2,281.12	\$26.22	\$2,207.28	\$25.12
Return to Equity (\$)	\$1,219.60	\$14.02	\$1,110.64	\$12.64
Milk Price		\$79.14		\$77.16
Inventory Adjustment		\$4.87		\$3.65
Return to Equity (%)		14.18%		13.86%
Average Interest Rate (%)		4.72%		4.92%
Investment	\$12,729.35	\$146.32	\$12,527.35	\$142.55
No. of Cows	133.17		131.80	

For a complete copy of The Economics of Milk Production, 2011

Please contact: Pauline Van Biert

Ph: 780-415-2153 or E-mail: pauline.vanbiert@gov.ab.ca

Report also found at: [http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/econ14116](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/econ14116)