



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 farms and ranches across Saskatchewan. “Yardage costs”, otherwise known as overhead costs, incurred by these cowherds during 2002, 2003, and 2004 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.

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, 2 and 3 present the 2004, 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 (including unpaid labour) over the past 3 years has averaged \$0.92 or \$156.84/winter. Unpaid labour costs (i.e. the unpaid labour and management provided by the farm family) averaged \$0.32/feeding day (\$59/cow or \$0.12/lb.) in the past 3 years.

Summary

The past few years of analysis have shown average cowherd yardage costs amongst participants are typically 25-30% 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 obtain further information regarding this and many other articles pertaining to this topic, visit our website at www.wbdc.sk.ca or contact us at 306-682-3139.

Table 1. 2004 Saskatchewan Cow-Calf Yardage Analysis

# of Herds	17
Opening Female Inventory	303
Number of Calves Weaned	282
Average Weaning Weight	524
Average Winter Feeding Days/Cow	170

Yardage Costs	\$/Winter		
	\$/cow	\$/lb.	Feeding Day
Fuel	13.22	0.03	0.08
Repairs – Machinery	12.07	0.02	0.07
Repairs – Buildings	4.34	0.01	0.03
Utilities & Miscellaneous	16.05	0.03	0.09
Custom Work	11.38	0.02	0.07
Paid Labour	11.63	0.02	0.07
Unpaid Labour	41.59	0.09	0.24
Taxes & Insurance	4.13	0.01	0.02
Depreciation	15.78	0.03	0.09
Machinery Lease Payments	2.63	0.01	0.02
Total Yardage Costs	132.82	0.27	0.78
Total Yardage Costs Less Unpaid Labour	91.23	0.18	0.53

Table 2. 2003 Saskatchewan Cow-Calf Yardage Analysis

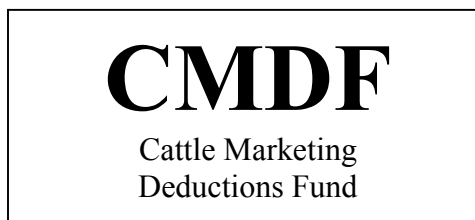
# of Herds	53
Opening Female Inventory	211
Number of Calves Weaned	198
Average Weaning Weight	515
Average Winter Feeding Days/Cow	165

		\$/Winter	
Yardage Costs	\$/cow	\$/lb.	Feeding Day
Fuel	11.14	0.02	0.06
Repairs – Machinery	10.40	0.02	0.06
Repairs – Buildings	4.89	0.01	0.02
Utilities & Miscellaneous	18.46	0.04	0.10
Custom Work	8.39	0.02	0.04
Paid Labour	17.31	0.04	0.12
Unpaid Labour	55.49	0.11	0.25
Taxes & Insurance	6.70	0.01	0.03
Depreciation	19.72	0.04	0.09
Machinery Lease Payments	1.97	0.00	0.02
Total Yardage Costs	154.48	0.32	0.94
Total Yardage Costs Less Unpaid Labour	98.99	0.20	0.60

Table 3. 2002 Saskatchewan Cow-Calf Yardage Analysis

# of Herds	67
Opening Female Inventory 01/01/02	155
Number of Calves Weaned	143
Average Weaning Weight	523
Average Winter Feeding Days/Cow	175

			\$/Winter
Yardage Costs	\$/cow	\$/lb.	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



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