

# LIVESTOCK PRODUCTION COSTS

## HOG PRODUCTION COSTS AND RETURNS HEARTLAND REGION <sup>1</sup>, 2022

Item	All Hogs	Farrow to Finish	Farrow to Feeder Pig <sup>2</sup>	Feeder Pig to Finish
<b>Dollars per Cwt Gain <sup>3</sup></b>				
<b>Gross Value of Production:</b>				
Market Hogs	73.03	71.26	0.05	79.92
Feeder Pigs	12.80	0.10	189.41	0.17
Nursery Pigs	0.97	0.04	0.00	0.00
Cull Stock	0.70	2.15	6.57	0.06
Breeding Stock	1.46	0.11	0.33	0.01
Inventory Change	1.94	-0.14	1.49	2.57
Other Income <sup>4</sup>	7.24	6.49	8.48	7.32
Total, Gross Value of Production	98.14	80.01	206.33	90.05
<b>Operating Costs:</b>				
<b>Feed--</b>				
Purchased Feed	41.87	38.73	61.53	41.51
Homegrown Harvested Feed	3.89	12.10	1.67	2.69
Total, Feed Costs	45.76	50.83	63.20	44.20
<b>Other--</b>				
Feeder Pigs	20.79	0.97	0.04	26.11
Nursery Pigs	8.30	0.35	0.05	6.91
Veterinary and Medicine	3.30	4.05	11.37	2.63
Bedding and Litter	0.02	0.06	0.08	0.01
Marketing	0.11	0.27	0.15	0.07
Custom Services	0.44	0.99	1.63	0.31
Fuel, Lube, and Electricity	3.16	3.69	5.71	3.05
Repairs	1.53	2.30	3.08	1.34
Interest on Operating Capital	1.01	0.77	1.03	1.03
Total, Operating Costs	84.42	64.28	86.35	85.66
<b>Allocated Overhead:</b>				
Hired Labor	2.19	6.33	13.31	0.89
Opportunity Cost of Unpaid Labor	2.74	6.27	8.42	2.14
Capital Recovery of Machinery and Equipment <sup>5</sup>	14.55	20.06	45.75	11.84
Opportunity Cost of Land (rental rate)	0.04	0.09	0.10	0.03
Taxes and Insurance	1.19	0.84	2.02	1.21
General Farm Overhead	1.94	1.56	3.31	2.00
Total, Allocated Overhead	22.65	35.15	72.91	18.11
Total Costs Listed	107.07	99.43	159.26	103.77
Value of Production Less Total Costs Listed	-8.93	-19.42	47.07	-13.72
Value of Production Less Operating Costs	13.72	15.73	119.98	4.39
<b>Supporting Information:</b>				
<b>Production Arrangement (percent of production)</b>				
Independent	35	100	64	22
Under Contract	65	0	36	78
<b>Size of Operation (head sold/removed)</b>				
Market Hogs	5,711	3,179	2	7,380
Feeder Pigs	2,049	14	11,685	24
Nursery Pigs	291	13	0	0

<sup>1</sup> Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota. Developed from survey base year, 2015.

<sup>2</sup> Data published is for the United States, data for Heartland Region not available.

<sup>3</sup> Cwt. gain = (cwt. sold - cwt. purchased) + cwt. inventory change.

<sup>4</sup> Value of manure production.

<sup>5</sup> Machinery and equipment, housing, manure handling, feed storage structures, and the breeding herd.

Source: Economic Research Service

# LIVESTOCK PRODUCTION COSTS

## COW-CALF, AND MILK PRODUCTION, COSTS AND RETURNS HEARTLAND REGION <sup>1</sup>, 2022

Cow-Calf Production <sup>2</sup>	Dollars Per Bred Cow	Milk Production <sup>3</sup>	Dollars Per Cwt
Gross Value of Production:		Gross Value of Production:	
Calves	574.03	Milk Sold	24.92
Stockers and Yearlings	88.44	Cattle	1.45
Other Cattle <sup>4</sup>	112.98	Other Income <sup>6</sup>	0.78
Total, Gross Value of Production	775.45	Total, Gross Value of Production	27.15
Operating Costs:		Operating Costs:	
Feed--		Feed--	
Purchased Feed	128.87	Purchased Feed	7.48
Homegrown Harvested Feed	305.71	Homegrown Harvested Feed	5.77
Grazed Feed	120.20	Grazed Feed	0.04
Total, Feed Costs	554.78	Total, Feed Costs	13.29
Other--		Other--	
Cattle for Backgrounding	3.39	Veterinary and Medicine	0.79
Veterinary and Medicine	37.79	Bedding and Litter	0.25
Bedding and Litter	1.40	Marketing	0.08
Marketing	4.90	Custom Services	0.71
Custom Services	8.96	Fuel, Lube, and Electricity	1.10
Fuel, Lube, and Electricity	50.82	Repairs	1.04
Repairs	59.18	Other Operating Costs <sup>7</sup>	0.01
Interest on Operating Capital	8.75	Interest on Operating Capital	0.21
Total, Operating Costs	729.97	Total, Operating Costs	17.48
Allocated Overhead:		Allocated Overhead:	
Hired Labor	25.60	Hired Labor	1.77
Opportunity Cost of Unpaid Labor	517.31	Opportunity Cost of Unpaid Labor	3.23
Capital Recovery Cost (Machinery & Equipment) <sup>5</sup>	420.51	Capital Recovery of Machinery and Equipment <sup>8</sup>	5.18
Opportunity Cost of Land (rental rate)	3.63	Opportunity Cost of Land (rental rate)	0.06
Taxes and Insurance	34.78	Taxes and Insurance	0.22
General Farm Overhead	57.33	General Farm Overhead	0.53
Total, Allocated Overhead	1,059.16	Total, Allocated Overhead	10.99
Total Cost Listed	1,789.13	Total Costs Listed	28.47
Value of Production Less Total Costs Listed	-1,013.68	Value of Production Less Total Costs Listed	-1.32
Value of Production Less Operating Costs	45.48	Value of Production Less Operating Costs	9.67

<sup>1</sup> Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota.

<sup>2</sup> Developed from survey base year, 2018. Includes operations with at least 20 beef cows.

<sup>3</sup> Developed from survey base year, 2021.

<sup>4</sup> Other cattle includes the value of cull cattle and breeding stock sales.

<sup>5</sup> Machinery and equipment, beef cattle housing and holding facilities, feed storage structures, and beef cattle breeding herd.

<sup>6</sup> Income from renting or leasing dairy stock to other operations; renting space to other dairy operations; co-op patronage dividends associated with the dairy; assessment rebates, refunds, and other dairy-related resources; and the fertilizer value of manure production.

<sup>7</sup> Costs for third party organic certification.

<sup>8</sup> Machinery and equipment, housing, manure handling, and feed storage structures, and dairy breeding herd.