

Farm Characteristics	CA-QC-7
Farm Description	A mixed cow-calf and cash crop operation with 225 beef cows in two calving groups, backgrounds for 90 days, and uses predominantly homegrown feed.
Winter Feeding Ration (lbs/cow/day as fed)	200 days on hay (25 lb) and corn silage (24 lb)
Retained Ownership/Replacement Ration (lb/head/day as fed)	Backgrounders: 90 days on corn silage (36 lb), hay (5 lb) and oats (2 lb)
Disclaimer:	This benchmark is based on 7 farms of data; outliers were excluded as required.

Environment	
Average Annual Temperature	5
Average Annual Precipitation (mm)	800-1000
Ecoregion	10. St. Lawrence Lowland
Stocking Rate (Animal Unit days per acre)	0.66 cows/acre
Fertilize Hay (yes/no)	Yes
Fertilize Pasture (yes/no)	No
Typical Hay Yield (tonnes/acre)	1.6
Grassland Acres (owned+rented)	341
Crop Acres (includes hay) (owned+rented)	570
Bush and other acres	140

Physical Performance Indicators	
Breed	Mixed
Cow:Bull Ratio	25:1
Bull Culling Rate (%)	11%
Mature Cow Weight (lb)	1,300
Heifer Retention for a steady herd (%)	14%
Cow Death Loss (%)	2.7%
Cow Culling Rate (%)	11.1%
Calves alive after 24hr/100 Cows exposed	94
Calf Death Loss (%) 24 hr to weaning	4%
Calves weaned per 100 cows exposed	91
Total Liveweight Sold per Cow (lb)	573
Weaning Weight (lb)	545
205 day adjusted Weaning Weight (lb)	532
Average Daily Gain pre-weaning (lb)	2.19
Weaning Weight as % of Cow Weight	42%

Production System	
Herd size	225
Days on field feeding (e.g. swath grazing)	0
Days supplemented on pasture	0
Days on full winter feed	200
Calving Start date	Mar/ Sept
Weaning date	Nov/May
Sale date	February 09
Retained ownership	90 days
% of feed purchased	1.2%
% of land in crops	54%
Annual sales Retained Cattle (head)	170
Placement weight (lbs)	545
Sale Weight (lbs)	715-743
Days on feed	90
Days on grass	0

Footnotes:

Cost of Production: Cash Cost + Depreciation + Opportunity Costs

Cash Costs = Cash cost for purchased feed, fertiliser, seeds, fuel, maintenance, land rents, animal purchases, interest on liabilities, wages paid, veterinary costs plus medicine, water, insurance, accounting, etc (excl. Tax)

Depreciation = Linear depreciation on machinery and buildings, calculated on replacement values

Opportunity Costs = Calculated cost for using own production factors like labour (family working hours * wage for qualified local labour, land (own land * regional land rents) and capital (non-land equity * long-term government bonds interest rate)

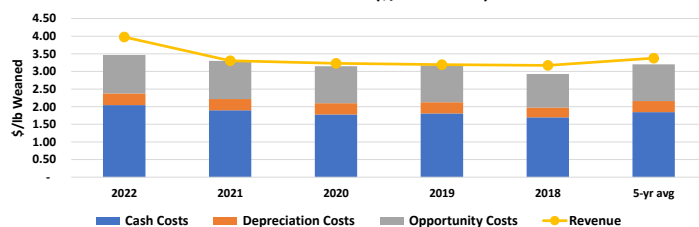
Whole Farm Profitability = Market returns (+ coupled payments) (+ decoupled payments) - whole-farm costs +/- changes in inventory +/- capital gains/losses.

Whole Farm Net Income = Whole farm profitability + depreciation + changes in inventory + capital gains/losses. Known as: 'Net farm income' (Agri Profits, 2018)

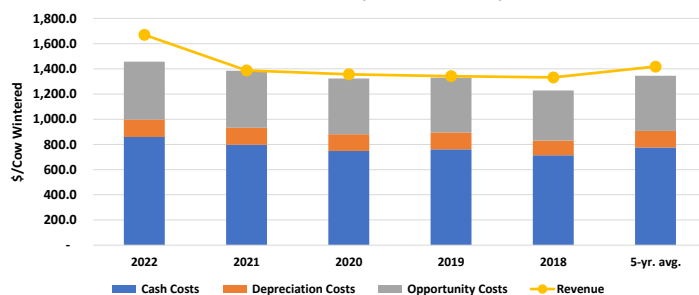
Revenue = sales of calves, cull cows, breeding stock, government payments and other revenue applicable to the specific enterprise

NOTE: Feed costs are based on cost of production if homegrown.

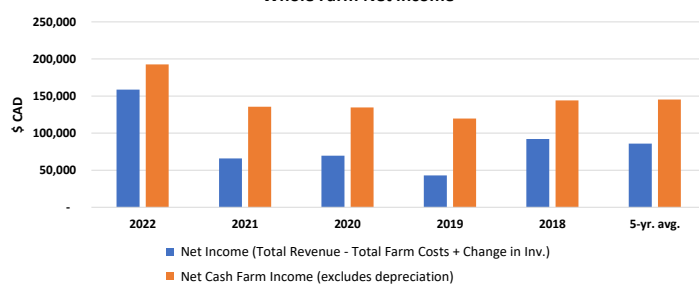
Cost of Production (\$/lb Weaned)



Cost of Production (\$/Cow Wintered)



Whole Farm Net income



Whole Farm Overview Page

Overview							
Operation Maturity	Medium						
Herd Size	225						
Paid Labour (livestock only) (hours)	2,045			Beef Animals Sold from Retained Ownership	170		
Unpaid Labour (livestock only) (hours)	4,196						
Average wages - paid and unpaid (\$/hr)	25.28						
Revenue		2022	2021	2020	2019	2018	5-yr. avg.
Market Revenue	5-yr avg	615,048	505,912	501,659	469,314	497,198	517,826
Cow-Calf	36%	266,612	219,593	224,044	211,028	214,675	227,191
Cash Crops	8%	63,468	53,766	47,370	43,305	46,101	50,802
Retained Ownership	38%	284,968	232,553	230,245	214,981	236,422	239,834
Government Payments	18%	134,182	113,820	99,866	112,053	104,665	112,917
Other Farm Revenue †	0%	163	46	52	53	77	78
Total Revenue	100%	749,393	619,778	601,577	581,420	601,941	630,822
Change in Inventory		42,874	-	2,312	(11,318)	9,915	8,757
Expenses		2022	2021	2020	2019	2018	5-yr. avg.
Depreciation		77,123	69,805	67,363	65,316	61,936	68,309
Machinery		63,684	57,238	55,266	53,424	50,338	55,990
Buildings		13,439	12,567	12,098	11,892	11,598	12,319
Quota econ. Accounting		-	-	-	-	-	-
Overhead costs		140,730	119,460	108,102	114,087	112,551	118,986
Land improvement		7,550	7,125	6,808	6,750	6,594	6,965
Machinery Maintenance		36,916	33,913	32,859	32,421	31,838	33,589
Buildings Maintenance		10,212	9,906	9,333	9,299	9,036	9,557
Contract labour		13,364	13,775	13,364	12,781	12,237	13,104
Diesel, Gasoline, Natural Gas		41,954	25,843	17,797	25,482	26,683	27,552
Electricity		3,147	2,738	2,699	2,818	2,647	2,810
Water		-	-	-	-	-	-
Farm insurance		10,681	10,141	9,782	9,490	9,076	9,834
Disability and accident insurance		-	-	-	-	-	-
Farm taxes and duties		3,338	3,169	3,057	2,966	2,837	3,073
Advisor costs		4,826	4,582	4,420	4,288	4,101	4,443
Accountant & legal fees		6,438	6,112	5,896	5,720	5,471	5,927
Phone & utilities		2,303	2,157	2,087	2,072	2,032	2,130
Other overhead costs		-	-	-	-	-	-
Wages, rent and interest payments		78,638	75,699	71,965	70,004	65,383	72,338
Paid Labour		43,080	40,900	39,455	38,277	36,607	39,664
Total land rents		9,978	8,990	8,172	7,616	7,158	8,383
Total Interest on debt		25,581	25,809	24,339	24,111	21,618	24,291
Cow-Calf		32,909	30,427	28,194	27,286	26,812	29,126
Animal purchases		4,000	4,000	4,000	4,000	4,000	4,000
Purchased feed		10,751	9,204	7,549	6,783	6,661	8,190
Other fixed and var. costs *		18,158	17,222	16,645	16,503	16,151	16,936
Retained Ownership		243,621	203,895	207,173	197,904	202,677	211,054
Animal purchases		229,161	190,799	195,106	185,606	190,406	198,215
Purchased feed		1,608	1,379	1,116	999	980	1,216
Other fixed and var. costs *		12,852	11,717	10,951	11,299	11,291	11,622
Crop and forage		60,608	54,638	51,469	52,494	50,336	53,909
Seed		18,284	17,445	16,914	17,816	16,367	17,365
Fertilizer		21,655	18,049	16,112	16,595	16,234	17,729
Herbicide		6,936	6,282	5,999	5,729	5,617	6,113
Fungicide & Insecticide		-	-	-	-	-	-
Irrigation		-	-	-	-	-	-
Contract labour		-	-	-	-	-	-
Fuel costs (crop & forage)		-	-	-	-	-	-
Other crop and forage		13,734	12,862	12,444	12,353	12,117	12,702
Total Farm Costs (excludes unpaid labour)		633,629	553,923	534,267	527,090	519,695	553,721
Cash Costs (Total Farm Costs - Depreciation)		556,506	484,118	466,904	461,774	457,759	485,412
Depreciation & Opportunity Costs (including unpaid labour)		183,197	175,879	173,437	171,390	168,010	174,383
Total Economic Costs (cash, depr, opportunity)		739,703	659,997	640,341	633,164	625,769	659,795
Profits		2022	2021	2020	2019	2018	5-yr. avg.
Net Income (Total Revenue - Total Farm Costs + Change in Inv.)		158,638	65,855	69,621	43,013	92,161	85,858
Net Cash Farm Income (excludes depreciation)		192,724	135,613	134,621	119,593	144,105	145,331

† Other Farm Revenue includes: Other enterprises, capital gains and losses as well as calculated interest on savings based on the models previous year profits.

*Other fixed and var. costs includes: veterinary, medicine, maintenance and spare parts, and other/miscellaneous



Cow-Calf Enterprise (\$/Cow Wintered)	2022	2021	2020	2019	2018	5 yr. avg.
Cows Wintered *	225	225	225	225	225	225
Average male and female calf price (\$/head)	1,304	1,090	1,120	1,059	1,089	1,132
REVENUE						
Cow Calf	1,670	1,387	1,357	1,342	1,332	1,418
Cull animals and slaughter receipts	166	128	129	113	108	129
Breeding livestock receipts	-	-	-	-	-	-
Calf Sales and transfer to retained ownership enterprise	1,018	848	867	825	846	881
Government payments	485.1	411.4	361.0	403.9	377.8	407.8
Other returns	-	-	-	-	-	-
Total Cow-Calf Revenue	1,670	1,387	1,357	1,342	1,332	1,418
VARIABLE COSTS						
Animal purchases	17.8	17.8	17.8	17.8	17.8	18
Feed (purchase feed, fertiliser, seed, pesticides)	231.8	207.5	190.6	189.3	183.5	201
Machinery (maintenance, depreciation, contractor)	205.3	202.4	200.5	202.0	177.6	198
Fuel, energy, lubricants, water	81.2	55.1	40.5	58.0	55.2	58
Vet & medicine	37.8	35.5	34.0	33.0	31.7	34
Other inputs cow calf enterprise	62.9	61.6	60.5	61.1	58.1	61
Labour						
Paid Labour	191.5	181.8	175.4	170.1	162.7	176
Unpaid Labour	246.7	250.8	247.8	249.2	219.0	243
Total Variable Costs	1,074.9	1,012.6	967.0	980.5	905.6	988
CAPITAL COSTS						
Insurance, taxes	36.0	35.5	34.7	34.3	31.3	34
Buildings (maintenance, depreciation)	42.6	43.4	42.3	43.4	38.8	42
Land Cost	-	-	-	-	-	-
Rented Land	36.9	33.2	30.2	28.2	26.5	31
Own Land	182.1	171.7	163.0	157.2	152.3	165
Capital Costs	-	-	-	-	-	-
Liabilities	53.9	57.8	54.7	56.7	47.1	54
Own capital	30.2	31.1	30.7	29.9	27.1	30
Total Capital Costs	381.7	372.6	355.7	349.8	323.1	357
COSTS						
Cash Costs	858.8	797.0	748.0	760.2	713.8	776
Depreciation Costs	138.9	134.7	133.1	133.8	116.5	131
Opportunity Costs	459.0	453.6	441.6	436.3	398.3	438
Total Production Costs	1,456.7	1,385.2	1,322.7	1,330.3	1,228.7	1,345
Profits						
Short-term profit (cash costs)	811.3	590.4	608.7	581.6	618.1	642
Medium-term profit (cash + depreciation)	672.4	455.7	475.6	447.8	501.5	511
Long-term profit (cash + depreciation + opportunity)	213.4	2.1	34.0	11.5	103.2	73

*Model Maintains a stable herd size

Costs and revenue are reported for a calendar (e.g. January to December). It reflects revenue and expenses that a producer experiences over that period. Producers who want a cash flow analysis typically use a calendar or agricultural year. This method is often preferred by lenders when getting evaluated for a line of credit or a loan. The model maintains a stable herd, retention rates were adjusted to ensure that.

Cash Costs

Cash costs are the outlays over the course of the year, including machine repairs, paid labour, costs of feed production, and purchased feed. CDN COP Network bases cash costs on actual costs of production. Agri Profit\$ uses the market value for some cash costs, including feed.

The cost of producing the feed on-farm and the purchased feed costs as used in that year to reflect the experience and situation of producers. Production inputs, land and any purchased feeds utilized that year are included.

Rations for each type of animal and inventories are used to calculate total feed requirements. Any shortfall in production are assumed to be purchased at market value. Feed rations and yields are provided "as fed" to balance the model. Below are the included costs for feed production:

Feed: Calculated as feed cost (purchase feed + fertilizer, seed and pesticides for own feed production) + machinery cost (machinery maintenance + depreciation + contractor) + fuel, energy, lubricants and water + land cost (land rents paid + opportunity cost own land)

Land: separated into owned and rented land, includes both crop and pastureland. Land costs = Rents paid + calculated land rents for own land (opportunity cost).

By using the cost of land, the advantage that mature operations have is clearly shown as their cost structure is lower when land has been fully paid off.

Allocation

Generic allocation uses percent revenues from each commodity to cover overheads and utilizes accounting data for the overhead costs. This takes the approach that overheads and fixed costs will be covered by something grown on the farm and recognizes that there are commodity price cycles where grains and livestock tend to be opposite. It is not so much concerned about each enterprise paying their way as that all overheads are covered by the mix of commodities grown. It should be recognized that as commodity prices fluctuate and revenues to each enterprise fluctuate, the shifting shares will change the cost structure for each enterprise from year to year.

Depreciation

Depreciation on buildings and machinery is a non-cash cost that reveals the ability of the farm to continue operating if an asset needs replacement.

Differences in depreciation costs between AgriProfit\$ and the CDN COP Network primarily comes from the use of specific (AgriProfit\$) versus generic (CDN COP Network) allocation. Where generic allocation results in machinery depreciation used for feed production to show up in the cow-calf enterprise as that is where revenue is generated. In contrast, specific allocation removes that cost and since feed is treated at market value, machinery depreciation for feed production is treated as a cash cost. This results in the CDN COP Network typically having lower cash costs and higher depreciation costs than what is reported in AgriProfit\$.

Opportunity Costs

Opportunity costs are the non-cash costs that reveal the opportunity of using different resources. These costs can include Unpaid labour, renting out land, the opportunity of selling or buying feed production, and return to own capital.

Land: The Opportunity costs of land are the rents for new contracts if the farm rents out owned land. It reflects the future cost of renting land. If the producers' profits of utilizing the land outweigh the profits of renting the land, utilizing owned land for production should be preferred and vice-versa.

Labour: The opportunity costs of labour are the calculated wage for family labour, either off-farm salary or farm manager salary. It is important to note that the opportunity cost of labour reflects the income you can receive for the same type of labour.

Capital: The opportunity cost of capital is the interest rate for long-term government bonds multiplied by the equity without land (values of machines, buildings, livestock, circulating capital, less total loans). If the producers' return on capital through farm and ranch production of an enterprise is greater than investing elsewhere then, continuous production should be preferred.

Unit Reported

Often cow-calf COP is expressed as dollars per cow wintered (\$/cow wintered) which adjusts the calf price per head for the number of calves sold per 100 cows. When evaluating overall cost structure to identify areas for improvement, or comparing to a benchmark, this is sufficient.

However, a per unit cost provides producers with their break-even cost, allowing them to compare with posted market prices for their calves' average weight category. This break-even price will depend on the percentage of calves weaned that year from the cow herd. The higher percent weaned, the lower per pound the break-even price will be.



Cow-Calf Enterprise (\$/lb Weaned)	2022	2021	2020	2019	2018	5 yr. avg.
Pounds Weaned	94,478	94,478	94,478	94,478	94,478	94,478
Average male and female weaning weight (lbs)	545	545	545	545	545	
Average male and female calf price at weaning (\$/lb)	2.40	2.00	2.06	1.94	2.00	2.08
REVENUE						
Cow Calf Operation	3.98	3.30	3.23	3.20	3.17	3.38
Cull animals and slaughter receipts	0.40	0.30	0.31	0.27	0.26	0.31
Breeding livestock receipts	-	-	-	-	-	-
Calf Sales and transfer to retained ownership enterprise	2.43	2.02	2.07	1.96	2.02	2.10
Government payments	1.16	0.98	0.86	0.96	0.90	0.97
Other returns	-	-	-	-	-	-
Total Cow-Calf Revenue	3.98	3.30	3.23	3.20	3.17	3.38
VARIABLE COSTS						
Animal purchases	0.04	0.04	0.04	0.04	0.04	0.04
Feed (purchase feed, fertiliser, seed, pesticides)	0.55	0.49	0.45	0.45	0.44	0.48
Machinery (maintenance, depreciation, contractor)	0.49	0.48	0.48	0.48	0.42	0.47
Fuel, energy, lubricants, water	0.19	0.13	0.10	0.14	0.13	0.14
Vet & medicine	0.09	0.08	0.08	0.08	0.08	0.08
Other inputs cow calf enterprise	0.15	0.15	0.14	0.15	0.14	0.14
Labour						
Paid Labour	0.46	0.43	0.42	0.41	0.39	0.42
Unpaid Labour	0.59	0.60	0.59	0.59	0.52	0.58
Total Variable Costs	2.6	2.4	2.3	2.3	2.2	2.4
CAPITAL COSTS						
Insurance, taxes	0.09	0.08	0.08	0.08	0.07	0.08
Buildings (maintenance, depreciation)	0.10	0.10	0.10	0.10	0.09	0.10
Land Cost						
Rented Land	0.09	0.08	0.07	0.07	0.06	0.07
Owned Land	0.43	0.41	0.39	0.37	0.36	0.39
Capital Costs						
Liabilities	0.13	0.14	0.13	0.14	0.11	0.13
Own capital	0.07	0.07	0.07	0.07	0.06	0.07
Total Capital Costs	0.9	0.9	0.8	0.8	0.8	0.8
COSTS						
Cash Costs	2.05	1.90	1.78	1.81	1.70	1.85
Depreciation Costs	0.33	0.32	0.32	0.32	0.28	0.31
Opportunity Costs	1.09	1.08	1.05	1.04	0.95	1.04
Total Production Costs	3.47	3.30	3.15	3.17	2.93	3.20
Profits	2022	2021	2020	2019	2018	5-yr. avg.
Short-term profit (cash costs)	1.93	1.41	1.45	1.39	1.47	1.53
Medium-term profit (cash + depreciation)	1.60	1.09	1.13	1.07	1.19	1.22
Long-term profit (cash + depreciation + opportunity)	0.51	0.01	0.08	0.03	0.25	0.17

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RETAINED OWNERSHIP		2022	2021	2020	2019	2018	5-yr. avg.
No. of beef cattle sold per year		170	170	170	170	170	170
<i>Note: breeding stock sales are in the cow-calf enterprise</i>							
Placement weight (lbs)		545					
Sale Weight (lbs)		715-743					
Days on Feed		90					
Average Daily Gain (lbs/day)		2.11					

REVENUE (\$/head Sold)	2022	2021	2020	2019	2018	5-yr. avg.
Market Returns from Retained Ownership	1,676.28	1,367.96	1,354.38	1,264.59	1,390.72	1,410.79
Other Returns (Government payments, by-products)	147.21	125.08	109.70	124.61	115.66	124.46
Total Revenue	1,823.49	1,493.04	1,464.08	1,389.20	1,506.38	1,535.24

Costs (\$/head Sold)	2022	2021	2020	2019	2018	5-yr. avg.
VARIABLE COSTS						
Animal purchases	1,348.01	1,122.34	1,147.68	1,091.80	1,120.04	1,165.97
Feed (purchase feed, fertiliser, seed, pesticides)	76.72	68.03	62.47	63.32	60.71	66.25
Machinery (maintenance, depreciation, contractor)	334.05	283.71	275.48	257.98	269.78	284.20
Fuel, energy, lubricants, water	132.20	77.28	55.64	74.03	83.81	84.59
Vet & medicine	13.72	12.28	11.01	10.84	10.74	11.72
Other inputs	101.65	91.39	87.07	87.23	88.83	91.23
Labour						
Paid Labour	-	-	-	-	-	-
Unpaid Labour	401.46	351.60	340.49	318.32	332.55	348.88
Total Variable Costs	2,407.80	2,006.64	1,979.83	1,903.52	1,966.46	2,052.85

CAPITAL COSTS						
Insurance, taxes	32.69	28.73	27.82	26.05	27.11	28.48
Buildings (maintenance, depreciation)	69.33	60.76	58.17	55.43	58.96	60.53
Land Cost						
Rented Land	4.14	3.72	3.38	3.15	2.97	3.47
Owned Land	20.42	19.22	18.25	17.58	17.07	18.51
Capital Costs						
Liabilities	67.02	62.17	59.55	55.94	55.28	59.99
Own capital	48.59	43.03	41.68	37.77	40.60	42.33
Total Capital Costs	242.19	217.64	208.86	195.92	201.99	213.32

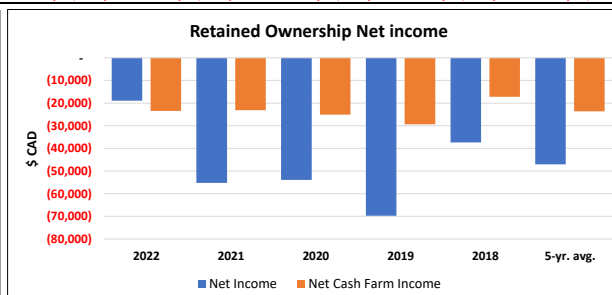
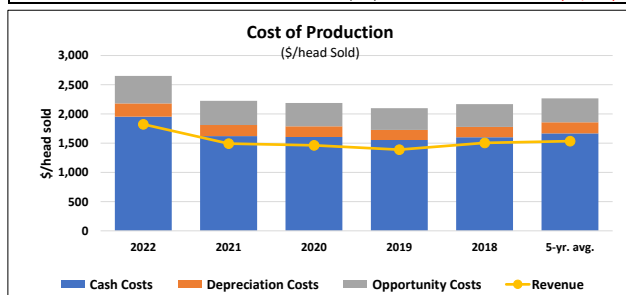
TOTAL COSTS						
Cash Costs	1,953.46	1,621.69	1,605.43	1,554.92	1,601.25	1,667.35
Depreciation Costs	226.06	188.75	182.85	170.85	176.98	189.10
Opportunity Costs	470.47	413.85	400.41	373.67	390.22	409.72
Total Production Costs (excludes own capital)	2,649.99	2,224.28	2,188.69	2,099.44	2,168.45	2,266.17

Profits	2022	2021	2020	2019	2018	5-yr. avg.
Short-term profit (cash costs)	(129.96)	(128.64)	(141.34)	(165.71)	(94.87)	(132.11)
Medium-term profit (cash + depreciation)	(356.02)	(317.39)	(324.19)	(336.57)	(271.84)	(321.20)
Long-term profit (cash + depreciation + opportunity)	(826.49)	(731.24)	(724.61)	(710.23)	(662.07)	(730.93)

Net Income (\$/head sold)	2022	2021	2020	2019	2018	5-yr. avg.
Net Income	(111.31)	(324.88)	(316.96)	(410.13)	(219.79)	(276.61)
Net Cash Farm Income	(137.93)	(136.26)	(147.85)	(172.85)	(101.35)	(139.25)

Labour						
Paid Labour						
Unpaid Labour	hours per year	2,135	2,143	2,065	2,256	2,183
Return to labour input	hours per year	(31.2)	(30)	(32)	(25)	(30)
Average wages (paid and calculated)	\$/hour	29	28	27	26	27

Net Income (annual total)	2022	2021	2020	2019	2018	5-yr. avg.
Net Income	\$ per year (18,922)	(55,230)	(53,884)	(69,723)	(37,364)	(47,025)
Net Cash Farm Income	\$ per year (23,447)	(23,164)	(25,135)	(29,384)	(17,230)	(23,672)



NOTE: Feed costs are based on cost of production if homegrown.



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RETAINED OWNERSHIP	\$/lb LW Sold	\$/hd sold	\$/lb gain
REVENUE	2021	2021	2021
Market Returns from Retained Ownership	2.29	1,676.28	8.99
Other Returns (Government payments, by-products)	0.20	147.21	0.79
Total	2.49	1,823.49	9.78
Costs (\$/lb LW Sold)	2021	2021	2021
VARIABLE COSTS			
Animal purchases	1.84	1,348.01	7.23
Feed (purchase feed, fertiliser, seed, pesticides)	0.10	76.72	0.41
Machinery (maintenance, depreciation, contractor)	0.46	334.05	1.79
Fuel, energy, lubricants, water	0.18	132.20	0.71
Vet & medicine	0.02	13.72	0.07
Other inputs	0.14	101.65	0.55
Labour			
Paid Labour	-	-	-
Unpaid Labour	0.55	401.46	2.15
Total Variable Costs	3.29	2,407.80	12.91
CAPITAL COSTS			
Insurance, taxes	0.04	32.69	0.18
Buildings (maintenance, depreciation)	0.09	69.33	0.37
Land Cost			
Rented Land	0.01	4.14	0.02
Owned Land	0.03	20.42	0.11
Capital Costs			
Liabilities	0.09	67.02	0.36
Own capital	0.07	48.59	0.26
Total Capital Costs	0.33	242.19	1.30
TOTAL COSTS			
Cash Costs	2.67	1,953.46	10.48
Depreciation Costs	0.31	226.06	1.21
Opportunity Costs	0.64	470.47	2.52
Total Production Costs (excludes own capital)	3.62	2,649.99	14.21
Profits	2021	2021	2021
Margin over operating costs	1.00	3.31	0.02
Short-term profit (cash costs)	(0.18)	(129.96)	(0.70)
Medium-term profit (cash + depreciation)	(0.49)	(356.02)	(1.91)
Long-term profit (cash + depreciation + opportunity)	(1.13)	(826.49)	(4.43)
Net Income	2021	2021	2021
Net Income	(0.15)	(111.31)	(0.60)
Net Cash Farm Income	(0.19)	(137.93)	(0.74)

NOTE: Feed costs are based on cost of production if homegrown.