

LIVESTOCK PRODUCTION COSTS

HOG PRODUCTION COSTS AND RETURNS HEARTLAND REGION 1/, 2001

Item	All	Farrow to	Farrow to	Feeder Pig
Dollars per Cwt Gain ^{3/}				
Gross Value of Production:				
Market Hogs	43.75	42.64	2.21	52.73
Feeder Pigs	11.27	0.81	121.07	0.22
Cull Stock	1.29	2.19	3.33	0.02
Breeding Stock	0.50	0.20	0.33	0.02
Inventory Change	-0.36	-0.20	-5.50	0.68
Other Income ^{4/}	1.89	1.81	1.52	2.05
Total, Gross Value of Production	58.34	47.45	122.96	55.72
Operating Costs:				
Feed--				
Grain	7.10	8.93	1.97	5.64
Protein Sources	6.45	8.87	1.00	4.08
Complete Mixes	7.74	4.66	25.23	9.06
Other Feed Items ^{5/}	0.23	0.37	0.23	0.08
Total, Feed Costs	21.52	22.83	28.43	18.86
Other--				
Feeder Pigs	14.30	0.08	0.76	31.97
Veterinary and Medicine	1.22	1.63	2.91	0.55
Bedding and Litter	0.04	0.04	0.05	0.02
Marketing	0.63	0.35	3.86	0.54
Custom Services	0.32	0.28	0.31	0.40
Fuel, Lube, and Electricity	1.45	1.55	3.79	0.92
Repairs	0.92	1.26	1.16	0.43
Other Operating Costs ^{6/}	0.03	0.03	0.04	0.03
Interest on Operating Capital	0.68	0.47	0.70	0.91
Total, Operating Costs	41.11	28.52	42.01	54.63
Allocated Overhead:				
Hired Labor	2.43	2.83	11.80	0.45
Opportunity Cost of Unpaid Labor	5.84	7.51	7.86	3.38
Capital Recovery of Machinery and Equipment	11.11	12.03	27.68	6.95
Opportunity cost of Land (rental rate)	0.05	0.06	0.07	0.02
Taxes and Insurance	0.50	0.54	0.95	0.38
General Farm Overhead	1.02	1.11	1.59	0.80
Total, Allocated Overhead	20.95	24.08	49.95	11.98
Total Costs Listed	62.06	52.60	91.96	66.61
Value of Production Less Total Costs Listed	-3.72	-5.15	31.00	-10.89
Value of Production Less Operating Costs	17.23	18.93	80.95	1.09
Supporting Information:				
Production Arrangement (percent of farms)				
Independent	72	99	22	49
Under Contract	28	1	78	51
Size of Operation (head sold/removed)				
Market Hogs	1,706	1,520	72	2,486
Feeder Pigs	924	49	8,886	14

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

^{2/} Data published is for the United States, data for Heartland Region not available.

^{3/} Cwt. gain = (cwt. sold - cwt. purchased) + cwt. inventory change.

^{4/} Value of manure production.

^{5/} Milk replacer, milk, milk by-products, antibiotics, and other medicated additives.

^{6/} Costs for odor control and fees, permits, licenses, and other regulatory costs.

Source: Economic Research Service