

2019 Dairy Cost Study

Business Analysis: Alberta 2019 and 3YR Average

Dairy Enterprise Costs and Returns

	----- 2019 -----		--- Average 2017-2019 ---	
	\$/Cow	\$/HI Sold	\$/ Cow	\$/HI Sold
Income:				
Milk Sales	8,208.44	81.73	7,725.29	80.31
Pool Adjustments / Levies (+/-)	2.56	0.03	5.06	0.05
Miscellaneous Receipts	38.57	0.38	38.25	0.40
Net Cattle Sales (+/-)	369.60	3.68	366.97	3.81
Net Inventory Change	119.70	1.19	159.01	1.65
Gross Income	\$8,738.87	\$87.01	\$8,294.57	\$86.22
Expenses:				
Grain	434.88	4.33	438.04	4.55
Complete Feed	1,268.06	12.63	1,164.06	12.10
Supplement	414.11	4.12	374.58	3.89
Minerals & Vitamins	105.88	1.05	106.50	1.11
Roughage	1,355.39	13.50	1,184.89	12.32
Processing Costs	38.25	0.38	33.25	0.35
Total Feed Costs	\$3,616.57	\$36.01	\$3,301.33	\$34.32
Bedding & Supplies	338.43	3.37	305.55	3.18
Breeding	113.30	1.13	104.41	1.09
Vet. & Medicine	210.41	2.09	193.90	2.02
Milk Hauling	366.72	3.65	339.82	3.53
Producer's Fees	216.89	2.16	209.86	2.18
Utilities	177.15	1.76	162.78	1.69
Fuel, Oil, Lube	115.46	1.15	109.40	1.14
Bldg. & Mach. Repairs	246.50	2.45	230.19	2.39
Miscellaneous	277.14	2.76	286.55	2.98
Total Other Costs	\$2,062.00	\$20.53	\$1,942.45	\$20.19
Hired Labour	418.16	4.16	366.93	3.81
Family Labour	810.76	8.07	804.08	8.36
Total Labour Costs	\$1,228.93	\$12.24	\$1,171.01	\$12.17
Total Operating Costs	\$6,907.49	\$68.78	\$6,414.80	\$66.68
Rent	17.25	0.17	20.71	0.22
Taxes & Insurance	144.06	1.43	148.05	1.54
Depreciation	1,016.25	10.12	903.30	9.39
Interest (Cap.Debt)	204.94	2.04	159.33	1.66
Total Capital Costs	\$1,382.50	\$13.77	\$1,231.40	\$12.80
Total Production Costs	\$8,289.99	\$82.54	\$7,646.20	\$79.48
Contribution Margin (\$)	\$1,831.38	\$18.23	\$1,879.77	\$19.54
Return to Equity (\$)	\$448.88	\$4.47	\$648.37	\$6.74
Milk Price		\$81.76		\$80.36
Inventory Adjustment		\$5.26		\$6.02
Return to Equity (%)		3.3%		5.2%
Average Interest Rate (%)		3.3%		3.3%
Investment	\$19,700.35	\$196.15	\$17,377.56	\$172.94
No. of Cows	189.63		174.72	

Source: Alberta Agriculture and Forestry, Economics & Competitiveness Branch, Economics Section

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also found at: www.alberta.ca/agriprofits-dairy.aspx

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