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Sheep -
Cost of
production
O.S.

Bulletin No. 32.

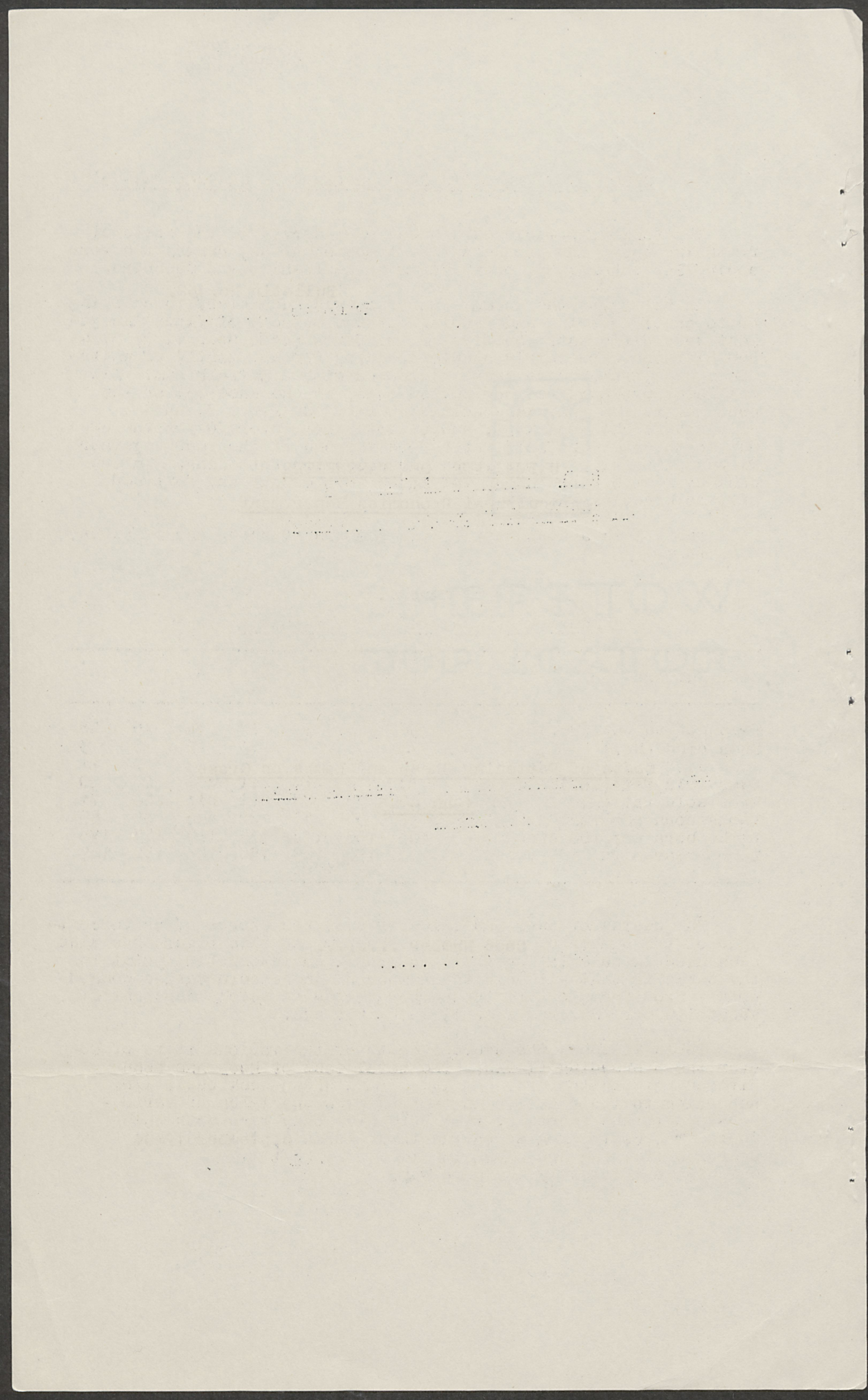
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Costs of Fattening Sheep and Lambs on Grass

1944 - 45

Code Number

September 1946.



COSTS OF FATTENING SHEEP AND LAMBS ON GRASS (1944-45)

The following tables are based on a survey of the costs of fattening sheep and producing fat lambs on grass, during the year ending September 1945, on 10 farms in Lancashire and Cheshire.

On all farms the sheep enterprise was subsidiary to dairying or to cattle rearing and feeding but the methods of flock management were different. On five of the farms (code nos. 1, 2, 3, 4 and 5) there were fairly stable breeding flocks, mostly of white-faced ewes, which were usually crossed with a Suffolk ram. All the lambs produced and any culled ewes, in one case 43% of the ewes put to the ram, were sold when fat. On farms 7 and 8 "flying" flocks were kept, and on both farms over 70% of the ewes put to the ram were sold fat before the end of the year together with additional ewes and lambs purchased for fattening. In the case of farm 6 store sheep and lambs were bought and fattened off, no breeding was attempted.

Table I is a statement of the numbers of sheep and lambs on each farm.

TABLE I
Numbers of Breeding Ewes and Lambs

Code Numbers	1	2	3	4	5	7	8
Ewes put to ram (No.)	36	23	32	70	92	25	28
Ewes died (No.)	4	3	2	3	5	2	3
Ewes died (%)	11	13	9	4	5	8	11
Ewes sold fat (No.)	10	8	14	nil	nil	20	20
Ewes sold fat (%)	28	35	43	nil	nil	80	71
Lambs born per farm	37	36	57	122	148	36	49
Lambs born per 100 ewes	103	156	178	174	160	144	175
Lambs reared per 100 ewes	103	156	149	158	145	144	149

The deaths of ewes and sales of ewes are expressed as percentages of the number of ewes put to the ram and this figure has also been used in calculating the lamb crop. An interesting point in the table is that although the number of lambs born varies considerably from farm to farm the number reared is fairly constant at about 150 per 100 ewes i.e. $1\frac{1}{2}$ lambs per ewe.

Table II shows the average costs of the various items of keep over the 5 breeding flocks. The total cost of keep has been divided between the ewes and lambs on a sheep-week basis i.e. according to the relative numbers of ewes and lambs of various ages and to the length of time for which they were both being kept. The costs of keep on the three farms 6, 7 and 8, the averages of which are shown in Table V, have been calculated in exactly the same way.

TABLE II

Total Cost of Keep of Breeding Flocks

	Average			Your Farm
	£	s	d	
Grazing winter	23	6	11	
summer	54	12	9	
Hay	1	18	5	
Roots	23	0	7	
Concentrates	10	3	0	
Labour	22	7	7	
Vet. expenses	4	12	7	
Carriage	2	0	1	
Total Keep	142	1	11	
Total sheep weeks			3,704	
Cost per sheep week			9 ⁵ / ₈	
Total sheep weeks flocks			2,402	
Total sheep weeks lambs			1,301	
Cost per lamb week			6 ¹ / ₂	
Cost of keep of flock	93	19	3	
Cost of keep of lambs	48	2	8	

The separate costs included in Table II were arrived at as follows.

Grazing; the actual cost of all grazing open to sheep was obtained and it includes a proportion of the costs of establishing leys and the costs of manuring, cultivations, rent, hedging and ditching etc. Where a hay crop was taken a proportion ($\frac{1}{3}$) only of the total cost was charged against the grazing. Grazing costs were also apportioned between sheep and other stock grazing the land during the year.

Hay, Roots and Catchcrops used for sheep feed were valued at average costs of production.

Oats and any Concentrates fed were taken at market value.

Labour was charged for at the standard rate (where the farmer was the shepherd) or at the rate actually being paid. In both cases an allowance to cover lost time was added.

Veterinary expenses and carriage were taken at the actual cost incurred by each farmer.

No allowance was made for overhead expenses or on the other hand for the value of manure left by the sheep.

The cost of keep per sheep week on farms 1, 2, 3, 4 and 5 ranged from 5¹/₂d. to 1/5d. and averaged 9⁵/₈d. On farms 6, 7 and 8 the range is from 5¹/₂d. to 1/0¹/₄d. and the average 8³/₄d. The corresponding figures per lamb week on farms 1, 2, 3, 4 and 5 are 3³/₄d. to 10¹/₈d. average 6¹/₂d.

Tables III and IV show the average returns on farms 1, 2, 3, 4 and 5 from the production and sale of fat lambs compared with individual returns from each farm. All stock valuations are the individual farmers valuations given in the light of ruling market prices, valuations of lambs remaining at the end of the year have however been checked against the subsequent actual selling price.

TABLE III

Breeding Flock - Costs

	Average			Your Farm				
	No.	£	s	d	No.	£	s	d
Ewes & rams at beginning	53	214	2	7				
Ewes & rams purchased	1	3	10	0				
Total (1)	54	217	12	7				
Ewes sold	7	20	0	4				
Ewes died	4							
Ewes & rams at end	43	160	2	0				
Total (2)	54	180	2	4				
Flock depreciation (1-2)		37	10	3				
Keep for flock (Table II)		93	19	3				
Gross Cost of Breeding Flock		131	9	6				
Credit Wool		21	12	2				
Net Cost of Ewe Flock		109	17	4				

TABLE IV

Rearing & Fattening Lambs - Costs

	Average			Your Farm				
	No.	£	s	d	No.	£	s	d
Net Cost of Ewe Flock		109	17	4				
Keep of Lambs (Table II)		48	2	8				
Incoming Lambs	5	13	15	0				
Lambs born	80							
Total (3)	85	171	15	0				
Lambs sold	66	225	5	10				
Lambs valued out	12	40	9	0				
Lambs died	7							
Total (4)	85	265	14	10				
Margin 4-3		93	19	10				
Margin per lamb								
sold or valued out		1	4	1				
Wool purchased per ewe			8	2				
Selling price of lambs		3	8	3				

The margin between the cost of rearing and fattening the lambs and their sale price or value at the end of the year is obtained by subtracting total (4) from total (3). This margin, when expressed per lamb sold or valued out, averaged £1. 4. 1. The fat lambs were apparently all sold at about the same weight as individual selling prices did not vary much from an average of £3. 8. 3. The ewe flock was credited with the wool it produced, the average value of wool produced per ewe was 8/3d.

Table V shows the average total cost of keeping sheep on farms 6, 7, and 8.

Table V
Total Cost of Keep ("Flying" Flocks).

	Average				Your Farm			
	No.	£.	s.	d.	No.	£.	s.	d.
Grazing - winter		26	12	11				
- summer		38	0	7				
Hay		1	6	8				
Roots		18	6	8				
Concentrates			nil					
Labour		26	15	2				
Vet expenses		6	10	1				
Carriage		10	10	0				
Total Cost of Keep		128	2	1				
Total sheep weeks	3,766							
Average Cost per sheep week,				8 $\frac{3}{4}$				

The number of sheep weeks for which the two "average flocks" were kept was very similar, 3,704 sheep weeks (Table 11) and 3,766 sheep weeks (Table V). The average total cost of feeding was considerably higher in the former case where the stable breeding flocks were kept. The average costs of total keep per sheep week were respectively 9 $\frac{5}{8}$ d. and 8 $\frac{3}{4}$ d.

Table VI shows the average returns from fattening sheep on Farms 6, 7, and 8.

Table VI
Returns from Fattening Sheep. (Farms 6, 7, 8).

	Average				Your Farm			
	No.	£.	s.	d.	No.	£.	s.	d.
Sheep at beginning	31	92	9	2				
Ewes & Rams	21	53	3	4				
Lambs	94	201	9	4				
Purchases	22	52	7	0				
Lambs								
Ewes								
Births	32							
Total (1)	200	399	8	10				
Sales	26	78	8	5				
Ewes	127	449	19	4				
Lambs		12	19	6				
Wool	7	22	13	4				
Valuation	35	79	13	4				
Ewes	5							
Lambs								
Deaths								
Total (2)	200	643	13	11				
Production (2-1)		244	5	1				
Margin (Production-Keep)		116	3	0				
Margin per sheep sold or valued out.	1.95		11	11				

The figure for Production in the above table is obtained by subtracting the cost of purchased sheep and value of sheep at the beginning of the year from the sum of the returns from sales of wool and fat sheep and the value of sheep left at the end of the year. When the cost of keep is subtracted from Production the margin of profit is left.

This margin, when expressed per sheep sold or valued out, averaged 11s. 11d., which is considerably lower than the margin (see Table VI) where more home bred lambs have been sold. It appears that lambs are produced at a lower cost than the price at which store lambs have been bought.

