

Poultry
Cost of production
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THE WEST OF SCOTLAND AGRICULTURAL COLLEGE

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POULTRY COSTINGS, 1956-57

Results for 12 Commercial Egg Flocks

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ECONOMICS DEPARTMENT REPORT No. 36 47

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Results for 12 Commercial Egg Flocks

FOREWORD

For the 1956-57 Poultry Costing, records for nineteen flocks were available. This report summarizes in some detail the results from twelve of these (six deep litter and six battery flocks) for a costing year which, with two exceptions closing on 30th September, 1957, ended on 31st August, 1957. For the remaining seven flocks which closed their accounting year on dates varying from August to November 1957, some general information on size and profitability is given.

In accordance with an agreement that reports on the results of commodity costings should, where possible, contain an appendix giving a summary of results in standard form, two appendix tables have been added. These tables differ from the requirements of the standard form only in that overheads (share of general farm expenses) are included.

It should be noted that since the above costing year ended, there has been a further reduction, as from April, 1958, of 1³/₄d per dozen in the price guarantee for hen eggs.

Grateful acknowledgment is made of the help received from farmers and poultry keepers who took part in the costing.

Types of Flock

Of the 12 flocks with which this report is mainly concerned, 6 were housed on deep litter and 6 in battery cages. Replacements for all 12 were bought as day-old chicks and reared to point-of-lay, but as the investigation was concerned only with the laying birds, rearing costs were not recorded and all incoming pullets were valued at £1 per bird.

The average returns for the deep litter and the battery flocks are shown separately.

The remaining 7 flocks could not be grouped since the systems varied widely:-

2 free range and 1 semi-intensive, with hatching eggs and/or stock forming an important part of revenue; rearing costs included.

1 deep litter; rearing costs included.

1 battery; untypical: eggs sold at low price to institution to which unit was attached.

1 deep litter and range with some hatching eggs sold; rearing costs included.

1 deep litter and semi-intensive with some hatching eggs sold; rearing costs included.

For these 7, figures on flock size and profitability (surplus per layer) are given.

DEFINITION OF TERMS

Average Number of Layers is the average laying flock size over the year calculated on a hen-day basis. All per layer figures have been based on this number.

Average Egg Yield per Layer is the total number of eggs collected divided by the average number of layers.

Revenue comprises all sales of stock and eggs, plus a credit for the value of stock and eggs used in the farmhouse and for any transfers out of stock from the laying flock, but omits sales of equipment.

Expenditure on Feeding comprises all bought feeding at cost including grit, home grown grain at approximate market value and greens, kale and roots etc. at estimated cost of production.

Gross Stock Replacement Cost is the balance obtained from opening stock valuation plus Value of Birds transferred in, less Closing Stock Valuation.

Net Output per Layer is Revenue less Feeding and less Gross Stock Replacement Cost.

Profit is the balance remaining after all costs, with the exception of family labour, but including a share of farm general expenses, where required, have been charged against revenue. Interest on capital is not charged.

Surplus or Deficit is the final balance remaining after family labour has been charged.

SUMMARY OF RESULTS

It should be emphasised that the sample is too small to be representative. Also the general efficiency of the management is probably above average.

The table below shows some of the main results for the deep litter and battery groups.

<u>GENERAL</u>	<u>Deep Litter</u>	<u>Battery</u>
Number of flocks	6	6
Average number of layers	543	792
Average egg yield per layer	195	210
Average price per dozen eggs	4/3 ³ / ₄	4/3 ¹ / ₄
^x Food: lb per layer	122	120
^x Food: lb per dozen eggs produced	7.6	7.0
^x Food: Average price per cwt	33/4	36/-
Labour: hours per layer	2.1	2.3

^xIncludes bought grain, mash etc. and home grown grain, but excludes grit and greens. For fuller information on feeding see appropriate section.

<u>RETURNS AND COSTS</u>	<u>6 Deep Litter</u>	<u>6 Battery</u>
<u>Per Layer</u>	£ s. d.	£ s. d.
Revenue	3.17. 6	4. 4. 4
Expenditure on Feeding	1.17. 4	1.18. 7
Revenue less Feeding	2. 0. 2	2. 5. 9
Gross Stock Replacement Cost	.18. 4	1. 4. 7
Net Output	1. 1.10	1. 1. 2
Profit	.15. 3	.12. 4
Surplus	.10. 7	7. 4
<u>Per Dozen Eggs</u>		
Average Return (all eggs)	4. 3 ³ / ₄	4. 3 ¹ / ₄
Average Cost	3. 8 ¹ / ₄	3.10 ³ / ₄
Average Surplus	<u>7¹/₂</u>	<u>4¹/₂</u>

DISTRIBUTION OF FLOCKS BY SIZE AND SURPLUS PER LAYER

The flocks ranged in size from 235 to 1090 layers when calculated on a hen-day basis. When estimated on numbers of birds made available or housed, the representative flock size for the sample (6 deep litter and 6 battery) was a fifth or so greater than the hen-day based average.

Returns for the 6 deep litter flocks (underlined in the Table on the following page) ranged from a deficit of 10d per layer to a surplus of 18/1 per layer.

TABLE I

DISTRIBUTION OF FLOCKS BY SIZE AND SURPLUS PER LAYER

FLOCK SIZE - AVERAGE NUMBER OF LAYERS	SURPLUS PER LAYER					DEFICIT PER LAYER				
	20/- or more	15/1 to 20/-	10/1 to 15/-	5/1 to 10/-	1d to 5/-	1d to 5/-	5/1 to 10/-	10/1 to 15/-	15/1 to 20/-	20/1 or more
201 to 300			1 Deep Litter							
301 to 400				1 Battery		1 Deep Litter				1 Battery (untypical)
401 to 500			1 Deep Litter							
501 to 600				1 Deep Litter incl. rearing				1 Deep Litter and semi- intensive		
601 to 700			1 Battery	1 Deep Litter			1 Battery	1 Semi- intensive (Hatching)		
701 to 800		1 Deep Litter								
801 to 900	1 Free Range (Hatching)		1 Deep Litter 1 Free Range (Hatching)		1 Deep Litter and Range (Hatching)					
901 to 1000										
1001 to 1100			2 Battery	1 Battery						