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Poultry
Cost of
production

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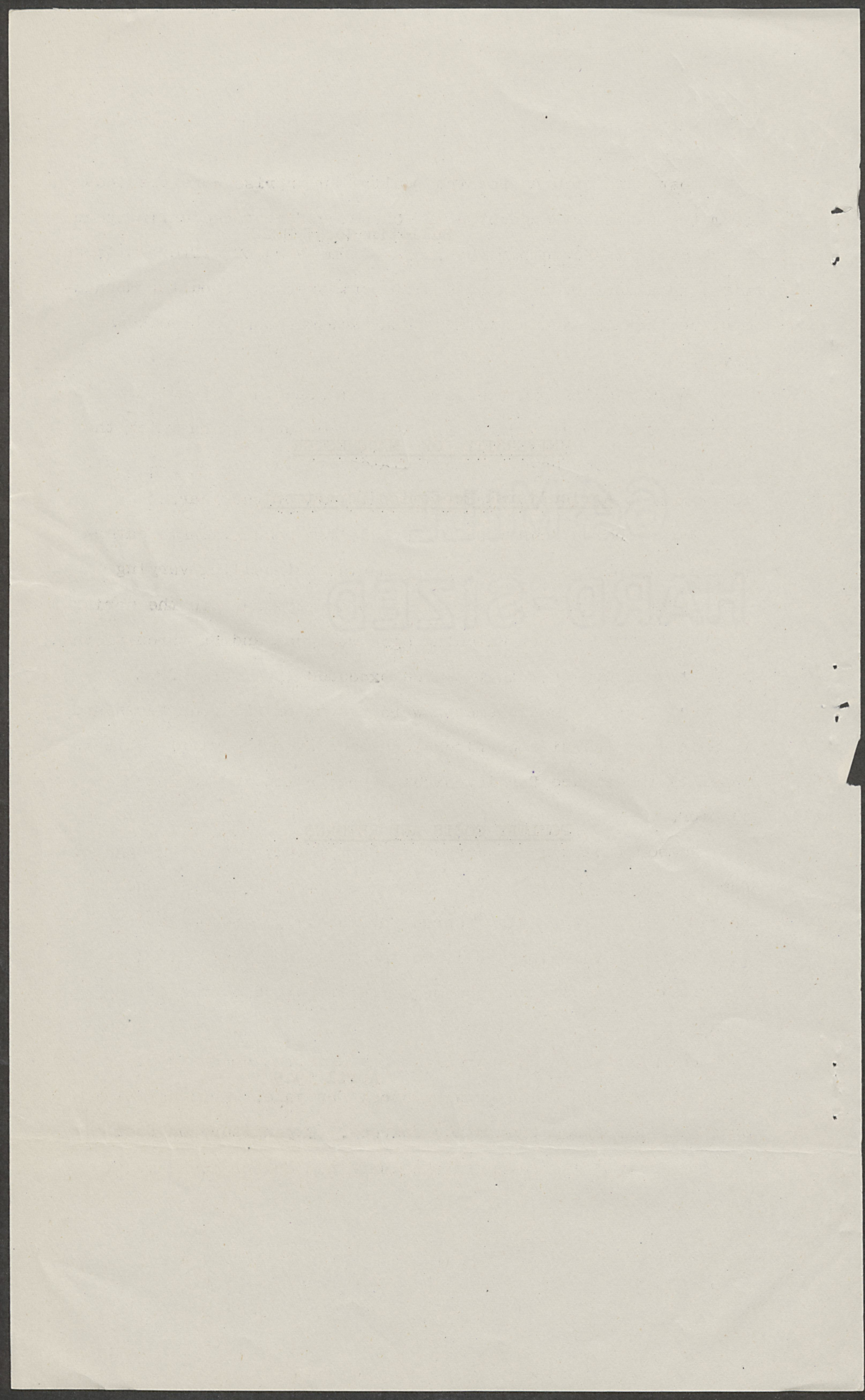
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UNIVERSITY OF MANCHESTER

Agricultural Economics Department

POULTRY COSTS AND RETURNS

April 1949



Costs and returns for the poultry enterprise were obtained from ten farms in Lancashire and Cheshire for an accounting year which ended in September 1948. The farms were of different types with, in almost every case, a different system of poultry management so that individual rather than average results have been given.

These results, in the form of an income and expenditure account, are shown in Table I. The number of hens on which the "per hen" figures have been calculated was the average of the total number of laying birds in each month of the year.

Farms one to four were all specialist poultry farms catering mainly for the commercial egg market but selling varying amounts of hatching eggs according to the demand. In the spring of 1948 the demand for hatching eggs was good and on three of the farms the income from that source exceeded the income from commercial eggs. Replacements were reared on all four farms and in each case the size of flock increased over the year. This is shown by the figure for livestock appreciation in the income section.

Number five was an accredited farm mainly producing eggs for sale to hatcheries, but a number of stock cockerels and growing pullets were also reared for sale. Egg production on this farm was very low and it is the only farm where stock numbers were reduced and a charge for livestock depreciation incurred.

Farm six was also accredited but here the emphasis was on the rearing of young growing stock for sale. Some hatching eggs were purchased from other sources. Expenditure on food and labour was high owing to the large numbers of young stock carried.

TABLE I

Financial Results From Ten Farms 1947-48

| Farm Number | 1 | | | 2 | | | 3 | | | 4 | | | 5 | | | 6 | | | 7 | | | 8 | | | 9 | | | 10 | | | | | |
|--------------------|-----|----|---|----------|----|---|-----|----|----|-----|----|---|-----|----|----|-----|----|----|-----|----|----|-----|----|----|-----|---|---|-----|----|----|---|---|---|
| <u>Income</u> | £ | s | d | £ | s | d | £ | s | d | £ | s | d | £ | s | d | £ | s | d | £ | s | d | £ | s | d | £ | s | d | £ | s | d | £ | s | d |
| Market Eggs | 15 | 6 | | 12 | 7 | | 1 | 17 | 11 | 1 | 7 | 2 | | 6 | 4 | | 14 | 8 | 3 | 4 | 5 | 3 | 10 | 0 | 1 | 2 | 3 | 2 | 2 | 11 | | | |
| Clear Eggs | - | | | | 8 | | - | | | - | | | - | | | - | | | - | | | - | | | - | | | - | | | - | | |
| Hatching Eggs | 2 | 7 | 0 | 14 | 8 | | 16 | 0 | | 2 | 1 | 1 | 1 | 11 | 7 | 1 | 19 | 7 | | | | | | | | 7 | 2 | | | | | | |
| Table Poultry | 19 | 6 | | 5 | 4 | | 4 | 4 | | 7 | 6 | | 8 | 2 | | 12 | 8 | | 13 | 11 | | 9 | 6 | | 10 | 0 | | 6 | 2 | | | | |
| Day Old Chicks | - | | | 7 | 2 | | - | | | | 11 | | - | | | | 5 | | - | | | - | | | - | | | - | | | - | | |
| Livestock | - | | | 1 | 7 | | 6 | 5 | | 2 | 11 | | 11 | 5 | | 6 | 12 | 3 | - | | | - | | | - | | | - | | | - | | |
| Miscellaneous | - | | | | 2 | | - | | | | 2 | | 6 | 0 | | | 9 | | - | | | - | | | - | | | - | | | - | | |
| Eggs to House | | 11 | | | 7 | | | 6 | | | 9 | | | 7 | | - | | | | 5 | | - | | | | 5 | | 1 | 10 | | | | |
| Farm Eggs Set | 2 | 0 | | 1 | 9 | | 2 | 9 | | 2 | 8 | | 2 | 9 | | - | | | - | | | - | | | - | | | - | | | - | | |
| L'Stock Deprecn. | 4 | 5 | | 9 | 6 | | 2 | 6 | | 5 | 6 | | - | | | 1 | 2 | 7 | 2 | 2 | | - | | | | 3 | | - | | | - | | |
| <u>Total</u> | 4 | 9 | 4 | 2 | 14 | 0 | 3 | 10 | 5 | 4 | 8 | 8 | 3 | 6 | 10 | 11 | 2 | 11 | 4 | 1 | 11 | 3 | 19 | 6 | 2 | 1 | 1 | 2 | 10 | 11 | | | |
| <u>Expenditure</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Foods | 1 | 9 | 3 | 1 | 8 | 2 | 1 | 10 | 5 | 1 | 9 | 6 | 1 | 16 | 1 | 3 | 18 | 6 | 1 | 19 | 1 | 1 | 3 | 7 | 11 | 8 | | 15 | 4 | | | | |
| Eggs & Stock | - | | | | 11 | | - | | | - | | | | 3 | | 2 | 2 | 0 | | 3 | 11 | | 17 | 9 | | 8 | | 10 | 2 | | | | |
| Miscellaneous | 5 | 2 | | 3 | 5 | | | 5 | | | 6 | | 7 | 8 | | 1 | 2 | 10 | | 2 | | | | | 1 | 5 | | | 8 | | | | |
| Hired Labour | 8 | 4 | | - | | | - | | | 2 | 7 | | - | | | 13 | 8 | | - | | | - | | | - | | | - | | | | | |
| Family Labour | 10 | 0 | | 14 | 8 | | 9 | 9 | | 1 | 3 | 8 | 10 | 0 | | 13 | 8 | | 11 | 7 | | 5 | 1 | | 11 | 2 | | 4 | 9 | | | | |
| Rent | | 5 | | 3 | 3 | | 1 | 6 | | | 11 | | 1 | 10 | | 1 | 6 | | | 2 | | - | | | - | | | - | 5 | | | | |
| Farm Eggs Set | 2 | 0 | | 1 | 9 | | 2 | 9 | | 2 | 8 | | 2 | 9 | | - | | | - | | | - | | | | 5 | | - | | | | | |
| D'Stock Deprecn. | | 11 | | 4 | 3 | | | 5 | | 4 | 2 | | 1 | 11 | | | 6 | | | 6 | | 2 | 5 | | 1 | 4 | | | 6 | | | | |
| L'Stock Deprecn. | - | | | - | | | - | | | - | | | 5 | 6 | | - | | | - | | | - | | | - | | | - | | 4 | | | |
| <u>Total</u> | 2 | 16 | 1 | 2 | 16 | 5 | 2 | 5 | 3 | 3 | 6 | 0 | 3 | 6 | 0 | 8 | 12 | 8 | 2 | 15 | 5 | 2 | 8 | 10 | 1 | 7 | 8 | 1 | 12 | 2 | | | |
| <u>Profit</u> | 1 | 13 | 3 | Loss 2/5 | | | 1 | 5 | 2 | 1 | 2 | 8 | | 10 | | 2 | 10 | 3 | 1 | 6 | 6 | 1 | 10 | 8 | 13 | 5 | | 18 | 9 | | | | |
| Number of Hens | 467 | | | 339 | | | 273 | | | 211 | | | 630 | | | 400 | | | 345 | | | 144 | | | 140 | | | 245 | | | | | |
| Eggs Produced | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Per Hen | 136 | | | 80 | | | 144 | | | 156 | | | 81 | | | 112 | | | 156 | | | 204 | | | 92 | | | 119 | | | | | |

Farms seven, nine and ten were general mixed farms with a poultry unit from which market eggs and table poultry were the main sale products. The hens were sold at the end of the second laying season, and fresh replacements purchased.

Farm eight was also a general mixed farm but here the hens were kept in battery cages, and a very high egg yield was attained.

Expenditure on these four farms was generally lower than on the specialist poultry farms. It was much lower on farms nine and ten where some home grown foods were fed. All the work was done by family labour and on two farms, number eight with a battery and number nine, no rent was charged.

Information had been obtained in 1946-47 from five of the ten farms and comparative results for 1946-47 and 1947-48 are shown in Table II. On these five farms, replacements were home reared and both hatching eggs and commercial eggs were sold.

Expenditure on both food and labour increased in 1947-48 due to higher prices and to some increase in the availability of foodstuffs. The percentage distribution of income and expenditure remained the same in both years.

Higher income in 1947-48 was due to the increased prices for eggs, and to the greatly increased demand for hatching eggs. It is noticeable that whilst income from growing stock decreased by 6%, that from hatching eggs increased by almost the same amount in 1947-48. There was also considerable live-stock appreciation in 1947-48 owing to the rearing of more young stock.

TABLE II

Financial Results From Five Farms 1946-47 and 1947-48

| <u>Income</u> | 1946 - 1947 | | 1947 - 1948 | |
|------------------------|-------------|------------|-------------|------------|
| | Average | | Average | |
| | £ | % | £ | % |
| Market Eggs | 301 | 51 | 457 | 51 |
| Hatching Eggs | 83 | 14 | 190 | 21 |
| Clear Eggs | 1 | - | 2 | - |
| Table Poultry | 76 | 12 | 108 | 12 |
| Day Old Chicks | 20 | 3 | 26 | 3 |
| Livestock | 62 | 10 | 34 | 4 |
| Miscellaneous | 7 | 1 | 1 | - |
| Eggs to House | 6 | 1 | 7 | 1 |
| Poultry to House | - | - | - | - |
| Farm Eggs Set | 13 | 2 | 19 | 2 |
| Livestock Appreciation | 35 | 6 | 58 | 6 |
| Total | 604 | 100 | 902 | 100 |
| <hr/> | | | | |
| <u>Expenditure</u> | | | | |
| Foods | 273 | 56 | 392 | 57 |
| Hatching Eggs & Stock | 29 | 6 | 17 | 3 |
| Miscellaneous | 17 | 4 | 21 | 3 |
| Hired Labour | 8 | 1 | 5 | - |
| Family Labour | 110 | 22 | 182 | 27 |
| Rent | 19 | 4 | 19 | 3 |
| Farm Eggs Set | 13 | 3 | 19 | 3 |
| Deadstock Depreciation | 20 | 4 | 28 | 4 |
| Livestock Depreciation | 2 | - | - | - |
| Total | 491 | 100 | 683 | 100 |
| <hr/> | | | | |
| Profit | 113 | | 219 | |
| Total Number of Hens | 260 | | 276 | |
| Egg Production Per Hen | 106 | | 120 | |

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1950-2-25
C. W. B. F.