

**2013 Dairy Cost Study - Business Analysis  
Dairy Enterprise Costs and Returns - Alberta Total**

	----- 2013 -----		---- Average 2011-2013 ----	
	\$/Cow	\$/HI Sold	\$/ Cow	\$/HI Sold
<b>Income:</b>				
Milk Sales	\$6,869.26	\$81.85	\$6,861.60	\$80.05
Pool Adjustments / Levies (+/-)	84.54	1.01	28.51	0.33
Miscellaneous Receipts	40.85	0.49	45.61	0.53
Net Cattle Sales (+/-)	307.84	3.67	253.20	2.95
Net Inventory Change	101.67	1.21	108.63	1.27
<b>Gross Income</b>	<b>\$7,404.16</b>	<b>\$88.22</b>	<b>\$7,297.56</b>	<b>\$85.14</b>
<b>Expenses:</b>				
Grain	\$435.45	\$5.19	\$392.65	\$4.58
Complete Feed	1,055.71	12.58	1045.53	12.20
Supplement	307.09	3.66	280.81	3.28
Minerals & Vitamins	71.36	0.85	65.12	0.76
Roughage	859.71	10.24	815.65	9.52
Processing Costs	16.57	0.20	17.33	0.20
<b>Total Feed Costs</b>	<b>\$2,745.89</b>	<b>\$32.72</b>	<b>\$2,617.09</b>	<b>\$30.53</b>
Bedding & Supplies	229.12	2.73	222.76	2.60
Breeding	80.70	0.96	81.55	0.95
Vet. & Medicine	149.87	1.79	151.46	1.77
Milk Hauling	245.57	2.93	246.56	2.88
Producer's Fees	168.44	2.01	165.83	1.93
Utilities	152.55	1.82	149.72	1.75
Fuel, Oil, Lube	127.86	1.52	121.62	1.42
Bldg. & Mach. Repairs	185.46	2.21	194.53	2.27
Miscellaneous	247.60	2.95	256.89	3.00
<b>Total Other Costs</b>	<b>\$1,587.19</b>	<b>\$18.91</b>	<b>\$1,590.93</b>	<b>\$18.56</b>
Hired Labour	281.29	3.35	283.21	3.30
Family Labour	843.85	10.06	795.26	9.28
<b>Total Labour Costs</b>	<b>\$1,125.15</b>	<b>\$13.41</b>	<b>\$1,078.47</b>	<b>\$12.58</b>
<b>Total Operating Costs</b>	<b>\$5,458.23</b>	<b>\$65.04</b>	<b>\$5,286.49</b>	<b>\$61.68</b>
Rent	10.31	0.12	11.92	0.14
Taxes & Insurance	145.17	1.73	138.59	1.62
Depreciation	769.88	9.17	732.76	8.55
Interest (Cap.Debt)	178.33	2.12	188.02	2.19
<b>Total Capital Costs</b>	<b>\$1,103.69</b>	<b>\$13.15</b>	<b>\$1,071.29</b>	<b>\$12.50</b>
<b>Total Production Costs</b>	<b>\$6,561.92</b>	<b>\$78.19</b>	<b>\$6,357.78</b>	<b>\$74.17</b>
<b>Contribution Margin (\$)</b>	<b>\$1,945.93</b>	<b>\$23.19</b>	<b>\$2,011.07</b>	<b>\$23.46</b>
<b>Return to Equity (\$)</b>	<b>\$842.24</b>	<b>\$10.04</b>	<b>\$939.78</b>	<b>\$10.96</b>
<b>Milk Price</b>		<b>\$82.86</b>		<b>\$80.38</b>
<b>Inventory Adjustment</b>		<b>\$5.37</b>		<b>\$4.92</b>
<b>Return to Equity (%)</b>		<b>8.34%</b>		<b>10.42%</b>
<b>Average Interest Rate (%)</b>		<b>4.60%</b>		<b>4.67%</b>
<b>Investment</b>	<b>\$13,971.89</b>	<b>\$166.49</b>	<b>\$13,160.22</b>	<b>\$153.63</b>
<b>No. of Cows</b>	<b>139.01</b>		<b>135.32</b>	

For a complete copy of The Economics of Milk Production, 2013

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)