



Western Beef Development Centre

SASKATCHEWAN COWHERD YARDAGE COSTS: HOW DO YOU COMPARE?

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Introduction - Western Beef Development Centre Cost of Production Study

The Western Beef Development Centre (WBDC) has annually collected cowherd cost of production data for several years from approximately 30-70 farms and ranches across Saskatchewan. “Yardage costs”, otherwise known as overhead costs, incurred by these cowherds during 2002 and 2003 are discussed in this article and are to be used as a benchmark for those wishing to have some comparative information.

In this analysis “cowherd yardage” includes: fuel, utilities, repairs, custom work, paid and unpaid labour, depreciation, lease payments, taxes, licenses, insurance, equipment rental, and all those other costs which fall under the “miscellaneous section.” Business overhead costs such as office supplies, accounting, etc. are also included as a yardage cost.

Veterinary & medicine, bedding, feed, trucking, marketing, and interest, were not included as yardage costs.

Please Note: The yardage discussed in this article is for the cowherd enterprise during the winter feeding period only and does not include yardage costs associated with any other livestock enterprise (i.e. feedlot, breeding heifers, etc.) or feed production enterprise (i.e. hay, straw, green feed, crops, pastures, etc.).

Results

Tables 1 and 2 present the 2003 and 2002 cowherd yardage costs respectively, from participants in the study. Yardage costs are presented in \$ per cow, \$ per lb. of calf weaned as well as \$ per winter feeding day. Results have also been calculated with and without unpaid labour included as a production cost. Yardage costs associated with wintering breeding bulls are included and have been absorbed by the cowherd.

The average yardage cost per winter feeding day in 2003 totalled \$0.60/day (\$99/cow or \$0.20/lb. of calf weaned) when unpaid labour was not included as a production cost and similarly was \$0.59/day (\$103/cow or \$0.21/lb. of calf weaned) in 2002. Unpaid labour costs (i.e. the unpaid labour and management provided by the farm family) totalled \$0.34/feeding day (\$55/cow or \$0.11/lb.) in 2003 and \$0.46/feeding day (\$81/cow or \$0.17/lb. of weaned calf) in 2002.

Summary

The past few years of analysis have shown average cowherd yardage costs amongst participants typically vary from 25-35% of the total cowherd enterprise cost of production. That being said, it's obvious cowherd yardage costs are significant and need to be reduced wherever possible.

To participate in the WBDC cost of production program or to obtain further information regarding this and many other articles pertaining to this topic, visit our website at www.wbdc.sk.ca or contact Tim Highmoor at 306-966-2627, or email thighmoor@wbdc.sk.ca.

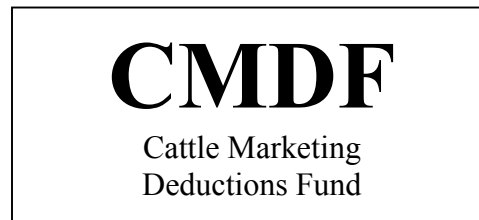
Table 1. 2003 Saskatchewan Cow-Calf Yardage Analysis

| | | | |
|---|-----------------|----------------|--------------------|
| # of Herds | 53 | | |
| Opening Female Inventory | 211 | | |
| Number of Calves Weaned | 198 | | |
| Average Weaning Weight | 515 | | |
| Average Winter Feeding Days/Cow | 165 | | |
| | | | \$/Winter |
| Yardage Costs | \$/cow | \$/lb. | Feeding Day |
| Fuel | 11.14 | 0.02 | 0.07 |
| Repairs – Machinery | 10.40 | 0.02 | 0.06 |
| Repairs – Buildings | 4.89 | 0.01 | 0.03 |
| Utilities & Miscellaneous | 18.46 | 0.04 | 0.11 |
| Custom Work | 8.39 | 0.02 | 0.05 |
| Paid Labour | 17.31 | 0.04 | 0.10 |
| Unpaid Labour | 55.49 | 0.11 | 0.34 |
| Taxes & Insurance | 6.70 | 0.01 | 0.04 |
| Depreciation | 19.72 | 0.04 | 0.12 |
| Machinery Lease Payments | 1.97 | 0.00 | 0.01 |
| Total Yardage Costs | \$154.48 | \$ 0.32 | \$ 0.94 |
| Total Yardage Costs Less Unpaid Labour | \$ 98.99 | \$ 0.20 | \$ 0.60 |

Table 2. 2002 Saskatchewan Cow-Calf Yardage Analysis

| | |
|---------------------------------|-----|
| # of Herds | 67 |
| Opening Female Inventory | 155 |
| Number of Calves Weaned | 143 |
| Average Weaning Weight | 523 |
| Average Winter Feeding Days/Cow | 175 |

| Yardage Costs | \$/cow | \$/lb. | \$/Winter Feeding Day |
|---|-----------------|----------------|------------------------------|
| Fuel | 12.76 | 0.03 | 0.07 |
| Repairs – Machinery | 12.37 | 0.03 | 0.07 |
| Repairs – Buildings | 4.87 | 0.01 | 0.03 |
| Utilities & Miscellaneous | 15.16 | 0.03 | 0.09 |
| Custom Work | 10.97 | 0.02 | 0.06 |
| Paid Labour | 12.88 | 0.03 | 0.07 |
| Unpaid Labour | 80.56 | 0.17 | 0.46 |
| Taxes & Insurance | 5.48 | 0.01 | 0.03 |
| Depreciation | 26.75 | 0.06 | 0.15 |
| Machinery Lease Payments | 1.44 | 0.00 | 0.01 |
| Total Yardage Costs | \$183.23 | \$ 0.38 | \$1.05 |
| Total Yardage Costs Less Unpaid Labour | \$102.68 | \$ 0.21 | \$ 0.59 |



This study was funded by the Saskatchewan Cattle Marketing Deductions Fund and Ducks Unlimited Canada.