



# AgriProfit\$ Cost & Returns Profiles

Dryland Field Peas (All)  
Grey-Wooded (South) Soils

16-July-12

Economics & Competitiveness

*AgriProfit\$*  
Benchmarks

**A**griProfit\$ Cost & Returns Profiles give an insight into the productive and economic performance of Alberta cereal, oilseed, forage and grazing crops, reported by soil or grass-type zone.

This benchmark includes *AgriProfit\$* crop observations from the period of 2008 – 2010. Averaging over a 3 year span smoothes out extremes in prices, yields and expenses. This gives a better reflection of the crops' average unit

production costs and profit potential.

Regional average performance for the crop is compared to a "top third"

management group. Fields included in the top management group are drawn from the lowest cost third, as rated by total production cost per unit of output for that crop, in that area, for each of the years.

The 3-year summary table, and a range of frequency charts (over) highlight field level variability in key cost and returns tallies. This emphasizes further the need for producers to know and use their own crop unit costs in managing their businesses.

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<b>AgriProfit\$ Cost &amp; Returns Profiles</b>					
<b>Crop: Dryland Field Peas (All)</b>		<b>Total Top 1/3rd</b>		<b>Total Top 1/3rd</b>	
<b>Zone: GreyWooded (South)</b>		<b>-- \$ / Acre --</b>		<b>-- \$ / Bushel --</b>	
(A) 1.	Crop Sales	378.81	474.82	6.92	6.97
6.	Other Revenues	48.06	47.05	0.88	0.69
	<b>Gross Return</b>	<b>426.87</b>	<b>521.88</b>	<b>7.80</b>	<b>7.66</b>
(B) 1.	Seed	48.85	45.64	0.89	0.67
2.	Fertilizer	29.03	24.97	0.53	0.37
3.	Chemicals	47.85	54.27	0.87	0.80
4.	Crop Insurance Premiums	15.18	15.83	0.28	0.23
5.	Trucking & Marketing	3.98	4.85	0.07	0.07
6.	Fuel	18.12	18.23	0.33	0.27
7.	Irrigation Fuel & Electricity	0.00	0.00	0.00	0.00
8.	Repairs - Machinery	16.43	15.43	0.30	0.23
9.	Repairs - Buildings	2.61	2.40	0.05	0.04
10.	Utilities & Misc. Expenses	26.35	26.00	0.48	0.38
11.	Custom Work & Specialized Labour	1.63	0.00	0.03	0.00
12.	Operating Interest Paid	3.32	4.13	0.06	0.06
13.	Paid Labour & Benefits	11.22	14.05	0.20	0.21
14.	Unpaid Labour	7.80	6.61	0.14	0.10
	<b>Variable Costs</b>	<b>232.37</b>	<b>232.41</b>	<b>4.25</b>	<b>3.41</b>
(C) 1.	Cash/Share Rent & Land Lease	18.81	21.73	0.34	0.32
2.	Taxes, Water Rates, Lic. & Insurance	7.53	6.76	0.14	0.10
3.	Equip. & Bldg. a) Depreciation	41.58	46.62	0.76	0.68
	b) Lease Payments	2.09	2.22	0.04	0.03
4.	Paid Capital Interest	18.30	16.29	0.33	0.24
	<b>Total Capital Costs</b>	<b>88.31</b>	<b>93.62</b>	<b>1.61</b>	<b>1.38</b>
(D)	<b>Cash Costs (B+C-B14-C3)</b>	<b>271.31</b>	<b>272.80</b>	<b>4.96</b>	<b>4.01</b>
(E)	<b>Total Production Costs (B+C)</b>	<b>320.68</b>	<b>326.03</b>	<b>5.86</b>	<b>4.79</b>
(F)	<b>Gross Margin (A-D)</b>	<b>155.57</b>	<b>249.08</b>	<b>2.84</b>	<b>3.66</b>
	<b>Return to Unpaid Labour (A-E+B14)</b>	<b>113.99</b>	<b>202.46</b>	<b>2.08</b>	<b>2.97</b>
	<b>Return to Investment (A-E+C4)</b>	<b>124.49</b>	<b>212.14</b>	<b>2.27</b>	<b>3.12</b>
	<b>Return to Equity (A-E)</b>	<b>106.19</b>	<b>195.85</b>	<b>1.94</b>	<b>2.88</b>
	<b>Return on Investment (%)</b>	<b>11.5</b>	<b>20.5</b>		
	<b>Total Investment (\$/acre)</b>	<b>1,082</b>	<b>1,035</b>		
	<b>Management</b>				
	Average field size (acres)	127.2	166.5		
	Number of Observations	22	8		
	Yield (Bushels/acre)	54.73	68.09		
	Expected Price (\$/Bushel)	6.92	6.97		

\* Cost and returns profiles include/combine all tenure types ... own, rented & leased.

\*\* Top 1/3rd selection criteria: Low Total Production Cost / Bushel

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Descriptive Statistics: Field Peas (All) Production - Total Group

Crop: Dryland Field Peas (All)  
Zone: GreyWooded (South)

	Quartiles		Group Average	CV (%)
	Low	High		
Price (\$/Bushel)	6.31	7.75	6.92	18.1
Yield (Bushel/Acre)	44.00	66.44	54.73	37.2
----- \$ / Acre -----				
Gross Revenue	386.42	503.31	426.87	33.0
Seed, Fert, Chem	97.50	151.40	125.73	22.5
Oth. Variable Costs	87.67	124.92	106.64	24.4
Fixed Costs	71.66	107.55	88.31	26.1
Total Production Costs	280.28	366.76	320.68	16.3
Total Cash Costs	232.23	318.99	271.31	19.1
Gross Margin	82.21	211.82	155.57	82.0
Return to Equity	20.90	170.10	106.19	119.5

