

QC-2 Future Farm Summary

Sell Bred Heifers	
Description	Diversify marketing by selling breeding heifers
Assumptions	<ul style="list-style-type: none"> • Reduce the percentage of heifers for backgrounding from 64% to 32% • 40% of heifers between 12-24 months sold in October as bred heifers after preg check • Bred heifer price at \$1990/head • Open rate for the 12-24 month group is 6% • Open heifers sold to finishing at \$153/cwt (QC monthly prices, Oct 2020, 800-900lb heifers) • 84 hours of family labour added to managing the bred heifer group at \$22/hour • Increase variable cost per cow by \$26/cow (breeding fee at \$180/heifer, preg-check at \$5/heifer, average on 275 cows) • Keep breeding bull number steady with baseline (cow to bull ration increase from 19:1 to 21:1) • Increase stocking rate from 95 au/ac to 96 au/ac (assuming previously understocked)
Trade-Off Considerations	<ul style="list-style-type: none"> • There may be tax implications from selling bred heifers. The model shows pre-tax numbers only • Potential death loss between weaned and being sold as bred heifers • Potential price discount on calves if not making a full load
5-year average vs. baseline year*	
Estimated Change at Whole Farm Level (\$/year)	
Net Income	+\$22,991
Net Cash Farm Income	+\$22,989
Estimated Change at Cow-calf Enterprise(\$/cow)	
Short-term Profits	+\$55
Medium-term Profits	+\$40
Long-term Profits	-\$6

* Changes in profitability come from the practice change as well as debt servicing

Detailed reports available upon request. Email: info@canfax.ca

