2026 Cost of Production

Grassing

Manitoba

Manitoba

Guidelines For Estimating

Beef Grassing Costs

Based on a 500 Head (Steers)

Date: **April, 2026**

This guide is designed to provide you with planning information and a format for calculating costs of production of a grass cattle enterprise in Manitoba. General Department recommendations are assumed in using feed and veterinary inputs. These figures provide an economic evaluation of the livestock and estimated prices required to cover all costs. Costs include labour, investment and depreciation, but do not include management costs, nor do they necessarily represent the average cost of production in Manitoba.

Manitoba has an abundance of competively priced land suitable for pasturing cattle (ie. Community Pastures, Agricultural Crown Lands, private pastures, etc.). In this budget it is assumed that feeders are purchased in the spring and put in a feedlot for 60 days prior to being placed on pasture for an additional 90 days.

These budgets may be adjusted by putting in your own figures. As a producer you are encouraged to calculate your own costs of production. Good management is assumed in that a balanced ration is being fed, livestock are on a herd health program and handling facilities are included.

This tool is available as an Excel worksheet at:

The Farm Machinery Cost of Production Guide is also available to help determine machinery costs.

Contact Us

For more information, contact a Farm Management Specialist.

- manitoba.ca/agriculture
- mbfarmbusiness@gov.mb.ca
- 1-844-769-6224

Note: This budget is only a guide and is not intended as an in-depth study of the cost of production of this industry. Interpretation and use of this information is the responsibility of the user. If you need help with a budget, contact a Farm Management Specialist.

Beef Grassing Cost Summary - April, 2026

	Cost/head	Cost/cwt sold	Your Cost
A. Operating Costs			
1. Feed Costs:			
1.01 Ground Barley	$18.75	$2.22	
1.02 Hay	$41.90	$4.95	
1.03 Salt, Vitamins & Minerals	$16.20	$1.91	
Total Feed Costs	**$76.85**	**$9.08**	
2. Other Operating Costs:			
2.01 Feeder Cost (600 lb steer @ $645/cwt)	$3,882.30	$458.90	
2.02 Yardage	$56.00	$6.62	
2.03 Rented Pasture	$85.50	$10.11	
2.04 Pasture Checking	$1.60	$0.19	
2.05 Veterinary Medicine & Supplies	$16.82	$1.99	
2.06 Insurance	$8.23	$0.97	
2.07 Selling Cost	$146.28	$17.29	
2.08 Death Loss	$60.07	$7.10	
Subtotal Operating Costs	$4,333.65	$512.25	
2.09 Operating Interest	$113.95	$13.47	
Total Operating Costs	**$4,447.60**	**$525.72**	
B. Fixed Costs			
3.01 Own Pasture Costs	**$0.00**	**$0.00**	
Total Operating & Fixed Costs	**$4,447.60**	**$525.72**	
C. Labour	**$5.38**	**$0.64**	
Total Costs Of Production	**$4,452.98**	**$526.36**	

Profitability and Breakeven Analysis

Estimated Farmgate	**Per Head**
Gross Revenue @ $490/cwt market price	**$4,145.40**

	Breakeven Purchase Price ($/cwt) @ $490/cwt market price	Breakeven Selling Price ($/cwt) @ $645/cwt market price	
Operating Costs	$596.68	$525.72	
Operating Costs & Labour	$595.79	$526.36	
Operating & Fixed Costs	$596.68	$525.72	
Total Costs	$595.79	$526.36	

	Cost per lb of gain sold ($/cwt)	Marginal Returns per head @ $490/cwt market price	
Operating Costs	$229.80	($302.20)	
Operating Costs & Labour	$231.98	($307.58)	
Operating & Fixed Costs	$229.80	($302.20)	
Total Costs	$231.98	($307.58)	

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Risk & Sensitivity Analysis

	Per Head
A. Operating Costs	$4,447.60
B. Fixed Costs	$0.00
C. Labour	$5.38
Total Costs	$4,452.98
Estimated Farmgate	
Price ($ per cwt)	$490.00
Shrunk weight (lbs)	846

	Up	Down
Percent Price Variation	5%	5%
Percent Grasser Weight Variation	2%	2%

Higher Price ($ per cwt)	$514.50
Lower Price ($ per cwt)	$465.50
Higher Grasser Weight	862.9
Lower Grasser Weight	829.1

Higher Margin Scenario - Price Up 5% and Grasser Weight Up 2%

Gross Revenue per Grasser	$4,439.72
Marginal Returns	
Over Operating Costs	($7.88)
Over Operating & Labour Costs	($13.26)
Over Operating & Fixed Costs	($7.88)
Over Total Costs (Net Profit)	($13.26)
Operating Expense Ratio	100.2%

Lower Margin Scenario - Price Down 5% and Grasser Weight Down 2%

Gross Revenue per Grasser	$3,859.37
Marginal Returns	
Over Operating Costs	($588.23)
Over Operating & Labour Costs	($593.61)
Over Operating & Fixed Costs	($588.23)
Over Total Costs (Net Profit)	($593.61)
Operating Expense Ratio	115.2%

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Beef Grasser Cattle Production Costs

ASSUMPTIONS:

1. This Budget assumes all 500 animals are steers.
2. All feed is purchased.

HERD PROFILE

Number of Feeders Purchased	**500**	head
Feeder Cattle Mortality Rate (%)	**1.5**	%
Feeder Purchased Shrunk Weight (lbs)	**600**	lbs
Feeder Cattle Price ($/cwt)	**$645**	$/cwt
Finish Weight (lbs)	**900**	lbs
Percent Shrink (%) - out	**6.0%**	%
Shrunk Weight (lbs)	**846**	lbs
Feeder Selling Price	**$490**	$/cwt
LPI Insurance Premium	**$13.00**	$/cwt
Average Daily Gain Gross (lbs/day)	**2.00**	lbs/day
Average Daily Gain Net (lbs/day)	**1.64**	lbs/day
Total Days Fed	**150**	days
Days on Feed in Feedlot	**60**	days
Days on Pasture	**90**	days

(1) FOOTNOTE: 1 kilogram (kg) = 2.2046 pounds (lbs)

FEED COSTS	Cost	Amount	
Ground Barley ($/bu)	**$5.00**	**3.00**	lbs/day
Hay ($/tonne)	**$110.00**	**14.00**	lbs/day
Salt, Mineral etc,($/lb)	**$0.90**	**18.00**	lbs/YEAR

OTHER OPERATING COSTS

Feeder Purchase Costs		
Buying Commission per CWT	**$1.00**	
Trucking in Cost		
Average Weight	600	lbs/head
Distance	**75**	miles
Rate	**$7.00**	/loaded mile
Truck Capacity	**54,000**	lbs/load
Number of head per load - calves	**90**	per load
Yardage:		
Cost/head/day	**$0.80**	
Initial Chute fee $/head	**$8.00**	

Veterinary Medicine & Supplies:		
Cattle Medication:		
Tagging - 5% retagging cost		**$0.25**
Vitamin A-D		**$0.00**
External & Internal Parasites		**$1.30**
Blackleg 7 way		**$0.85**
Growth Implants		**$3.42**
Antibiotics		**$7.00**
Vaccine 5 Way		**$4.00**
Trucking Out Cost		
Average Weight	900 lbs/head	
Distance	**75** miles	
Rate	**$7.00** /loaded mile	
Truck Capacity	**54,000** lbs/load	
Number of head per load - calves	**60** per load	
Marketing Cost:		
Commission on Sales $/head		**$20.00**
Insurance fee $/head		**$1.35**
Checkoff $/head		**$5.50**
Insurance:		
Cost per $100 Capital Invested in:		
a). Livestock		**$0.21**
b). Building & Equipment		**$0.00**
Additional Coverage for Liability		**$49.00**
Operating Interest Rate (%)		**6.75**
Investment Interest Rate (%)		**2.50**
PASTURE COSTS		
Land Value per Acre		**$0.00**
Property Taxes per Acre		**$0.00**
Carrying Capacity per Head (acres/head)		**2.5**
Pasture rental - cost per head per day		**$0.95**
Pasture checking costs (ie fuel)		**$800**
LABOUR COSTS		
Feedlot Labour - hours/day		**1.00**
Pasture Labour - hours/day		**0.40**
Labour Rate/Hour		**$28.00**

Assumptions

1. Gross Average daily gain (ADG) is assumed to be 2 lbs/day. Net ADG is 1.64 lbs/day.

2. It is assumed that the feeder steer weighs in at 600 lbs.
   and is raised to 900 lbs. (846 lbs. after 6% shrink).

3. Cattle are on feed for 150 days; the first 60 days in a feedlot and the remaining 90 days on pasture.

4. Assumed 500 head of cattle on feed and pasture.

Beef Grasser Production Cost Worksheet

A. OPERATING COSTS

				Your Cost
1. Feed Costs:				
1.01 Ground Barley				
		60	days on ground barley	
	x	3.00	lbs/feeder/day	
	=	3.75	bushels fed	
	x	$5.00	/bu	
	=	**$18.75**	**/feeder**	
1.02 Hay				
		60	days on hay	
	x	14.00	lbs/feeder/day	
	=	0.38	tonnes fed	
	x	$110.00	/tonne	
	=	**$41.90**	**/feeder**	
1.03 Salt, Vitamins & Minerals				
		18.00	lbs/feeder/year	
	x	$0.90	/lb	
	=	**$16.20**	**/feeder**	
Total Feed Cost		**$76.85**	**/feeder**	
2. Other Operating Costs:				
2.01 Feeder Cattle Cost				
Commission		$1.00	$/cwt	
	x	600	lbs/feeder	
	÷	100	lbs/cwt	
	=	$6.00	/feeder	
Trucking-in		75.00	miles	
		$7.00	/loaded mile	
		500	feeders	
		6	loads	
	÷	500	feeders	
	=	$6.30	/feeder	
Feeder		600	lbs/feeder	
	x	$645.00	$/cwt	
	÷	100	lbs/cwt	
	=	$3,870.00	/feeder	
Total Cost		**$3,882.30**	**/feeder**	

				Your Cost
2.02 Yardage (includes straw, repairs, utilities, supplies & depreciation)				
Yardage		$0.80	cost/head/day	
	x	60	days on feed	
	=	$48.00	/feeder	
Chute fee	=	$8.00	/feeder	
Total Yardage	**=**	**$56.00**	**/feeder**	
2.03 Rented Pasture				
		$0.95	cost/head/day	
	x	90	days on pasture	
	=	**$85.50**	**/feeder**	
2.04 Pasture Checking				
		$800	cost per year	
	÷	500	head	
	=	**$1.60**	**/feeder**	
2.05 Veterinary Medicine & Supplies				
		$0.25	/Tagging	
	+	$0.00	/Vitamin	
	+	$1.30	/Parasites	
	+	$0.85	/Blackleg 7 way	
	+	$3.42	/Growth Implant	
	+	$7.00	/Antibiotics	
	+	$4.00	/Vaccine 3 way	
	=	**$16.82**	**/feeder**	
2.06 Insurance				
		$3,870.00	feeder cost	
	x	$0.21	cost/$100 capital	
	÷	100	/$100	
	=	$8.13	/feeder	
		$49	additional coverage for liability	
	÷	500	feeder cattle	
	=	$0.10	/feeder	
Total	**=**	**$8.23**	**/feeder**	
2.07 Feeder Selling Costs				
Trucking-out		75.00	miles	
		$7.00	/loaded mile	
		500.00	feeders	
		9.00	loads	
	÷	500	feeders	
	=	$9.45	/feeder	
Checkoff, WLPIP, Selling Commission				
		$5.50	Checkoff Levy	
	+	$109.98	LPI Insurance Premium	
	+	$20.00	commission	
	+	$1.35	insurance	
	=	$136.83	/feeder	
Total	**=**	**$146.28**	**/feeder**	

				Your Cost
2.08 Death Loss				
		$3,882.30	feeder cattle cost	
	+	$4,127.30	maximum value	
	÷	2.0	average	
	=	$4,004.80	average value	
	x	1.5	% mortality rate	
	=	**$60.07**	**/feeder**	
2.09 Operating Interest				
		$3,882.30	feeder cost	
	+	$225.67	½ of feed & other costs	
	x	6.75	% operating interest	
	x	150	days on feed	
	÷	365	365 days	
	=	**$113.95**	**/feeder**	
B. FIXED COSTS (Pasture)				
Land				
		2.5	acres/head	
	x	$0.00	$/acre includes fence	
	x	2.50	% investment rate	
	=	$0.00	/feeder	
Taxes				
		2.5	acres/head	
	x	$0.00	$/acre	
	=	$0.00	/feeder	
Total	**=**	**$0.00**	**/feeder**	
C. LABOUR				
Feedlot		1.00	hours/day feedlot	
	x	60	days in feedlot	
	÷	500	head	
	x	$28.00	$/hour	
	=	$3.36	/feeder	
Pasture		0.40	hours/day pasture	
	x	90	days on pasture	
	÷	500	head	
	x	$28.00	$/hour	
	=	$2.02	/feeder	
Total	**=**	**$5.38**	**/feeder**	

Breakeven Calculations

Operating Costs		$4,447.60	operating costs	
	-	$3,882.30	feeder cost	
	÷	246	lbs gained weight	
	=	**$2.30**	**/lb (gain sold)**	
Cost per lb of gain sold (shrunk weight)				
Operating & Labour Costs		$4,452.98	operating costs	
	-	$3,882.30	feeder cost	
	÷	246	lbs gained weight	
	=	**$2.32**	**/lb (gain sold)**	
Operating & Fixed		$4,447.60	oper. & fixed costs	
	-	$3,882.30	feeder cost	
	÷	246	lbs gained weight	
	=	**$2.30**	**/lb (gain sold)**	

				Your Cost
Total Costs			total costs	
	-	$3,882.30	feeder cost	
	÷	246	lbs gained weight	
	=	**$2.32**	**/lb (gain sold)**	
Operating Costs		$4,447.60	operating costs	
	÷	846	lbs shrunk weight	
	=	**$5.26**	**/lb**	
Operating & Labour Costs		$4,452.98	operating & labour	
	÷	846	lbs shrunk weight	
	=	**$5.26**	**/lb**	
Operating & Fixed		$4,447.60	oper. & fixed costs	
	÷	846	lbs shrunk weight	
	=	**$5.26**	**/lb**	
Total Costs		$4,452.98	total costs	
	÷	846	lbs shrunk weight	
	=	**$5.26**	**/lb**	
Operating Costs		846	lbs shrunk weight	
	x	$490.00	$/cwt selling price	
	=	$4,145.40	income	
	-	$565.30	operating less feeder cost	
Breakeven purchase price (s	÷	600	lbs purchase weight	
	=	**$5.97**	**/lb**	
Operating & Labour Costs		846	lbs shrunk weight	
	x	$490.00	$/cwt selling price	
	=	$4,145.40	income	
	-	$570.68	operating less feeder cost	
	÷	600	lbs purchase weight	
	=	**$5.96**	**/lb**	
Operating & Fixed			lbs shrunk weight	
	x	$490.00	$/cwt selling price	
	=	$4,145.40	income	
	-	$565.30	op. & fixed less feeder cost	
	÷	600	lbs purchase weight	
	=	**$5.97**	**/lb**	
Total Costs		846	lbs shrunk weight	
	x	$490.00	$/cwt selling price	
	=	$4,145.40	income	
	-	$570.68	total less feeder cost	
	÷	600	lbs purchase weight	
	=	**$5.96**	**/lb**	

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Available in alternate formats upon request.