

Grey-Wooded (South) Soils 16-July-12

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.

For further information, contact:

Dale A. Kaliel Sr. Economist: **Production Economics** (dale.kaliel@gov.ab.ca) or,

Jason Wood Crops Economist (jason.wood@gov.ab.ca)

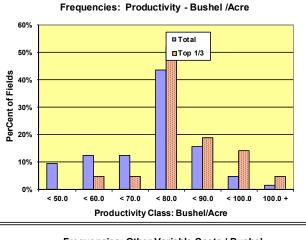
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AgriProfit\$ Cost & Returns Profiles									
Crop:	Dryland Feed Barley	Total	Top 1/3rd	Total	Top 1/3rd				
	GreyWooded (South)	\$ / Acre			\$ / Bushel				
(A) 1.	Crop Sales	241.52	290.41	3.34	3.52				
6.	Other Revenues	34.66	30.87	0.48	0.37				
0.	Gross Return	276.17	321.28	3.82	3.89				
	Gross Return	270.17	021.20	3.02	0.00				
(B) 1.	Seed	15.45	14.12	0.21	0.17				
2.	Fertilizer	54.91	46.12	0.76	0.56				
3.	Chemicals	22.85	22.34	0.32	0.27				
4.	Crop Insurance Premiums	14.60	12.12	0.20	0.15				
5.	Trucking & Marketing	5.97	2.93	0.08	0.04				
6.	Fuel	15.71	15.19	0.22	0.18				
7.	Irrigation Fuel & Electricity	0.00	0.00	0.00	0.00				
8.	Repairs - Machinery	13.25	11.82	0.18	0.14				
9.	Repairs - Buildings	2.06	1.18	0.03	0.01				
10.	Utilities & Misc. Expenses	13.35	6.87	0.18	0.08				
11.	Custom Work & Specialized Labour	3.82	4.61	0.05	0.06				
12.	Operating Interest Paid	3.23	2.26	0.04	0.03				
13.	Paid Labour & Benefits	4.51	5.62	0.06	0.07				
14.	Unpaid Labour	10.03	9.01	0.14	0.11				
	Variable Costs	179.74	154.17	2.49	1.87				
(C) 1.	Cash/Share Rent & Land Lease	17.04	16.33	0.24	0.20				
2.	Taxes, Water Rates, Lic. & Insurance	6.52	5.78	0.09	0.07				
3.	Equip. & Bldg. a) Depreciation	31.66	26.13	0.44	0.32				
l ,	b) Lease Payments	4.23	4.10	0.06	0.05				
4.	Paid Capital Interest	10.68	8.12	0.15	0.10				
	Total Capital Costs	70.14	60.46	0.97	0.73				
(D)	Cash Costs (B+C-B14-C3)	208.19	179.49	2.88	2.18				
(E)	Total Production Costs (B+C)	249.87	214.62	3.46	2.60				
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(F)	Gross Margin (A-D)	67.99	141.79	0.94	1.72				
	Return to Unpaid Labour (A-E+B14)	36.33	115.66	0.50	1.40				
	Return to Investment (A-E+C4)	36.99	114.78	0.51	1.39				
	Return to Equity (A-E)	26.30	106.66	0.36	1.29				
	Return on Investment (%)	3.2	8.8	7					
	Total Investment (\$/acre)	1,154	1,310						
	Management			₹					
	Average field size (acres)	130.8	166.3						
	Number of Observations	64	21						
	Yield (Bushels/acre)	72.24	82.49						
	Expected Price (\$/Bushel)	3.34	3.52						
	* Cost and returns profiles include/combine all tenure types ow ned, rented & leased.								
	Static returns promes include combine an entire types owned, remed & leased.								

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

Descriptive Statistics: Feed Barley Production - Total Group

Crop: Dryland Feed Barley	Quartiles		Group			
Zone: GreyWooded (South)	Low	High	Average	CV (%)		
Price (\$/Bushel)	3.00	3.50	3.34	12.8		
Yield (Bushel/Acre)	60.00	77.72	72.24	20.4		
	\$ / Acre					
Gross Revenue	227.07	307.92	276.17	20.1		
Seed, Fert, Chem	63.03	117.60	93.21	36.8		
Oth. Variable Costs	75.20	113.87	86.53	28.5		
Fixed Costs	51.60	95.70	70.14	43.5		
Total Production Costs	213.77	324.88	249.87	24.2		
Total Cash Costs	162.80	257.37	208.19	25.4		
Gross Margin	10.09	92.10	67.99	115.1		
Return to Equity	(79.32)	47.36	26.30	334.8		



Frequencies: Seed, Fert & Chem Costs / Bushel 40% ■ Total 35% ■Top 1/3 30% **PerCent of Fields** 25% 20% 15% 10% 5% < \$1.75 < \$2.00 < \$1.00 < \$1.50 Cost Class: \$/Bushel

