

**2016 Dairy Cost Study - Business Analysis
Dairy Enterprise Costs and Returns - Alberta Total**

	----- 2016 -----		---- Average 2014-2016 ----	
	\$/Cow	\$/HI Sold	\$ / Cow	\$/HI Sold
Income:				
Milk Sales	\$7,348.65	\$79.13	\$7,358.74	\$79.66
Pool Adjustments / Levies (+/-)	2.84	0.03	10.70	0.12
Miscellaneous Receipts	40.36	0.43	39.71	0.43
Net Cattle Sales (+/-)	471.60	5.08	502.97	5.44
Net Inventory Change	71.49	0.77	97.69	1.06
Gross Income	\$7,934.94	\$85.45	\$8,009.81	\$86.71
Expenses:				
Grain	\$466.10	\$5.02	\$412.80	\$4.47
Complete Feed	968.32	10.43	986.34	10.68
Supplement	366.26	3.94	388.57	4.21
Minerals & Vitamins	69.03	0.74	70.16	0.76
Roughage	1,203.08	12.96	1173.59	12.70
Processing Costs	21.63	0.23	20.43	0.22
Total Feed Costs	\$3,094.42	\$33.32	\$3,051.89	\$33.04
Bedding & Supplies	285.45	3.07	269.17	2.91
Breeding	99.94	1.08	93.53	1.01
Vet. & Medicine	185.60	2.00	173.70	1.88
Milk Hauling	322.31	3.47	304.52	3.30
Producer's Fees	199.59	2.15	196.54	2.13
Utilities	153.46	1.65	155.17	1.68
Fuel, Oil, Lube	103.82	1.12	121.01	1.31
Bldg. & Mach. Repairs	243.89	2.63	229.03	2.48
Miscellaneous	326.49	3.52	305.22	3.30
Total Other Costs	\$1,920.55	\$20.68	\$1,847.89	\$20.00
Hired Labour	315.80	3.40	309.72	3.35
Family Labour	743.68	8.01	791.65	8.57
Total Labour Costs	\$1,059.48	\$11.41	\$1,101.37	\$11.92
Total Operating Costs	\$6,074.45	\$65.41	\$6,001.15	\$64.97
Rent	17.58	0.19	21.44	0.23
Taxes & Insurance	142.79	1.54	143.50	1.55
Depreciation	916.03	9.86	838.39	9.08
Interest (Cap.Debt)	167.43	1.80	152.66	1.65
Total Capital Costs	\$1,243.84	\$13.36	\$1,155.99	\$12.51
Total Production Costs	\$7,318.29	\$78.81	\$7,157.14	\$77.48
Contribution Margin (\$)	\$1,860.49	\$20.03	\$2,008.65	\$21.74
Return to Equity (\$)	\$616.65	\$6.64	\$852.66	\$9.23
Milk Price		\$79.16		\$80.51
Inventory Adjustment		\$6.28		\$7.07
Return to Equity (%)		5.11%		7.29%
Average Interest Rate (%)		3.36%		3.69%
Investment	\$17,052.43	\$179.11	\$15,806.70	\$171.29
No. of Cows	161.25		147.95	

For a complete copy of The Economics of Milk Production, 2016

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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)