#25-1 July 2026

2025 Results

In 2025, the Canadian Cow-Calf Cost of Production Network (COP Network) initiated the second round of data collection in Manitoba and the Maritime provinces, resulting in updated benchmark farms for both. With this update, the COP Network now comprises 60 cow-calf benchmark farms, developed with participation from over 200 producers across Canada. These benchmarks represent a variety of production systems, including variation in animal performance, economies of scale, labour productivity, feeding, and farm financials. However, some production systems remain unrepresented in the COP Network, such as farms that primarily use by-product feedstuffs, organic/regenerative farms, and grass finishing operations.

The 2025 results presented in this report are estimated based on data from the baseline years (2019-2025), along with year-over-year indexing of provincial average yields, input and output prices, assuming stable herd sizes and consistent animal performance with the baseline years.

Key takeaways

For the cow-calf enterprise, average total costs were $1,931/cow in 2025, 3% higher than 2024, with individual benchmark farms ranging from under $1,000 to more than $3,500/cow. On average, total cost consisted of 58% ($1,120) cash expenses, 13% ($251) depreciation, and 29% ($560) opportunity costs.

On a per-pound-weaned basis, total costs averaged $4.67/lb weaned, with a wide range from $2.20 to $10.33/lb weaned. On average, $2.71/lb were cash costs, $0.61/lb depreciation, and $1.35/lb opportunity costs.

Average revenue was estimated at $2,915/cow, up a significant 44% from 2024 thanks to sharply higher cattle prices.

With revenue growing faster than costs, profitability improved nationwide in 2025. All farms (100%) covered short-term (cash) costs and medium-term (cash and depreciation) costs. About 93% of farms were able to cover long-term (cash, depreciation, and opportunity) costs. In comparison, in 2024, 100% of farms covered short-term costs, 97% covered medium-term costs, and about 62% covered long-term costs.

Next Steps

Over the next two years, the Canfax Research team will revisit focus group participants in Saskatchewan & Quebec (2027) and Alberta (2028) to update structural data.

Introduction

The Canadian Cow-calf Cost of Production Network (COP Network) is the first nationally standardized data collection and reporting program. This allows for comparison both within and between provinces, as well as with cow-calf production systems worldwide.

The COP Network has collected data from over 200 producers contributing to 60 cow-calf benchmark farms that represent various production systems. Each benchmark farm is based on data from three to seven producers with similar production systems and ecoregions.

Baseline data is captured every five years, focused on the typical farm structural and animal performance metrics such as yield, weaning weight, mature cow weights, etc. Annual indexing is then conducted for the subsequent years based on changes in provincial average input and output prices, as well as crop and forage yield.

In 2025, we launched the second round of data collection to track changes in operation structures and management practices over time. This process started with Ontario and B.C., followed by Manitoba and the Maritimes' 2025 production data. The remaining provinces scheduled for data collection over the next two years.

Four new benchmarks were developed for Manitoba, replacing the five from the previous cycle. In the Maritimes, three new benchmarks were established, replacing the six previous Maritime benchmarks. This brings the total number of cow-calf benchmark farms to 60.

The combined dataset from these 60 farms is discussed below. All historical data have been updated to reflect this new set of benchmark farms. All this data, as well as individual farm summaries, can be found at canfax.ca.

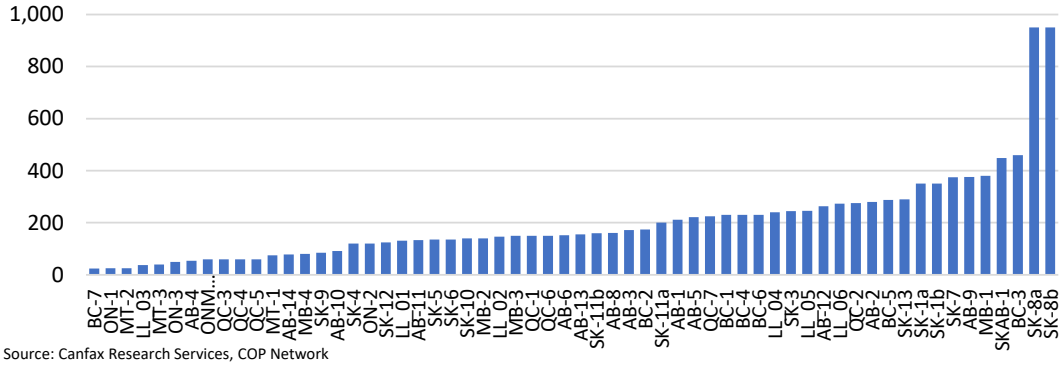
Geographic Locations, Herd Size and Animal Performance Metrics

The 60 cow-calf benchmarks are distributed across various ecoregions to provide national coverage. Specifically, the distribution includes seven cow-calf benchmark farms in B.C., 19 in Alberta (including six benchmarks from the Alberta Agri-system Living Lab), 15 in Saskatchewan, one in the Alberta-Saskatchewan region, four in Manitoba, three in Ontario, one in the Ontario-Manitoba region, seven in Quebec, and three in Maritimes. About 65% of these benchmarks are in the prairies, where 84% of the Canadian beef cow herd is located[1].

The average **herd size** of the 60 benchmark farms is 204 beef cows, with a range from 24 to 950 head (Figure 1). The COP Network dataset is skewed towards small-and medium-sized farms. Twenty-seven percent of the benchmark farms have fewer than 100 cows, 32% have between 100 to 200 cows, 27% have between 200 and 300 cows, while only 15% have ove 300 cows. This larger proportion of small-to-medium-sized farms align with national statistics. According to the 2021 Census of Agriculture, 95% cow-calf operation have less than 250 beef cows (Figure 2).

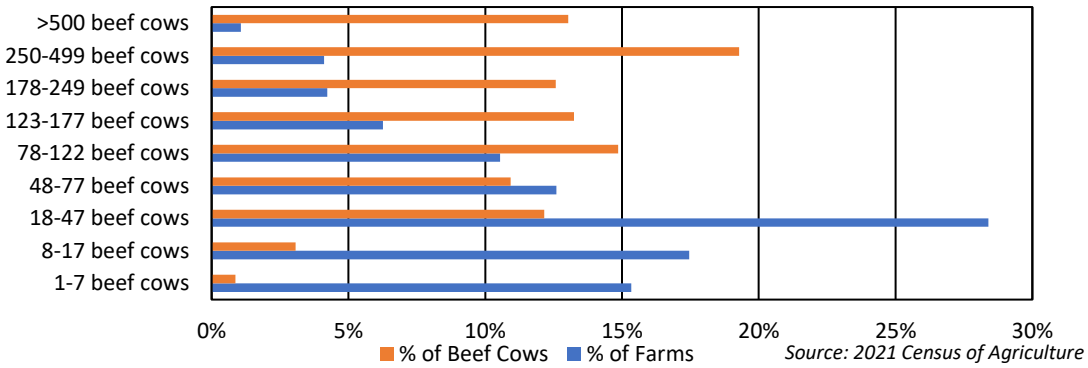
[1] Source: Statistics Canada. Table 32-10-0130-01 Number of cattle, by class and farm type (x 1,000), January 2025

Figure 1. Beef cow herd size on benchmark farms



Source: Canfax Research Services, COP Network

Figure 2. Profile of Canadian beef cattle operations by beef cow herd size



Animal performance metrics from the COP Network are compared to the 2023 Canadian Cow-Calf Survey (2023 CCCS), where applicable. These comparisons provide an indication of the robustness of the COP Network dataset and highlight where differences in the data occur. Limitations and assumptions associated with these differences should be kept in mind when interpreting the results of the COP Network. (Table 1)

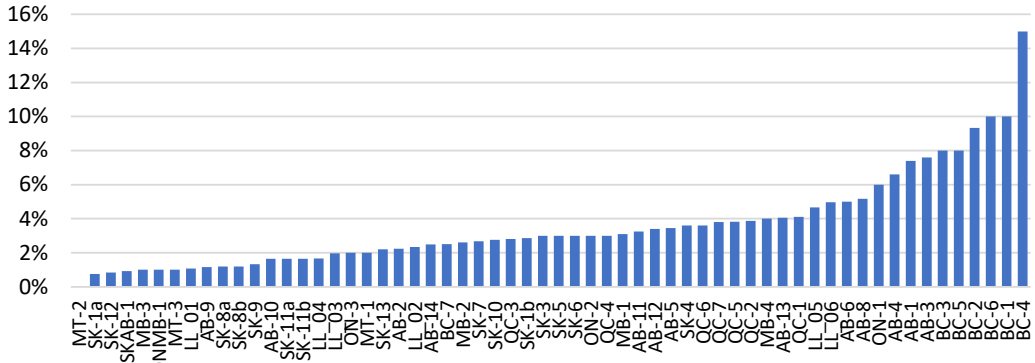
Table 1. Herd Size and Key Animal Performance Indicators

Metrics	Range	Average	CCCS, 2023	Difference
Herd Size (# of beef cows) (head)	24-950	204	--	--
Mature Cow weight (lbs)	1,200-1,600	1,349	1,387	-3%
Weaning weight (lbs)	465-708	562	577	-3%
205-day adjusted weaning weight (lbs)	459-687	548	554	-1%
Weaning wgt % of Mature cow weight	34-52%	41.8%	41.5%	0.3%
Calf death loss 24 hrs to weaning	0%-15%	3.6%	2.5%	1.1%
Replacement Rate (%)	5-19%	12.6%	--	--

For the COP Network, calf death loss is calculated for calves from 24 hours old to weaning. Calf death loss averaged 3.6% and ranged from as low as 0% to 15% The higher death loss can be related to predation, illustrating the influence geographic region may have on this metric (Figure 3). The calf death loss from 24 hours to weaning in B.C. may be inflated, as data on mortality within the first 24 hours after birth are not available and therefore not excluded from the calculation. In comparison, calf death loss from 24 hours

old to weaning was reported at 2.5% for calves born to cows and 2.9% for calves born to heifers in 2023 CCCS.

Figure 3. Calf death loss from 24 hours to weaning (%) on benchmark farms*



** Calf death loss from 24 hours to weaning in BC may be overestimated due to the unavailability of data on deaths occurring within the first 24 hours after birth*

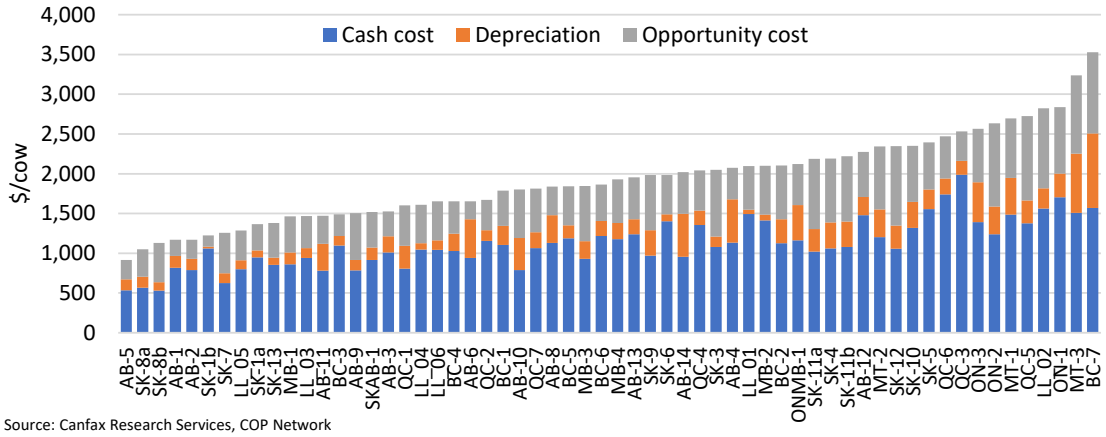
Production Costs in 2025

Overall, total production costs per cow on the benchmark farms show an upward sloping curve (Figure 4), with both low-cost and high-cost production systems represented, ranging from under $1,000 to over $3,500/cow. In 2025, the average total cost rose to $1,931/cow, up 3% from 2024. The increase was more pronounced in the East, where costs increased by 8% from 2024, compared to a 1% increase in the West. While both regions experienced inflationary pressures, the more moderate increase in the West is partly attributed to improved forage yields in 2025, which reduced the need to purchase additional feed to offset shortfalls in homegrown feed supply.

Breaking down the total costs, 58% ($1,120) were cash costs, 13% ($251) depreciation, and 29% ($560) were opportunity costs. These are consistent with the previous year, which had 59% in cash costs, 13% in depreciation, and 28% in opportunity costs.

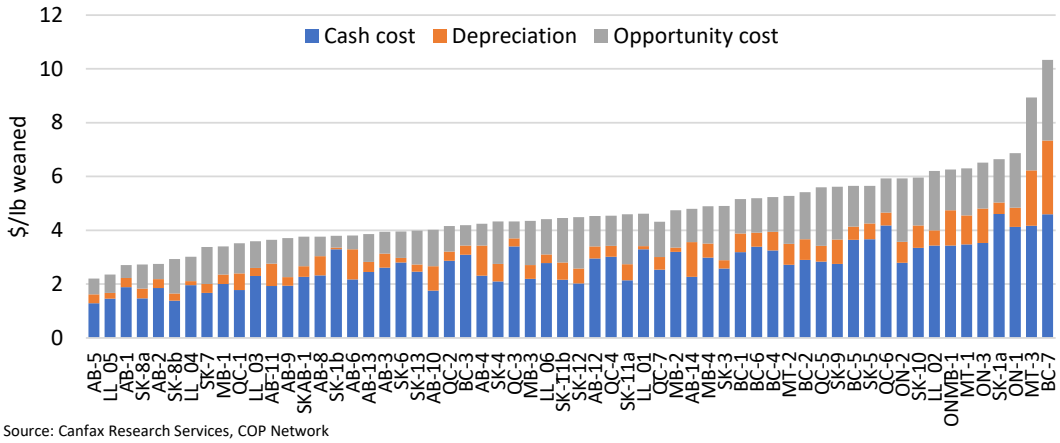
On a per-pound-weaned basis, total costs averaged $4.67/lb weaned, with a wide range from $2.20 to $10.33 (Figure 5). On average, $2.71 were cash costs, $0.61 depreciation, and $1.35 opportunity costs.

Figure 4. Total costs ($/cow) on benchmark farms in 2025



Source: Canfax Research Services, COP Network

Figure 5. Total costs ($/lb weaned) on benchmark farms in 2025

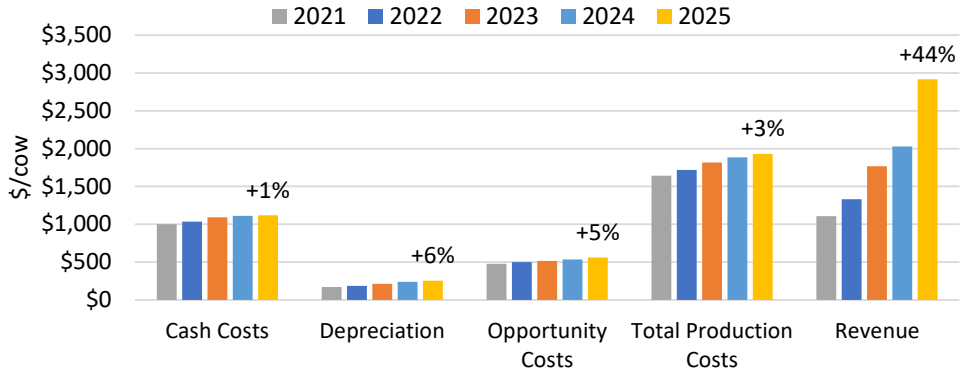


Source: Canfax Research Services, COP Network

Depreciation

One of the non-cash costs that can significantly impact profitability is depreciation. Depreciation is the value of an asset that decreases over time due to use, wear and tear or outdated. Although depreciation accounts for a smaller share of total costs compared to cash and opportunity costs, it has been increasing more rapidly. Over the past five years, depreciation costs have risen by approximately 50%, with annual increases ranging from 6% to 15%. This growth has outpaced the increases observed in both cash and opportunity costs, making depreciation an increasingly important component of total production costs.

Figure 6. Canada Average Cost and Revenue in 2025



Source: Canfax Research Services, COP Network

Two main factors appear to be driving this trend. The first is increased investment in machinery and equipment. Strong cattle prices and improved returns have encouraged many producers to upgrade existing equipment or consider new purchases. A recent Canadian Farmer Sentiment report found that 47% of livestock producers believe it is currently a good time to invest in their operations. The second factor is the increase in machinery and equipment prices. Statistics Canada reports that prices for machinery and equipment used in crop and animal production have increased by more than 40% over the past five years. As a result, replacing or upgrading equipment now requires a significantly larger capital commitment.

Given these elevated equipment costs, investment decisions have become increasingly important. Producers should carefully evaluate whether a purchase is "need-to-have" or just a "nice-to-have". Priority

should be given to investments that enhance labour or production efficiency, reduce operating costs, improve resource utilization, or support long-term returns. Careful assessment of the expected economic benefit of each investment is critical to maintaining profitability in a high-cost environment.

Feed costs and winter-feeding systems

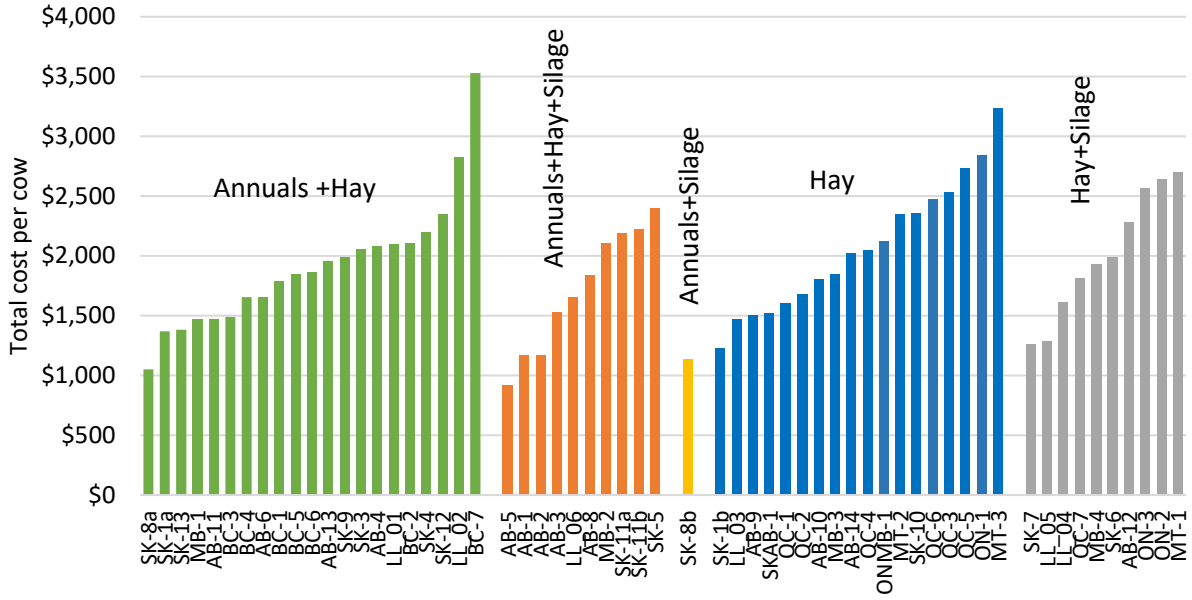
In 2025, the average approximate feed cost[2] was down 2% from 2024 at $676/cow, accounting for 60% of cash cost and 35% of total production cost. Regionally, approximate feed cost was up 5% in the east, but down 5% in the west with improved yield and lower prices. Overall, 37% of the benchmark farms have approximate feed costs below $600/cow. From cost competitiveness standpoint, that $600-per-cow threshold provides a useful reference point for evaluating feed efficiency and identifying opportunities for cost control.

The benchmark farms were further categorized based on the primary forage used in the winter diet: annuals with hay, annuals with hay and silage, annuals with silage, hay alone, or hay with silage, where:

- Annuals include greenfeed, straw, swath graze, corn graze, crop residues
- Hay includes dry hay, haylage, grass silage
- Silage includes oats silage, barley silage, pea silage, corn silage

Overall, *'Annuals and Hay'* and *'Hay'* remained the most common primary feed types among benchmark farms in the network.

Figure 7. Total costs ($/cow) by primary feedstuff on benchmark farms in 2025



Source: Canfax Research Services, COP Network

Figure 7 shows the total cost per cow across benchmark farms grouped by their primary winter feed types. A wide range of costs is observed within each group indicating significant variation in cost efficiency. While

[2] Approximation of Feed Cost is calculated as feed cost (purchase feed + fertiliser, seed and pesticides for feed production) + machinery cost (machinery maintenance + depreciation + contractor) + fuel, energy, lubricants and water.

some of the lowest-cost farms are found in the *annuals with hay* category, this group also includes farms with some of the highest costs, underscoring the importance of management practices. Overall, this highlights that feed type alone does not determine cost level—rather, how feed is managed within each operation plays a critical role in influencing total costs.

Daily feed cost is calculated by dividing approximate feed cost by the number of total winter-feeding days, based on the assumption that most of the feeding and feed production costs are incurred during the winter-feeding period for the majority of benchmark farms, with the exception of year-round grazing operations. Table 2 presents the estimated daily feed costs for each benchmark farm. In general, farms that rely more heavily on purchased feed tend to have higher daily feed costs. Notably, the cost for SKAB-1, a year-round grazing operation, is likely overestimated due to its shorter winter-feeding period. In year-round grazing operations, costs related to machinery, fuel, and land are more likely associated with grazing management. Excluding SKAB-1, average daily feed cost in 2025 was estimated at $3.53/head/day, compared to $3.61/head/day in 2024.

Table 2. Winter feeding systems on benchmark farms in 2025

	Winter feeding days	Daily feed cost ($/head/day)	Primary feedstuff
BC-1	171	$3.34	Annuals/Hay
BC-2	181	$4.18	Annuals/Hay
BC-3	135	$3.33	Annuals/Hay
BC-4	167	$3.56	Annuals/Hay
BC-5	193	$2.98	Annuals/Hay
BC-6	229	$3.06	Annuals/Hay
BC-7	199	$5.89	Annuals/Hay
AB-1	250	$1.68	Annuals/Hay/Silage
AB-2	226	$1.94	Annuals/Hay/Silage
AB-3	234	$2.42	Annuals/Hay/Silage
AB-4	211	$4.36	Annuals/Hay
AB-5	235	$1.80	Annuals/Hay/Silage
AB-6	152	$4.83	Annuals/Hay
AB-8	238	$2.77	Annuals/Hay/Silage
AB-9	189	$1.75	Hay
AB-10	219	$2.34	Hay
AB-11	212	$2.96	Annuals/Hay
AB-12	194	$3.17	Hay/Silage
AB-13	242	$2.87	Annuals/Hay
AB-14	214	$3.66	Hay
SK-1A	222	$2.91	Annuals/Hay
SK-1B	150	$5.57	Hay
SK-3	180	$2.74	Annuals/Hay
SK-4	165	$3.97	Annuals/Hay

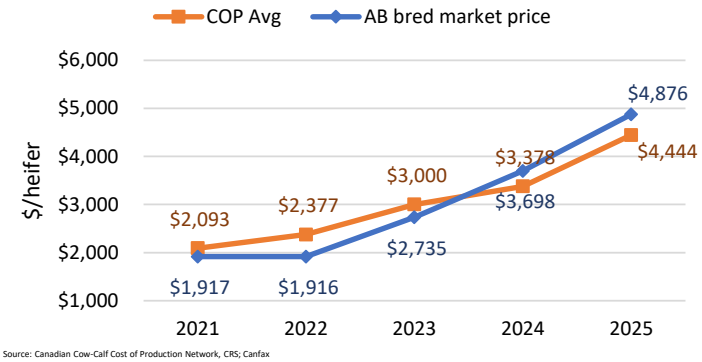
SK-5	200	$3.27	Annuals/Hay/Silage
SK-6	186	$2.87	Hay/Silage
SK-7	180	$2.09	Hay/Silage
SK-8A	180	$2.18	Annuals/Hay
SK-8B	155	$2.25	Annuals/Silage
SK-9	205	$3.22	Annuals/Hay
SK-10	134	$5.40	Hay
SK-11A	165	$3.96	Annuals/Hay/Silage
SK-11B	165	$4.08	Annuals/Hay/Silage
SK-12	181	$3.77	Annuals/Hay
SK-13	165	$3.34	Annuals/Hay
SKAB-1	60	$9.96	Hay
MB-1	205	$2.37	Annuals/Hay
MB-2	190	$4.09	Annuals/Hay/Silage
MB-3	216	$2.69	Hay
MB-4	200	$3.01	Hay/Silage
ON-1	192	$5.08	Hay
ON-2	207	$3.88	Hay/Silage
ON-3	205	$4.73	Hay/Silage
ONMB-1	206	$4.52	Hay
QC-1	200	$2.61	Hay
QC-2	240	$2.94	Hay
QC-3	200	$5.83	Hay
QC-4	200	$4.42	Hay
QC-5	227	$3.15	Hay
QC-6	222	$3.97	Hay
QC-7	200	$3.09	Hay/Silage
MT-1	200	$4.80	Hay/Silage
MT-2	180	$4.08	Hay
MT-3	175	$5.96	Hay
LL_01	151	$5.38	Annuals/Hay
LL_02	222	$4.45	Annuals/Hay
LL_03	218	$2.72	Hay
LL_04	197	$3.29	Hay/Silage
LL_05	200	$2.38	Hay/Silage
LL_06	203	$3.30	Annuals/Hay/Silage

** Year-round grazing operation. Approximate daily feed cost is overestimated due to the short winter-feeding period.*

Cost of Replacement Heifers

In 2025, the bred heifer market continued its upward trend as producers remained optimistic about cattle prices and had largely rebuilt feed supplies. Across the 60 benchmark farms, the average cost of raising a replacement heifer was estimated at $4,444 per head. The cost of raising a replacement heifer has mirrored the Alberta bred heifer market over the past five years (Figure 8). With calf prices reaching record highs, replacement heifers now carry a substantial opportunity cost. In 2025, approximately 70% of the cost of a homegrown replacement heifer was attributable to the forgone market value of the heifer calf that could otherwise have been sold.

Figure 8. Cost of Raising a Replacement Heifer 2020-2025

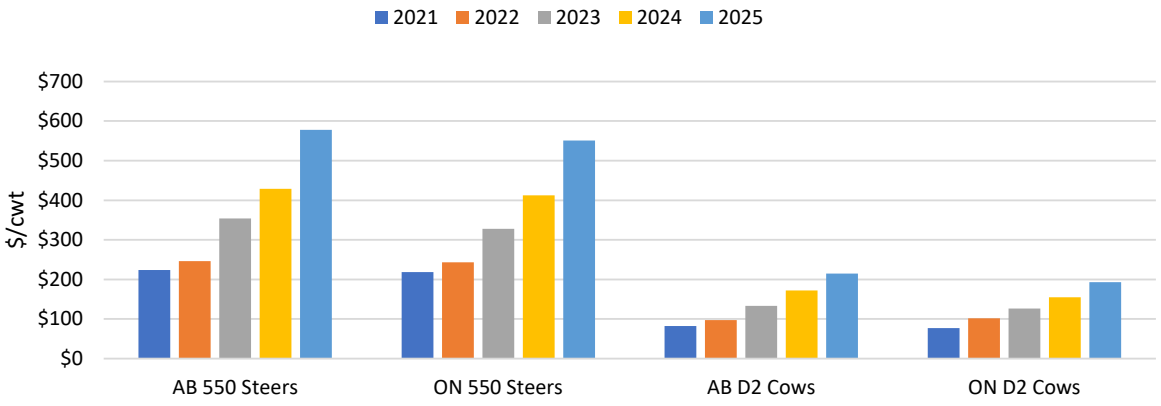


Cow-calf Revenue in 2025

Over the past three years, many producers have experienced a significant improvement in revenue. In 2025, average total revenue of the 60 benchmark farms increased sharply to $2,915/cow, up 44% from 2024. This increase reflects higher calf prices across weight classes, as well as improved returns from cull cow and bull sales (Figure 9).

However, higher market prices are also accompanied by increased price volatility. In 2025, cattle markets experienced notable fluctuations, particularly during the fourth quarter. Depending on the timing of sales, the difference between marketing cattle during a high-price week versus a low-price week could result in a revenue difference of approximately $300 per head.

Figure 9. Annual steer calves and cow prices in Alberta and Ontario, 2021 to 2025



Source: Canfax

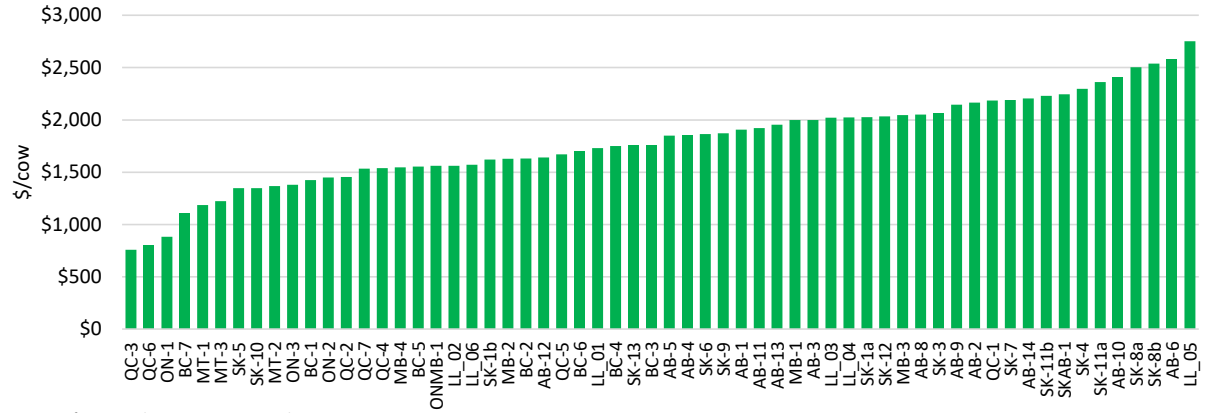
Cow-calf Profitability

With revenue (+44%) growing faster than costs (+3%), profitability improved substantially across benchmark farms in 2025.

All benchmark farms (100%) covered short-term (cash) costs (Figure 10), and 100% managed to cover medium-term (cash and depreciation) costs as well (Figure 11). About 93% of farms were able to cover long-term (cash, depreciation, and opportunity) costs (Figure 12). This represents a notable improvement compared with 2024, when 100% of farms covered short-term costs, 97% covered medium-term costs, and 62% covered long-term costs.

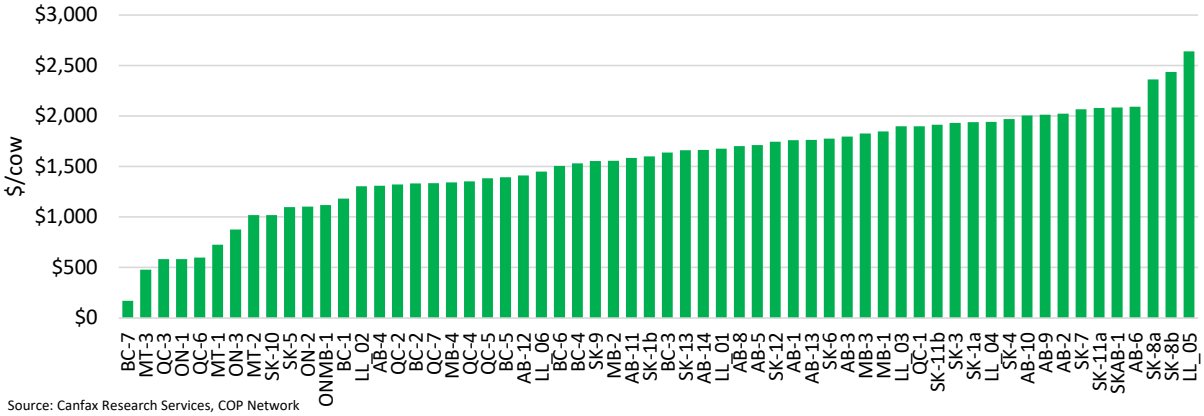
Overall, average estimated short-term profit reached $1,796/cow, up 96% from 2024. Medium-term profit increased 127% to $1,545/cow, while long-term profit jumped from $146 to $985/cow.

Figure 10. Short-term profits (returns less cash costs) ($/cow) on benchmark farms in 2025



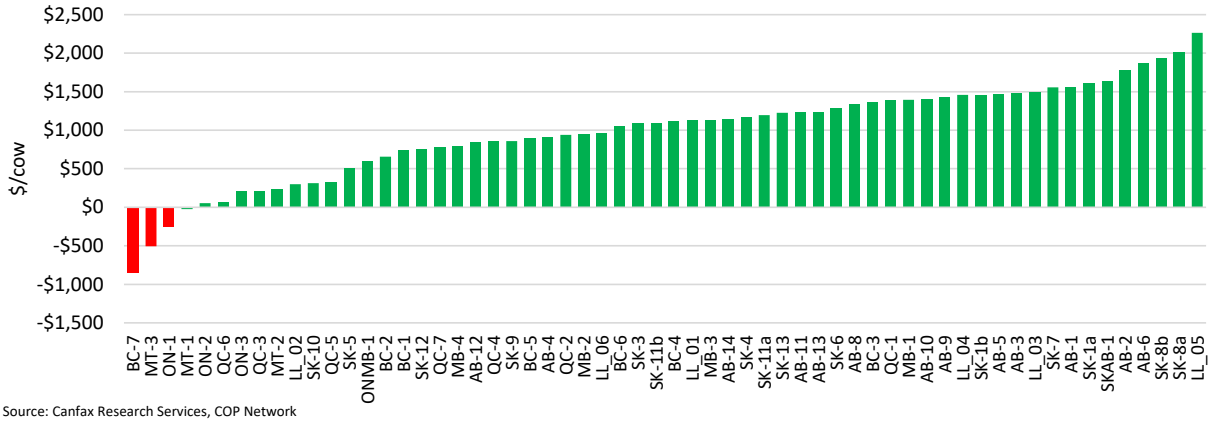
Source: Canfax Research Services, COP Network

Figure 11. Medium-term profits (returns less cash and depreciation costs) ($/cow) on benchmark farms in 2025



Source: Canfax Research Services, COP Network

Figure 12. Long-term profits (returns - cash, depreciation, and opportunity costs) ($/cow) on benchmark farms in 2025



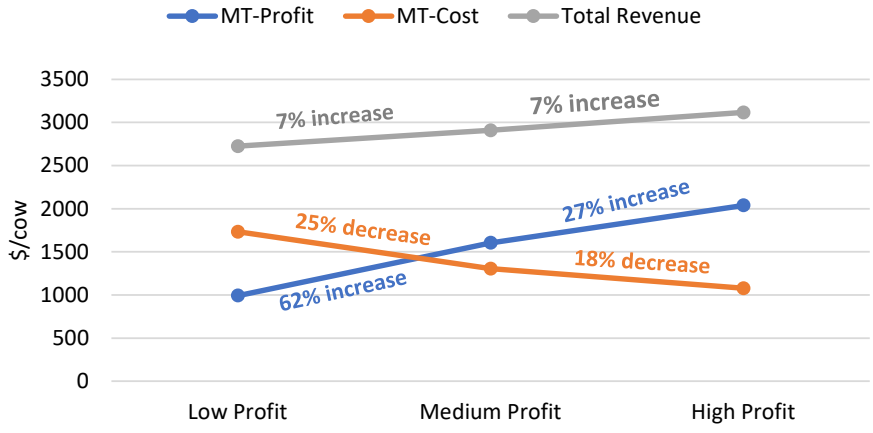
Source: Canfax Research Services, COP Network

Despite the overall improvement in profitability, there remained considerable variation among operations, reflecting differences in production systems, cost structures, productivity, and management decisions.

To better understand the drivers of profitability, the 60 benchmark farms were divided into three equal-sized groups (Low-, Medium-, and High-profit group) based on medium-term profit. Medium-term profit increased by 62% from the Low-profit group to the Medium-profit group, and by an additional 27% from the medium-profit group to the High-profit group (Figure 13).

Cost control was the primary factor differentiating profitability levels. Total costs declined by 25% between the Low- and Medium-profit groups and by an additional 18% between the Medium- and High-profit groups. In comparison, the differences in revenue were relatively modest, with a 7% change between each profit group. This demonstrates that while strong market conditions supported higher revenues across all operations, the ability to manage and control costs remained the key driver separating more profitable farms from the rest.

Figure 13. Medium-term profit, total cost and total revenue of Low-, Medium- and High-profit groups



Source: Canfax Research Services, COP Network

Building a Resilient Future

The past five years have been characterized by resilience, adaption, and lessons learned. Many producers adjusted their management in the face of adverse weather and rising input costs. However, record high cattle prices and improved profitability, mean that producers are looking toward the future with renewed optimism.

At the same time, there is strong awareness of the cyclical nature of the cattle market. Market volatility, trade disruptions, disease outbreaks, and weather-related risks remain top-of-mind concerns. Land access, labour availability, and succession planning continue to influence herd expansion decisions and long-term sustainability of cow-calf operations.

The key question facing many operations is how to use today's profits to build a more resilient business for tomorrow. Investment decisions are increasingly focused on improving productivity, efficiency, and long-term sustainability. Infrastructure and equipment are the most common areas of investment, particularly water systems, fencing, and cattle handling facilities. Genetic improvement is another major priority, while technology investments are generally targeted toward reducing labour requirements, improving efficiency, and supporting better management decisions. The benchmark farms in the COP Network demonstrate that resilience is not defined by any single production system, but by the ability to adapt, control costs, manage risk, and make informed decisions.

References

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Statistics Canada. 2022. *Number of farms reporting beef cows and number of beef cows classified by beef cattle operation type and custom beef cow herd size, Canada and provinces, 2021.*