

2014 Dairy Cost Study - Business Analysis
Dairy Enterprise Costs and Returns - Alberta Total

| | ----- 2014 ----- | | ---- Average 2012-2014 ---- | |
|----------------------------------|--------------------|-----------------|-----------------------------|-----------------|
| | \$/Cow | \$/HI Sold | \$ / Cow | \$/HI Sold |
| Income: | | | | |
| Milk Sales | \$7,337.46 | \$82.01 | \$7,011.85 | \$81.02 |
| Pool Adjustments / Levies (+/-) | 6.78 | 0.08 | 30.61 | 0.35 |
| Miscellaneous Receipts | 39.66 | 0.44 | 41.02 | 0.47 |
| Net Cattle Sales (+/-) | 417.97 | 4.67 | 325.58 | 3.76 |
| Net Inventory Change | 96.95 | 1.08 | 84.42 | 0.98 |
| Gross Income | \$7,898.82 | \$88.28 | \$7,493.47 | \$86.58 |
| Expenses: | | | | |
| Grain | \$354.85 | \$3.97 | \$401.80 | \$4.64 |
| Complete Feed | 989.83 | 11.06 | 1031.23 | 11.92 |
| Supplement | 377.12 | 4.22 | 320.96 | 3.71 |
| Minerals & Vitamins | 71.60 | 0.80 | 68.92 | 0.80 |
| Roughage | 1,030.87 | 11.52 | 923.70 | 10.67 |
| Processing Costs | 18.89 | 0.21 | 17.51 | 0.20 |
| Total Feed Costs | \$2,843.16 | \$31.78 | \$2,764.13 | \$31.94 |
| Bedding & Supplies | 251.10 | 2.81 | 235.77 | 2.72 |
| Breeding | 89.85 | 1.00 | 83.70 | 0.97 |
| Vet. & Medicine | 166.87 | 1.87 | 155.44 | 1.80 |
| Milk Hauling | 278.41 | 3.11 | 258.68 | 2.99 |
| Producer's Fees | 191.41 | 2.14 | 175.92 | 2.03 |
| Utilities | 161.58 | 1.81 | 153.80 | 1.78 |
| Fuel, Oil, Lube | 147.73 | 1.65 | 130.65 | 1.51 |
| Bldg. & Mach. Repairs | 210.12 | 2.35 | 195.18 | 2.26 |
| Miscellaneous | 304.16 | 3.40 | 269.46 | 3.11 |
| Total Other Costs | \$1,801.23 | \$20.13 | \$1,658.59 | \$19.16 |
| Hired Labour | 317.54 | 3.55 | 291.44 | 3.37 |
| Family Labour | 832.46 | 9.30 | 825.21 | 9.54 |
| Total Labour Costs | \$1,150.01 | \$12.85 | \$1,116.65 | \$12.90 |
| Total Operating Costs | \$5,794.39 | \$64.76 | \$5,539.37 | \$64.01 |
| Rent | 20.51 | 0.23 | 13.82 | 0.16 |
| Taxes & Insurance | 134.20 | 1.50 | 140.08 | 1.62 |
| Depreciation | 794.62 | 8.88 | 756.75 | 8.74 |
| Interest (Cap.Debt) | 143.84 | 1.61 | 171.09 | 1.98 |
| Total Capital Costs | \$1,093.17 | \$12.22 | \$1,081.74 | \$12.50 |
| Total Production Costs | \$6,887.57 | \$76.98 | \$6,621.11 | \$76.50 |
| Contribution Margin (\$) | \$2,104.43 | \$23.52 | \$1,954.10 | \$22.58 |
| Return to Equity (\$) | \$1,011.25 | \$11.30 | \$872.36 | \$10.08 |
| Milk Price | | \$82.09 | | \$81.37 |
| Inventory Adjustment | | \$6.20 | | \$5.39 |
| Return to Equity (%) | | 8.86% | | 8.66% |
| Average Interest Rate (%) | | 4.02% | | 4.43% |
| Investment | \$14,987.60 | \$167.51 | \$13,912.97 | \$160.69 |
| No. of Cows | 135.89 | | 136.23 | |

For a complete copy of The Economics of Milk Production, 2014

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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)