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# 2026 Cost of Production Crops



## Guidelines For Estimating Crop Production Costs - 2026

Date: January, 2026

The following budgets are estimates of the cost of producing the most commonly grown field crops in Manitoba. General Manitoba Agriculture recommendations are assumed in using fertilizers and chemical inputs. These figures provide an economic evaluation of the crops and estimated yields 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.

These budgets may be adjusted by putting in your own figures. As a producer you are encouraged to calculate your own costs of production for various crops. On each farm, costs and yields differ due to soil type, climate and agronomic practices.

This tool is available as an Excel worksheet at:



[The Farm Machinery Custom and Rental Rate Guide](#) is also available to help determine machinery costs.

The [CropPlan Production Cost Calculator](#) is also available for producers to estimate the cash cost of producing field crops on their farm on an annual basis. CropPlan calculates marginal returns, breakeven yields, breakeven crop prices on total production and remaining unsold inventory, land and machinery cost analysis and cash based financial ratios.

### Contact Us

For more information, contact a Farm Management Specialist.

- [manitoba.ca/agriculture](http://manitoba.ca/agriculture)
- [mbfarmbusiness@gov.mb.ca](mailto: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.

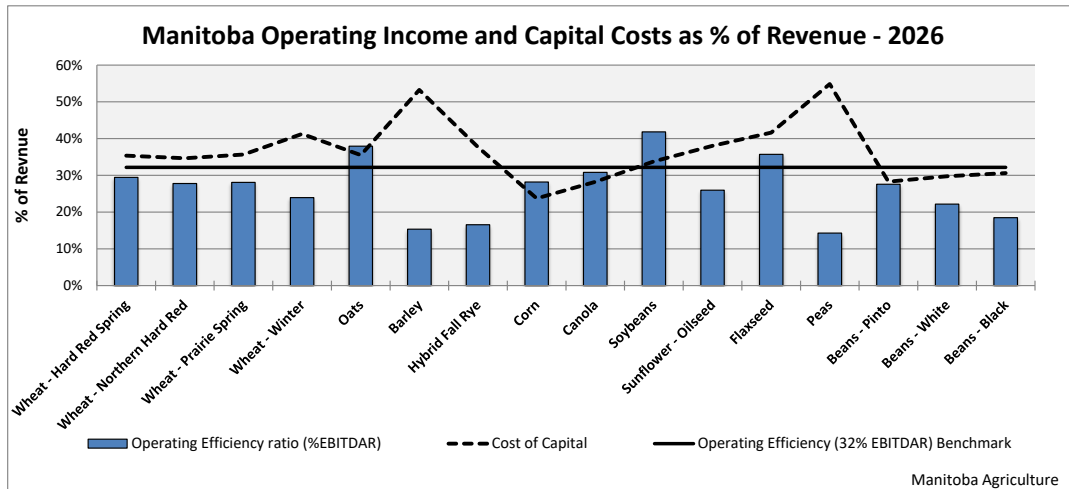
Crop Production Costs 2026 Guidelines (Dollars Per Acre)								
	Wheat - Hard Red Spring	Wheat - Northern Hard Red	Wheat - Prairie Spring	Wheat - Winter	Oats	Barley	Hybrid Fall Rye	Corn
<b>A. Operating Costs</b>								
Seed & Treatment	\$32.00	\$32.00	\$32.00	\$30.00	\$23.13	\$18.00	\$78.40	\$100.00
Fertilizer	\$132.90	\$144.80	\$136.86	\$132.90	\$102.49	\$99.48	\$160.67	\$201.71
Crop Protection	\$50.25	\$50.25	\$50.25	\$26.75	\$20.75	\$18.00	\$9.00	\$34.25
Fuel	\$32.81	\$33.51	\$33.28	\$32.69	\$39.14	\$36.01	\$33.25	\$43.99
Machinery Operating & Lease	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Labour - Hired	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60
Crop Insurance	\$10.25	\$12.28	\$8.97	\$8.91	\$15.83	\$10.30	\$13.16	\$27.79
Hail Insurance	\$11.20	\$11.20	\$11.20	\$11.20	\$11.20	\$11.20	\$11.20	\$11.20
Drying & Other Costs	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$87.75
Land Taxes	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
Storage Costs	\$15.22	\$16.61	\$16.15	\$14.99	\$27.68	\$18.45	\$18.45	\$33.44
Interest on Operating	\$11.91	\$12.45	\$12.05	\$11.00	\$10.41	\$9.44	\$13.25	\$19.94
<b>Total Operating</b>	<b>\$364.89</b>	<b>\$381.45</b>	<b>\$369.11</b>	<b>\$336.79</b>	<b>\$318.97</b>	<b>\$289.23</b>	<b>\$405.73</b>	<b>\$610.67</b>
<b>B. Fixed Costs</b>								
Land Costs	\$106.24	\$106.24	\$106.24	\$106.24	\$106.24	\$106.24	\$106.24	\$106.24
Machinery Costs	\$85.34	\$85.34	\$85.34	\$85.34	\$85.34	\$85.34	\$85.34	\$104.38
<b>Total Fixed</b>	<b>\$191.58</b>	<b>\$191.58</b>	<b>\$191.58</b>	<b>\$191.58</b>	<b>\$191.58</b>	<b>\$191.58</b>	<b>\$191.58</b>	<b>\$210.61</b>
<b>C. Owners - Labour &amp; Living</b>								
	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00
<b>Total Costs</b>	<b>\$584.46</b>	<b>\$601.02</b>	<b>\$588.68</b>	<b>\$556.36</b>	<b>\$538.55</b>	<b>\$508.80</b>	<b>\$625.31</b>	<b>\$849.28</b>
Profitability Analysis								
<b>Estimated Farmgate</b>								
Target Price \$ per unit	\$7.75	\$7.25	\$7.25	\$6.75	\$4.25	\$4.25	\$6.00	\$5.75
Premium \$ per unit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Target Yield per acre	66	72	70	65	120	80	80	145
Unit type (bu. or lb.)	bu	bu	bu	bu	bu	bu	bu	bu
<b>Gross Revenue / acre</b>	<b>\$511.50</b>	<b>\$522.00</b>	<b>\$507.50</b>	<b>\$438.75</b>	<b>\$510.00</b>	<b>\$340.00</b>	<b>\$480.00</b>	<b>\$833.75</b>
Revenue Ranking	9	7	11	13	10	15	12	1
<b>Operating Expense Ratio</b>	<b>71.3%</b>	<b>73.1%</b>	<b>72.7%</b>	<b>76.8%</b>	<b>62.5%</b>	<b>85.1%</b>	<b>84.5%</b>	<b>73.2%</b>
<b>Marginal Returns</b>								
Over Operating Costs	\$146.61	\$140.55	\$138.39	\$101.96	\$191.03	\$50.77	\$74.27	\$223.08
<b>Over Total Costs (Net Profit)</b>	<b>(\$72.96)</b>	<b>(\$79.02)</b>	<b>(\$81.18)</b>	<b>(\$117.61)</b>	<b>(\$28.55)</b>	<b>(\$168.80)</b>	<b>(\$145.31)</b>	<b>(\$15.53)</b>
Profitability Ranking	7	8	9	12	3	15	14	2
<b>Return on Operating (ROO)</b>	<b>40%</b>	<b>37%</b>	<b>37%</b>	<b>30%</b>	<b>60%</b>	<b>18%</b>	<b>18%</b>	<b>37%</b>
<b>Return on Asset (ROA)</b>	<b>1.55%</b>	<b>1.44%</b>	<b>1.40%</b>	<b>0.75%</b>	<b>2.35%</b>	<b>(0.18%)</b>	<b>0.25%</b>	<b>2.93%</b>
Breakeven Analysis								
<b>Breakeven Price Per Unit</b>								
Over Operating Costs	\$5.53	\$5.30	\$5.27	\$5.18	\$2.66	\$3.62	\$5.07	\$4.21
Over Land Costs	\$1.61	\$1.48	\$1.52	\$1.63	\$0.89	\$1.33	\$1.33	\$0.73
Over Machinery Costs	\$1.29	\$1.19	\$1.22	\$1.31	\$0.71	\$1.07	\$1.07	\$0.72
Over Owners Labour & Lliving	\$0.42	\$0.39	\$0.40	\$0.43	\$0.23	\$0.35	\$0.35	\$0.19
<b>Over Total Costs</b>	<b>\$8.86</b>	<b>\$8.35</b>	<b>\$8.41</b>	<b>\$8.56</b>	<b>\$4.49</b>	<b>\$6.36</b>	<b>\$7.82</b>	<b>\$5.86</b>
<b>Breakeven Storage Carrying Cost Per Unit</b>								
Per month @ 6.75%	\$0.04	\$0.04	\$0.04	\$0.04	\$0.02	\$0.02	\$0.03	\$0.03
<b>Breakeven Yield (Bu or lb.)</b>								
Over Operating Costs	47.1	52.6	50.9	49.9	75.1	68.1	67.6	106
Over Land Costs	13.7	14.7	14.7	15.7	25.0	25.0	17.7	18.5
Over Machinery Costs	11.0	11.8	11.8	12.6	20.1	20.1	14.2	18.2
Over Owners Labour & Lliving	3.6	3.9	3.9	4.1	6.6	6.6	4.7	4.9
<b>Over Total Costs</b>	<b>75.4</b>	<b>83.0</b>	<b>81.3</b>	<b>82.3</b>	<b>126.8</b>	<b>119.8</b>	<b>104.2</b>	<b>147.6</b>
<b>Breakeven Yield Risk Ratio</b>	<b>88%</b>	<b>87%</b>	<b>86%</b>	<b>79%</b>	<b>95%</b>	<b>67%</b>	<b>77%</b>	<b>98%</b>
(Target Yield per Acre / BE Yield)								

**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 utilization of this information is the responsibility of the user.

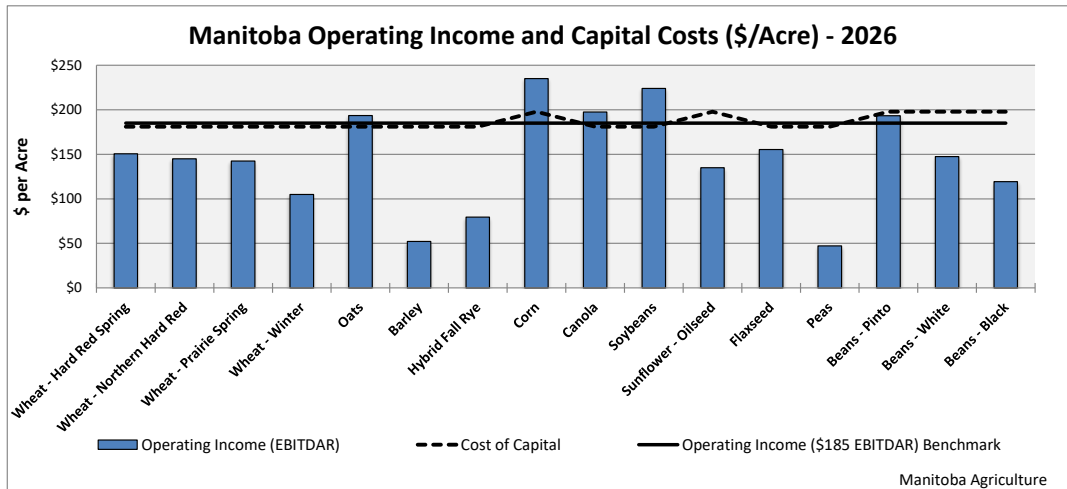
<b>Crop Production Costs Guidelines (Dollars Per Acre)</b>								
	Canola	Soybeans	Sunflower - Oilseed	Flaxseed	Peas	Beans - Pinto	Beans - White	Beans - Black
<b>A. Operating Costs</b>								
Seed & Treatment	\$82.50	\$90.00	\$50.00	\$32.00	\$49.50	\$102.00	\$106.70	\$108.75
Fertilizer	\$150.30	\$50.35	\$123.16	\$68.51	\$34.02	\$84.38	\$92.31	\$92.31
Crop Protection	\$68.75	\$23.25	\$31.50	\$36.00	\$42.50	\$131.25	\$131.25	\$131.25
Fuel	\$32.51	\$28.80	\$33.49	\$31.60	\$29.00	\$28.14	\$27.95	\$27.95
Machinery Operating & Lease	\$25.00	\$25.00	\$38.00	\$25.00	\$25.00	\$50.00	\$50.00	\$50.00
Labour - Hired	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60
Crop Insurance	\$11.71	\$18.57	\$17.92	\$17.21	\$16.36	\$32.37	\$31.12	\$38.10
Hail Insurance	\$11.20	\$14.56	\$11.20	\$11.20	\$22.40	\$19.60	\$19.60	\$19.60
Drying & Other Costs	\$17.75	\$17.75	\$27.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75
Land Taxes	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
Storage Costs	\$10.38	\$9.69	\$18.45	\$6.69	\$12.69	\$7.69	\$7.30	\$7.30
Interest on Operating	\$14.71	\$10.25	\$12.73	\$9.16	\$9.28	\$16.83	\$17.20	\$17.50
<b>Total Operating</b>	<b>\$450.42</b>	<b>\$313.81</b>	<b>\$389.79</b>	<b>\$280.71</b>	<b>\$284.10</b>	<b>\$515.61</b>	<b>\$526.79</b>	<b>\$536.12</b>
<b>B. Fixed Costs</b>								
Land Costs	\$106.24	\$106.24	\$106.24	\$106.24	\$106.24	\$106.24	\$106.24	\$106.24
Machinery Costs	\$85.34	\$85.34	\$104.38	\$85.34	\$85.34	\$104.38	\$104.38	\$104.38
<b>Total Fixed</b>	<b>\$191.58</b>	<b>\$191.58</b>	<b>\$210.61</b>	<b>\$191.58</b>	<b>\$191.58</b>	<b>\$210.61</b>	<b>\$210.61</b>	<b>\$210.61</b>
<b>C. Owners - Labour &amp; Living</b>								
	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00
<b>Total Costs</b>	<b>\$669.99</b>	<b>\$533.39</b>	<b>\$628.41</b>	<b>\$500.29</b>	<b>\$503.67</b>	<b>\$754.23</b>	<b>\$765.40</b>	<b>\$774.73</b>
<b>Profitability Analysis</b>								
<b>Estimated Farmgate</b>								
Target Price \$ per unit	\$14.25	\$12.75	\$0.26	\$15.00	\$6.00	\$0.35	\$0.35	\$0.34
Premium \$ per unit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Target Yield per acre	45	42	2,000	29	55	2,000	1,900	1,900
Unit type (bu. or lb.)	bu	bu	lb	bu	bu	lb	lb	lb
<b>Gross Revenue / acre</b>	<b>\$641.25</b>	<b>\$535.50</b>	<b>\$520.00</b>	<b>\$435.00</b>	<b>\$330.00</b>	<b>\$700.00</b>	<b>\$665.00</b>	<b>\$646.00</b>
Revenue Ranking	5	6	8	14	16	2	3	4
<b>Operating Expense Ratio</b>	<b>70.2%</b>	<b>58.6%</b>	<b>75.0%</b>	<b>64.5%</b>	<b>86.1%</b>	<b>73.7%</b>	<b>79.2%</b>	<b>83.0%</b>
<b>Marginal Returns</b>								
Over Operating Costs	\$190.83	\$221.69	\$130.21	\$154.29	\$45.90	\$184.39	\$138.21	\$109.88
<b>Over Total Costs (Net Profit)</b>	<b>(\$28.74)</b>	<b>\$2.11</b>	<b>(\$108.41)</b>	<b>(\$65.29)</b>	<b>(\$173.67)</b>	<b>(\$54.23)</b>	<b>(\$100.40)</b>	<b>(\$128.73)</b>
Profitability Ranking	4	1	11	6	16	5	10	13
<b>Return on Operating (ROO)</b>	<b>42%</b>	<b>71%</b>	<b>33%</b>	<b>55%</b>	<b>16%</b>	<b>36%</b>	<b>26%</b>	<b>20%</b>
<b>Return on Asset (ROA)</b>	<b>2.35%</b>	<b>2.91%</b>	<b>1.26%</b>	<b>1.69%</b>	<b>(0.26%)</b>	<b>2.23%</b>	<b>1.40%</b>	<b>0.89%</b>
<b>Breakeven Analysis</b>								
<b>Breakeven Price Per Unit</b>								
Over Operating Costs	\$10.01	\$7.47	\$0.19	\$9.68	\$5.17	\$0.26	\$0.28	\$0.28
Over Land Costs	\$2.36	\$2.53	\$0.05	\$3.66	\$1.93	\$0.05	\$0.06	\$0.06
Over Machinery Costs	\$1.90	\$2.03	\$0.05	\$2.94	\$1.55	\$0.05	\$0.05	\$0.05
Over Owners Labour & Living	\$0.62	\$0.67	\$0.01	\$0.97	\$0.51	\$0.01	\$0.01	\$0.01
<b>Over Total Costs</b>	<b>\$14.89</b>	<b>\$12.70</b>	<b>\$0.31</b>	<b>\$17.25</b>	<b>\$9.16</b>	<b>\$0.38</b>	<b>\$0.40</b>	<b>\$0.41</b>
<b>Breakeven Storage Carrying Cost Per Unit</b>								
Per month @ 6.75%	\$0.08	\$0.07	\$0.001	\$0.08	\$0.03	\$0.002	\$0.002	\$0.002
<b>Breakeven Yield (Bu or lb.)</b>								
Over Operating Costs	31.6	25	1499	18.7	47.3	1473	1505	1576.8
Over Land Costs	7.5	8.3	408.6	7.1	17.7	303.5	303.5	312.5
Over Machinery Costs	6.0	6.7	401.5	5.7	14.2	298.2	298.2	307.0
Over Owners Labour & Living	2.0	2.2	107.7	1.9	4.7	80.0	80.0	82.4
<b>Over Total Costs</b>	<b>47.1</b>	<b>42.2</b>	<b>2416.8</b>	<b>33.4</b>	<b>83.9</b>	<b>2154.7</b>	<b>2186.7</b>	<b>2278.7</b>
<b>Breakeven Yield Risk Ratio</b>	<b>96%</b>	<b>100%</b>	<b>83%</b>	<b>87%</b>	<b>66%</b>	<b>93%</b>	<b>87%</b>	<b>83%</b>
(Target Yield per Acre / BE Yield)								

**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 utilization of this information is the responsibility of the user.

Crop Production Standardized Operating Statement 2026 (Dollars Per Acre)										
	Estimated Manitoba 2026 Benchmark		Wheat - Hard Red Spring	Wheat - Northern Hard Red	Wheat - Prairie Spring	Wheat - Winter	Oats	Barley	Hybrid Fall Rye	Corn
= Revenue	\$575	100%	\$511.50	\$522.00	\$507.50	\$438.75	\$510.00	\$340.00	\$480.00	\$833.75
- Cost of Goods Sold (CoGS)										
Seed & Treatment	\$65	11.3%	\$32.00	\$32.00	\$32.00	\$30.00	\$23.13	\$18.00	\$78.40	\$100.00
Fertilizer	\$125	21.7%	\$132.90	\$144.80	\$136.86	\$132.90	\$102.49	\$99.48	\$160.67	\$201.71
Crop Protection	\$55	9.6%	\$50.25	\$50.25	\$50.25	\$26.75	\$20.75	\$18.00	\$9.00	\$34.25
Crop Insurance	\$12	2.1%	\$10.25	\$12.28	\$8.97	\$8.91	\$15.83	\$10.30	\$13.16	\$27.79
Hail Insurance	\$12	2.1%	\$11.20	\$11.20	\$11.20	\$11.20	\$11.20	\$11.20	\$11.20	\$11.20
	\$269	47%	\$236.59	\$250.53	\$239.28	\$209.75	\$173.40	\$156.98	\$272.43	\$374.95
= Gross Margin (GM)	\$306	53%	\$274.91	\$271.47	\$268.22	\$229.00	\$336.60	\$183.02	\$207.57	\$458.80
- Direct Operating Expenses (DOE)										
Labour - Hired	\$6	1.0%	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60
Owners - Labour & Living	\$28	4.9%	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00
Fuel	\$32	5.6%	\$32.81	\$33.51	\$33.28	\$32.69	\$39.14	\$36.01	\$33.25	\$43.99
Drying Costs	\$0	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$70.00
Storage Costs	\$12	2.1%	\$15.22	\$16.61	\$16.15	\$14.99	\$27.68	\$18.45	\$18.45	\$33.44
Machinery Operating	\$25	4.3%	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Machinery Custom	\$0	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$103	18%	\$106.63	\$108.72	\$108.03	\$106.29	\$125.41	\$113.06	\$110.30	\$206.03
= Contribution Margin (CM)	\$203	35%	\$168.27	\$162.75	\$160.19	\$122.71	\$211.19	\$69.96	\$97.27	\$252.77
- Operating Overheads (OH)										
Other Costs	\$18	3.1%	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75
= Earnings Before Interest Taxes Depreciation Amortization Rent (EBITDAR) or Operating Income	\$185	32%	\$150.52	\$145.00	\$142.44	\$104.96	\$193.44	\$52.21	\$79.52	\$235.02
- Cost of Capital (CoC) or Depreciation/Amortization/Lease/Rent										
Machinery Depreciation Costs	\$33	5.7%	\$32.50	\$32.50	\$32.50	\$32.50	\$32.50	\$32.50	\$32.50	\$39.75
Machinery Amortization Costs	\$37	6.4%	\$37.14	\$37.14	\$37.14	\$37.14	\$37.14	\$37.14	\$37.14	\$45.43
Machinery Opportunity Costs	\$6	1.0%	\$5.85	\$5.85	\$5.85	\$5.85	\$5.85	\$5.85	\$5.85	\$7.16
Land Amortization Costs	\$23	4.0%	\$22.80	\$22.80	\$22.80	\$22.80	\$22.80	\$22.80	\$22.80	\$22.80
Land Opportunity Costs	\$63	11.0%	\$62.70	\$62.70	\$62.70	\$62.70	\$62.70	\$62.70	\$62.70	\$62.70
Machinery Lease	\$0	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Land Taxes	\$20	3.5%	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
	\$182	32%	\$180.99	\$180.99	\$180.99	\$180.99	\$180.99	\$180.99	\$180.99	\$197.83
= Earnings Before Interest Taxes (EBIT)	\$3	1%	(\$30.47)	(\$35.99)	(\$38.55)	(\$76.03)	\$12.44	(\$128.78)	(\$101.47)	\$37.19
- Interest Expenses										
Interest on Operating	\$13	2.3%	\$11.91	\$12.45	\$12.05	\$11.00	\$10.41	\$9.44	\$13.25	\$19.94
Land Interest Costs	\$21	3.7%	\$20.74	\$20.74	\$20.74	\$20.74	\$20.74	\$20.74	\$20.74	\$20.74
Machinery Interest Costs	\$10	1.7%	\$9.85	\$9.85	\$9.85	\$9.85	\$9.85	\$9.85	\$9.85	\$12.04
	\$44	8%	\$42.49	\$43.03	\$42.63	\$41.58	\$40.99	\$40.02	\$43.83	\$52.72
= Earnings Before Taxes (EBT)	(\$41)	-7%	(\$72.96)	(\$79.02)	(\$81.18)	(\$117.61)	(\$28.55)	(\$168.80)	(\$145.31)	(\$15.53)



Crop Production Standardized Operating Statement 2026 (Dollars Per Acre)										
	Estimated Manitoba Benchmark		Canola	Soybeans	Sunflower - Oilseed	Flaxseed	Peas	Beans - Pinto	Beans - White	Beans - Black
<b>= Revenue</b>	<b>\$575</b>	<b>100%</b>	<b>\$641.25</b>	<b>\$535.50</b>	<b>\$520.00</b>	<b>\$435.00</b>	<b>\$330.00</b>	<b>\$700.00</b>	<b>\$665.00</b>	<b>\$646.00</b>
<b>- Cost of Goods Sold (CoGS)</b>										
Seed & Treatment	\$65	11.3%	\$82.50	\$90.00	\$50.00	\$32.00	\$49.50	\$102.00	\$106.70	\$108.75
Fertilizer	\$125	21.7%	\$150.30	\$50.35	\$123.16	\$68.51	\$34.02	\$84.38	\$92.31	\$92.31
Crop Protection	\$55	9.6%	\$68.75	\$23.25	\$31.50	\$36.00	\$42.50	\$131.25	\$131.25	\$131.25
Crop Insurance	\$12	2.1%	\$11.71	\$18.57	\$17.92	\$17.21	\$16.36	\$32.37	\$31.12	\$38.10
Hail Insurance	\$12	2.1%	\$11.20	\$14.56	\$11.20	\$11.20	\$22.40	\$19.60	\$19.60	\$19.60
	<b>\$269</b>	<b>47%</b>	<b>\$324.46</b>	<b>\$196.73</b>	<b>\$233.77</b>	<b>\$164.92</b>	<b>\$164.78</b>	<b>\$369.60</b>	<b>\$380.98</b>	<b>\$390.02</b>
<b>= Gross Margin (GM)</b>	<b>\$306</b>	<b>53%</b>	<b>\$316.79</b>	<b>\$338.77</b>	<b>\$286.23</b>	<b>\$270.08</b>	<b>\$165.22</b>	<b>\$330.40</b>	<b>\$284.02</b>	<b>\$255.98</b>
<b>- Direct Operating Expenses (DOE)</b>										
Labour - Hired	\$6	1.0%	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60	\$5.60
Owners - Labour & Living	\$28	4.9%	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00
Fuel	\$32	5.6%	\$32.51	\$28.80	\$33.49	\$31.60	\$29.00	\$28.14	\$27.95	\$27.95
Drying Costs	\$0	0.0%	\$0.00	\$0.00	\$10.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Storage Costs	\$12	2.1%	\$10.38	\$9.69	\$18.45	\$6.69	\$12.69	\$7.69	\$7.30	\$7.30
Machinery Operating	\$25	4.3%	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Machinery Custom	\$0	0.0%	\$0.00	\$0.00	\$13.00	\$0.00	\$0.00	\$25.00	\$25.00	\$25.00
	<b>\$103</b>	<b>18%</b>	<b>\$101.49</b>	<b>\$97.09</b>	<b>\$133.54</b>	<b>\$96.89</b>	<b>\$100.29</b>	<b>\$119.43</b>	<b>\$118.85</b>	<b>\$118.85</b>
<b>= Contribution Margin (CM)</b>	<b>\$203</b>	<b>35%</b>	<b>\$215.29</b>	<b>\$241.69</b>	<b>\$152.69</b>	<b>\$173.20</b>	<b>\$64.93</b>	<b>\$210.97</b>	<b>\$165.16</b>	<b>\$137.13</b>
<b>- Operating Overheads (OH)</b>										
Other Costs	\$18	3.1%	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75
<b>= Earnings Before Interest Taxes Depreciation Amortization Rent (EBITDAR) or Operating Income</b>	<b>\$185</b>	<b>32%</b>	<b>\$197.54</b>	<b>\$223.94</b>	<b>\$134.94</b>	<b>\$155.45</b>	<b>\$47.18</b>	<b>\$193.22</b>	<b>\$147.41</b>	<b>\$119.38</b>
<b>- Cost of Capital (CoC) or Depreciation/Amortization/Lease/Rent</b>										
Machinery Depreciation Costs	\$33	5.7%	\$32.50	\$32.50	\$39.75	\$32.50	\$32.50	\$39.75	\$39.75	\$39.75
Machinery Amortization Costs	\$37	6.4%	\$37.14	\$37.14	\$45.43	\$37.14	\$37.14	\$45.43	\$45.43	\$45.43
Machinery Opportunity Costs	\$6	1.0%	\$5.85	\$5.85	\$7.16	\$5.85	\$5.85	\$7.16	\$7.16	\$7.16
Land Amortization Costs	\$23	4.0%	\$22.80	\$22.80	\$22.80	\$22.80	\$22.80	\$22.80	\$22.80	\$22.80
Land Opportunity Costs	\$63	11.0%	\$62.70	\$62.70	\$62.70	\$62.70	\$62.70	\$62.70	\$62.70	\$62.70
Machinery Lease	\$0	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Land Taxes	\$20	3.5%	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
	<b>\$182</b>	<b>32%</b>	<b>\$180.99</b>	<b>\$180.99</b>	<b>\$197.83</b>	<b>\$180.99</b>	<b>\$180.99</b>	<b>\$197.83</b>	<b>\$197.83</b>	<b>\$197.83</b>
<b>= Earnings Before Interest Taxes (EBIT)</b>	<b>\$3</b>	<b>1%</b>	<b>\$16.55</b>	<b>\$42.94</b>	<b>(\$62.90)</b>	<b>(\$25.55)</b>	<b>(\$133.81)</b>	<b>(\$4.62)</b>	<b>(\$50.42)</b>	<b>(\$78.45)</b>
<b>- Interest Expenses</b>										
Interest on Operating	\$13	2.3%	\$14.71	\$10.25	\$12.73	\$9.16	\$9.28	\$16.83	\$17.20	\$17.50
Land Interest Costs	\$21	3.7%	\$20.74	\$20.74	\$20.74	\$20.74	\$20.74	\$20.74	\$20.74	\$20.74
Machinery Interest Costs	\$10	1.7%	\$9.85	\$9.85	\$12.04	\$9.85	\$9.85	\$12.04	\$12.04	\$12.04
	<b>\$44</b>	<b>8%</b>	<b>\$45.29</b>	<b>\$40.83</b>	<b>\$45.51</b>	<b>\$39.74</b>	<b>\$39.86</b>	<b>\$49.61</b>	<b>\$49.98</b>	<b>\$50.28</b>
<b>= Earnings Before Taxes (EBT)</b>	<b>(\$41)</b>	<b>-7%</b>	<b>(\$28.74)</b>	<b>\$2.11</b>	<b>(\$108.41)</b>	<b>(\$65.29)</b>	<b>(\$173.67)</b>	<b>(\$54.23)</b>	<b>(\$100.40)</b>	<b>(\$128.73)</b>



### AgrilInsurance Analysis

\*Based on 2025 MASC data\*

	Wheat - Hard Red Spring	Wheat - Northern Hard Red	Wheat - Prairie Spring	Wheat - Winter	Oats	Barley	Hybrid Fall Rye	Corn
<b>AgrilInsurance</b>								
80% Insured Value	\$467	\$437	\$425	\$334	\$359	\$270	\$346	\$529
<b>Premium Cost (% of Insured)</b>	<b>2.2%</b>	<b>2.8%</b>	<b>2.1%</b>	<b>2.7%</b>	<b>4.4%</b>	<b>3.8%</b>	<b>3.8%</b>	<b>5.2%</b>
<b>Costs Not Covered By AgrilInsurance</b>								
Operating Costs	\$0	\$0	\$0	\$3	\$0	\$19	\$60	\$81
Operating & Fixed Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Costs</b>	<b>\$117</b>	<b>\$164</b>	<b>\$164</b>	<b>\$223</b>	<b>\$180</b>	<b>\$239</b>	<b>\$280</b>	<b>\$320</b>
<b>AgrilInsurance Risk Ratio</b>	(AgrilInsurance Coverage / Cost)							
Operating Costs	<b>128%</b>	<b>115%</b>	<b>115%</b>	<b>99%</b>	<b>113%</b>	<b>93%</b>	<b>85%</b>	<b>87%</b>
<b>Total Costs</b>	<b>80%</b>	<b>73%</b>	<b>72%</b>	<b>60%</b>	<b>67%</b>	<b>53%</b>	<b>55%</b>	<b>62%</b>
<b>Risk Ranking</b>	<b>14</b>	<b>9</b>	<b>10</b>	<b>4</b>	<b>8</b>	<b>3</b>	<b>1</b>	<b>2</b>

(Lower number indicates increasing risk)

### Risk & Sensitivity Analysis (Stress Test)

Percent Crop Yield Change	(10%)	Percent Fertilizer Cost Change	0%
Percent Market Price Change	(5%)	Percent Seed Cost Change	0%
Percent Fuel Cost Change	0%	Percent Pesticide Cost Change	0%

	Wheat - Hard Red Spring	Wheat - Northern Hard Red	Wheat - Prairie Spring	Wheat - Winter	Oats	Barley	Hybrid Fall Rye	Corn
<b>Percent Crop Yield Change</b>	<b>(10%)</b>	<b>(10%)</b>	<b>(10%)</b>	<b>(10%)</b>	<b>(10%)</b>	<b>(10%)</b>	<b>(10%)</b>	<b>(10%)</b>
Yield (units/acre)	59.4	64.8	63.0	58.5	108.0	72.0	72.0	130.5
<b>Percent Market Price Change</b>	<b>(5%)</b>	<b>(5%)</b>	<b>(5%)</b>	<b>(5%)</b>	<b>(5%)</b>	<b>(5%)</b>	<b>(5%)</b>	<b>(5%)</b>
Price (\$/unit)	\$7.36	\$6.89	\$6.89	\$6.41	\$4.04	\$4.04	\$5.70	\$5.46
<b>Change in Profit (Loss) \$/acre</b>	(\$74)	(\$76)	(\$74)	(\$64)	(\$74)	(\$49)	(\$70)	(\$121)
<b>Adjusted Net Profit (Loss) \$/acre</b>	(\$147)	(\$155)	(\$155)	(\$181)	(\$102)	(\$218)	(\$215)	(\$136)
<b>Adjusted Profitability Ranking</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>10</b>	<b>2</b>	<b>14</b>	<b>13</b>	<b>5</b>

Stress Test - Total Farm Debt (\$/acre) = \$888 (land debt of \$570/acre + machinery debt of \$318/acre, farm equity = 84%)  
 (compared to baseline - Total Farm Debt (\$/acre) = \$888 land debt of \$570/acre + machinery debt of \$318/acre, farm equity = 84%)

### Rotation Economic Analysis

Data Source – MASC Harvest Production Reports (2011-2020)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
<b>Example Rotation #1</b>	Wheat - Hard Red Spring	Canola	Wheat - Hard Red Spring	Canola	Wheat - Hard Red Spring	Canola	Rotation Total Marginal Return
Rotation Yield Premium	100%	101%	100%	101%	100%	101%	-
<b>Net Profit (Loss)</b>	<b>(\$72.96)</b>	<b>(\$22.33)</b>	<b>(\$72.96)</b>	<b>(\$22.33)</b>	<b>(\$72.96)</b>	<b>(\$22.33)</b>	<b>(\$286)</b>

<b>Example Rotation #2</b>	Corn	Canola	Wheat - Hard Red Spring	Soybeans	Corn	Canola	Rotation Total Marginal Return
Rotation Yield Premium	100%	108%	100%	101%	102%	108%	-
<b>Net Profit (Loss)</b>	<b>(\$15.53)</b>	<b>\$22.56</b>	<b>(\$72.96)</b>	<b>\$7.47</b>	<b>\$1.14</b>	<b>\$22.56</b>	<b>(\$35)</b>

**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 utilization of this information is the responsibility of the user.

### AgrilInsurance Analysis

	Canola	Soybeans	Sunflower - Oilseed	Flaxseed	Peas	Beans - Pinto	Beans - White	Beans - Black
<b>AgrilInsurance</b>								
80% Insured Value	\$504	\$398	\$419	\$314	\$402	\$699	\$616	\$618
<b>Premium Cost (% of Insured)</b>	<b>2.3%</b>	<b>4.7%</b>	<b>4.3%</b>	<b>5.5%</b>	<b>4.1%</b>	<b>4.6%</b>	<b>5.1%</b>	<b>6.2%</b>
<b>Costs Not Covered By AgrilInsurance</b>								
Operating Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating & Fixed Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Costs</b>	<b>\$166</b>	<b>\$135</b>	<b>\$210</b>	<b>\$186</b>	<b>\$102</b>	<b>\$55</b>	<b>\$150</b>	<b>\$157</b>
<b>AgrilInsurance Risk Ratio</b>								
Operating Costs	112%	127%	107%	112%	141%	136%	117%	115%
<b>Total Costs</b>	<b>75%</b>	<b>75%</b>	<b>67%</b>	<b>63%</b>	<b>80%</b>	<b>93%</b>	<b>80%</b>	<b>80%</b>
<b>Risk Ranking</b>	<b>7</b>	<b>13</b>	<b>5</b>	<b>6</b>	<b>16</b>	<b>15</b>	<b>12</b>	<b>11</b>
(Lower number indicates increasing risk)								

### Risk & Sensitivity Analysis (Stress Test)

<b>Change in Equipment Investment (\$/Acre)</b>	<b>\$0</b>	= \$0.00 increased equipment cost /acre
<b>Change in Owned Acres (Purchase or Sale @ \$4,750/acre)</b>	<b>0</b>	= \$0.00 increased land cost /acre

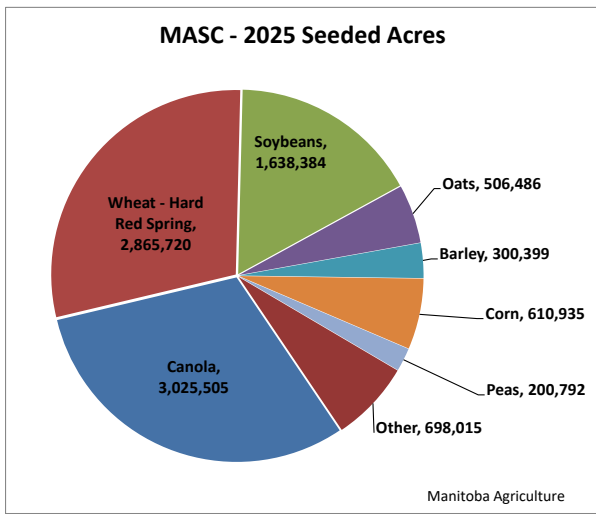
	Canola	Soybeans	Sunflower - Oilseed	Flaxseed	Peas	Beans - Pinto	Beans - White	Beans - Black
<b>Percent Crop Yield Change</b>	(10%)	(10%)	(10%)	(10%)	(10%)	(10%)	(10%)	(10%)
Yield (units/acre)	40.5	37.8	1800.0	26.1	49.5	1800.0	1710.0	1710.0
<b>Percent Market Price Change</b>	(5%)	(5%)	(5%)	(5%)	(5%)	(5%)	(5%)	(5%)
Price (\$/unit)	\$13.54	\$12.11	\$0.25	\$14.25	\$5.70	\$0.33	\$0.33	\$0.32
<b>Change in Profit (Loss) \$/acre</b>	(\$93)	(\$78)	(\$75)	(\$63)	(\$48)	(\$102)	(\$96)	(\$94)
<b>Adjusted Net Profit (Loss) \$/acre</b>	(\$122)	(\$76)	(\$184)	(\$128)	(\$222)	(\$156)	(\$197)	(\$222)
<b>Adjusted Profitability Ranking</b>	<b>3</b>	<b>1</b>	<b>11</b>	<b>4</b>	<b>15</b>	<b>9</b>	<b>12</b>	<b>16</b>

### Rotation Economic Analysis

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
<b>Example Rotation #3</b>	Wheat - Hard Red Spring	Canola	Oats	Soybeans	Corn	Sunflower - Oilseed	Rotation Total Marginal Return
Rotation Yield Premium	100%	101%	100%	99%	102%	112%	-
<b>Net Profit (Loss)</b>	<b>(\$72.96)</b>	<b>(\$22.33)</b>	<b>(\$28.55)</b>	<b>(\$3.24)</b>	<b>\$1.14</b>	<b>(\$46.01)</b>	<b>(\$172)</b>

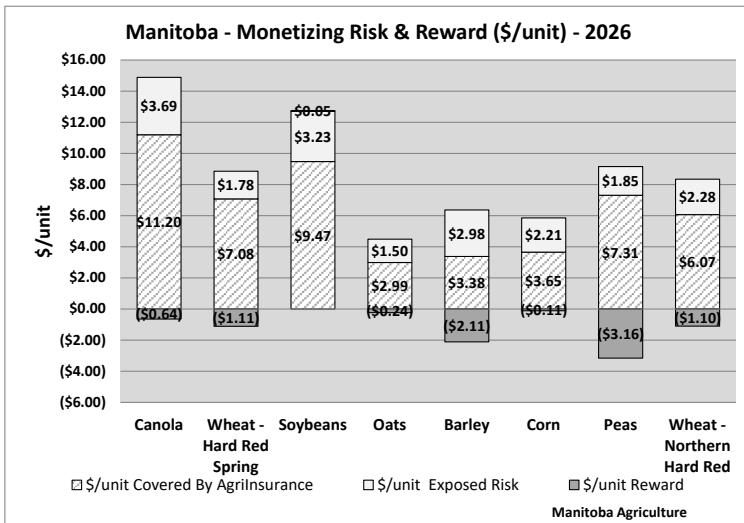
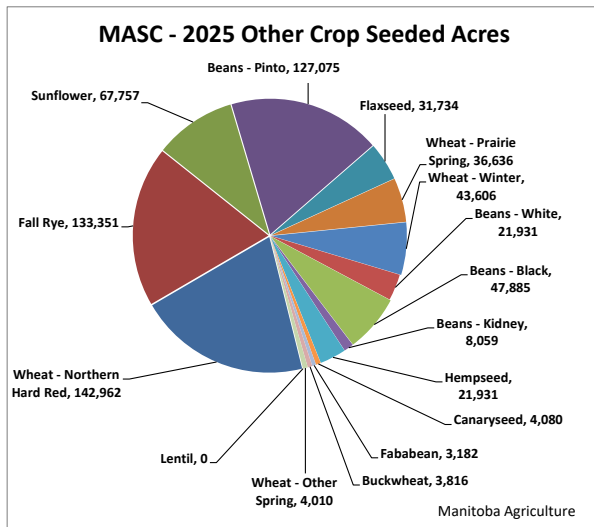
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
<b>Your Farm Rotation</b>	Soybeans	Wheat - Hard Red Spring	Canola	Soybeans	Wheat - Hard Red Spring	Canola	Rotation Total Marginal Return
Rotation Yield Premium	100%	107%	101%	100%	107%	101%	-
<b>Net Profit (Loss)</b>	<b>\$2.11</b>	<b>(\$37.16)</b>	<b>(\$22.33)</b>	<b>\$2.11</b>	<b>(\$37.16)</b>	<b>(\$22.33)</b>	<b>(\$115)</b>

**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 utilization of this information is the responsibility of the user.

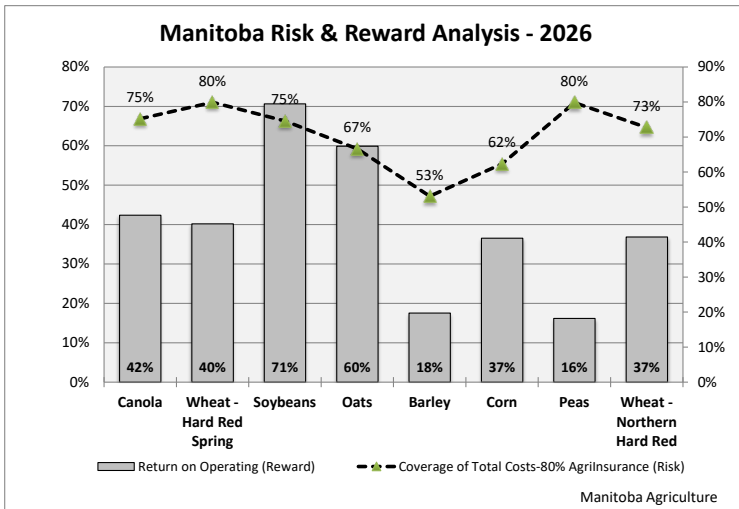


Canola, Wheat - Hard Red Spring and Soybeans total 76% of the 2025 Seeded Acres and 77% of the 5-Year Average Seeded Acres

Other Crops are 7% of the 2025 Seeded Acres



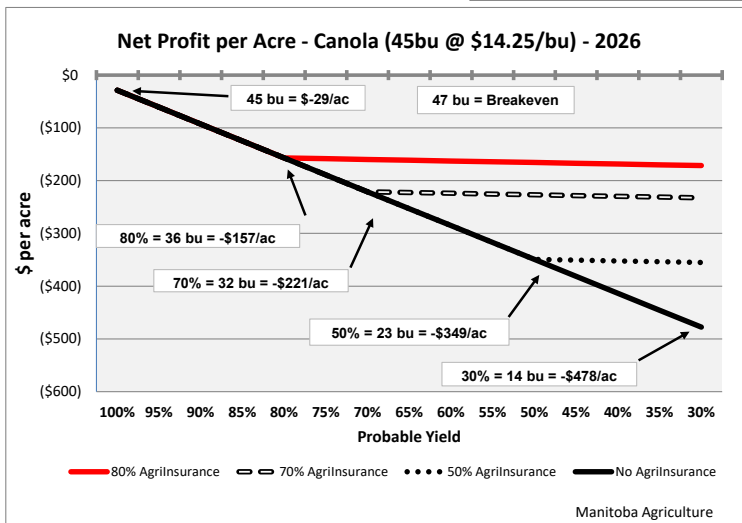
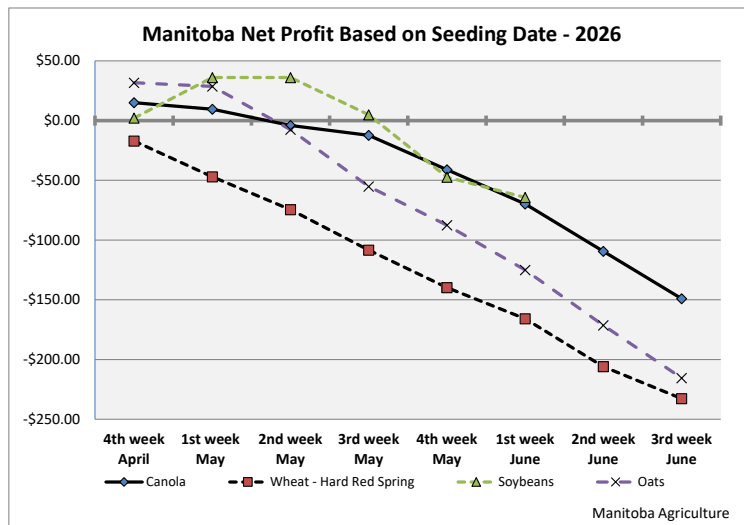
Covered Risk = 80% AgrilInsurance \$ per Acre / yield per acre.  
 Exposed Risk = Breakeven Price per Unit - Covered Risk.  
 Reward = Market Price per Unit - Breakeven Price per Unit.



Analysis of Return on Operating (Reward) and the associated AgriInsurance Coverage of Total Costs (Risk) is useful in comparing the profitability and cost efficiency alongside the production cost risk when evaluating crops to include in your rotation and is an important step in Risk Management Planning for your farm.

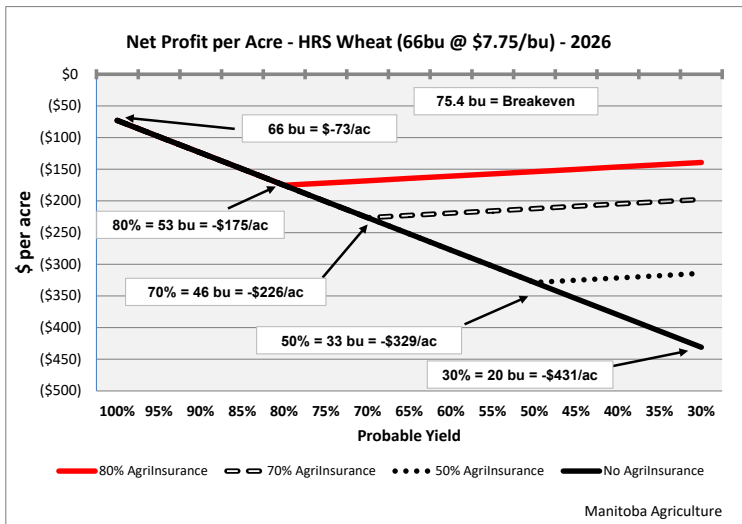


Seeding Date can have a significant impact on crop yields and net profitability. Analysis of seeding dates will highlight potential windows of profitability to seed crops in your rotation and is an important step in Risk Management Planning.



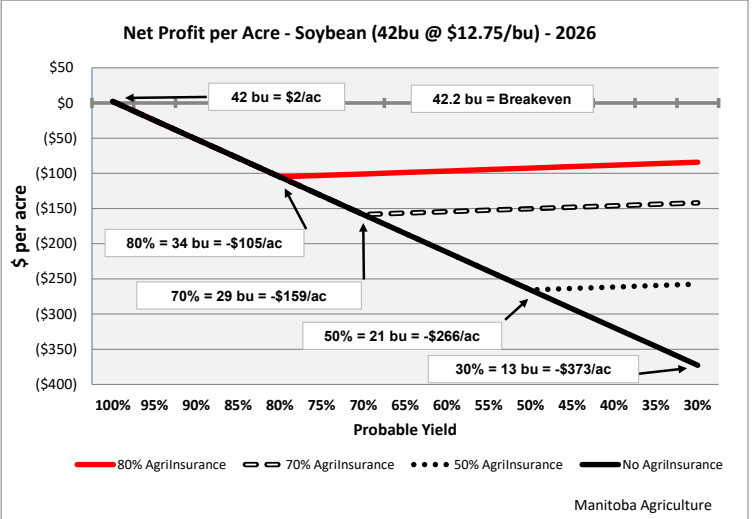
80% AgriInsurance (AI) has \$61/ac more coverage compared to 70% AI for a 32 bu yield, \$184/ac more coverage compared to 50% AI for a 23 bu yield, and \$306/ac more coverage compared to no AI for a 14 bu yield.



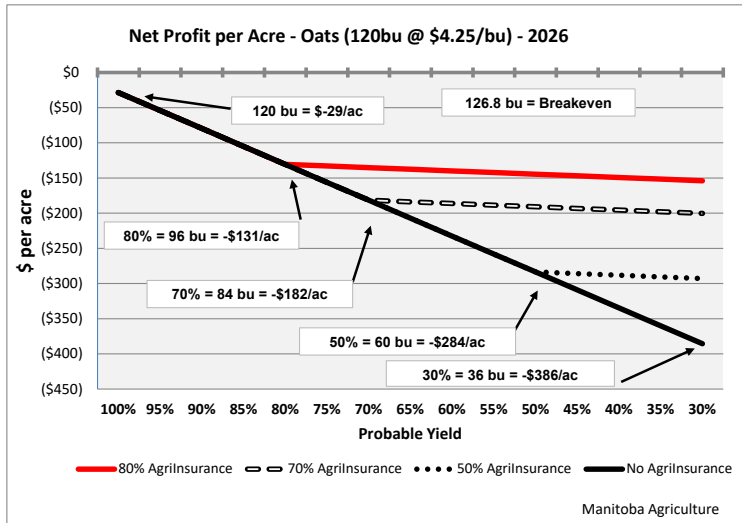


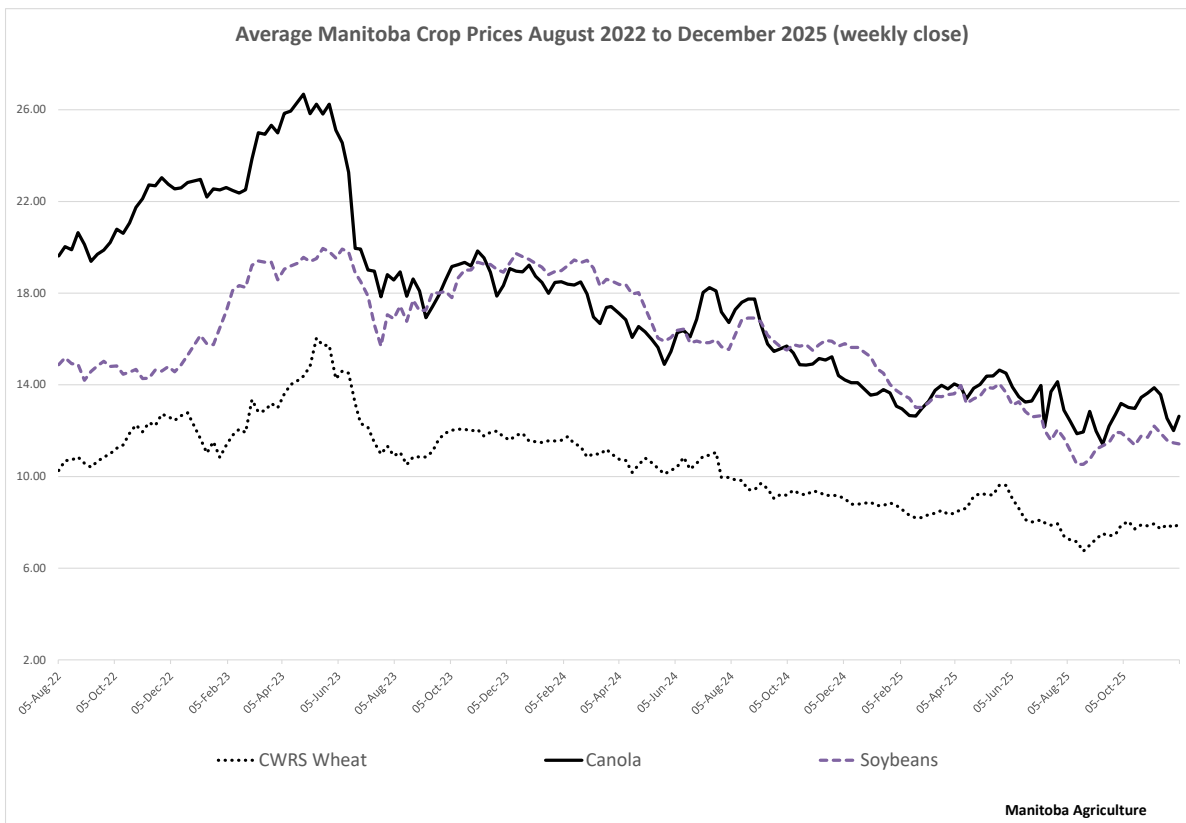
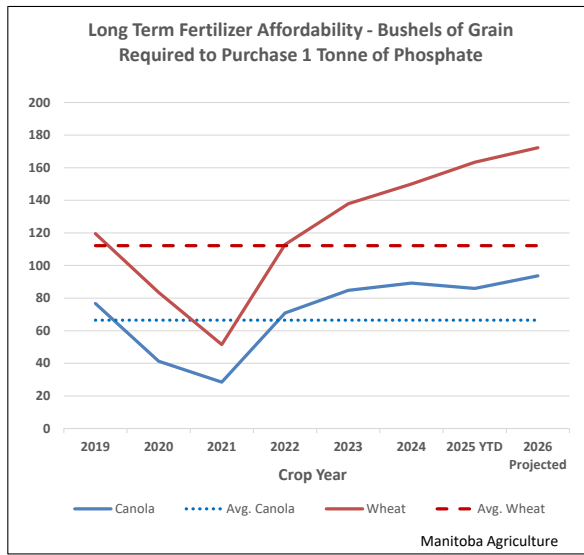
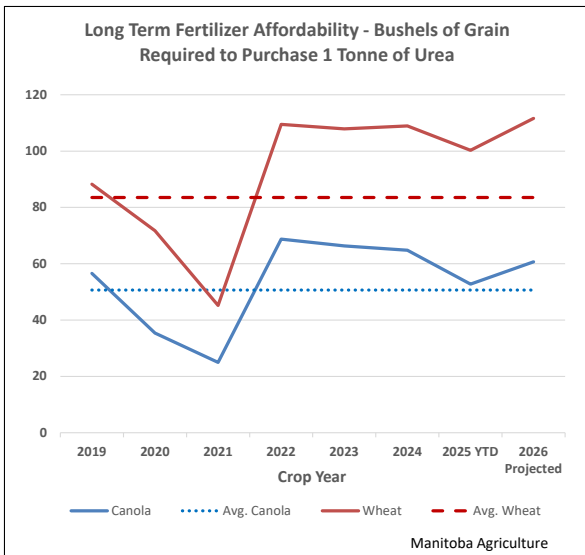
80% Agrilnsurance (AI) has \$58/ac more coverage compared to 70% AI for a 46 bu yield, \$175/ac more coverage compared to 50% AI for a 33 bu yield, and \$292/ac more coverage compared to no AI for a 20 bu yield.

80% Agrilnsurance (AI) has \$58/ac more coverage compared to 70% AI for a 29 bu yield, \$173/ac more coverage compared to 50% AI for a 21 bu yield, and \$289/ac more coverage compared to no AI for a 13 bu yield.



80% Agrilnsurance (AI) has \$46/ac more coverage compared to 70% AI for a 84 bu yield, \$139/ac more coverage compared to 50% AI for a 60 bu yield, and \$232/ac more coverage compared to no AI for a 36 bu yield.





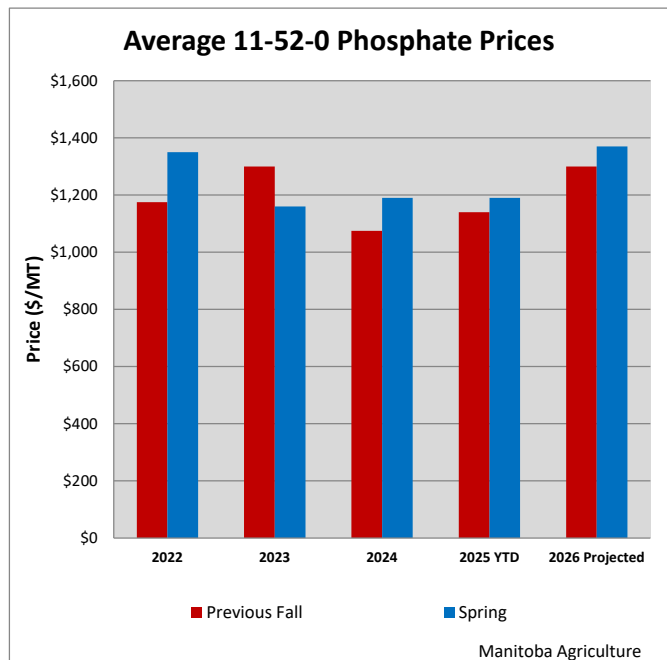
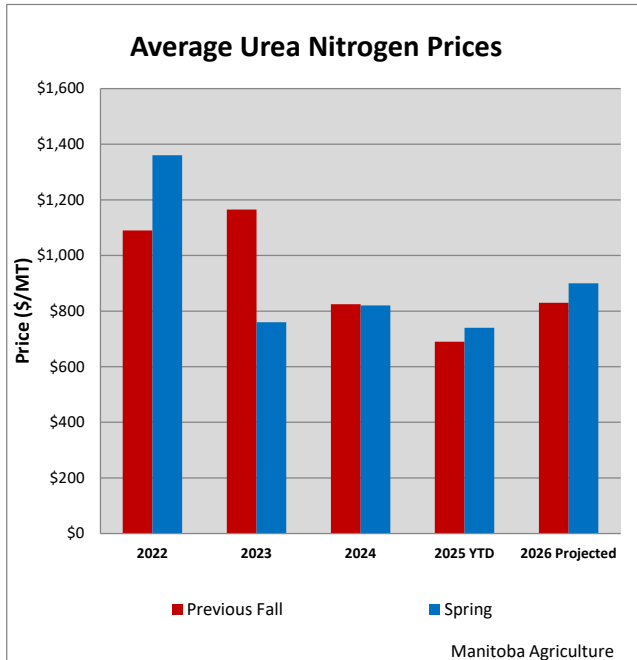
<b>Seed &amp; Treatment</b>			
<b>Crop</b>	<b>Seeding Rate</b>	<b>Price</b>	<b>Cost</b>
	<b>per Acre</b>	<b>per Unit</b>	<b>per Acre</b>
Wheat - Hard Red Spring	2.0 bu	\$16.00 /bu	\$32.00
Wheat - Northern Hard Red	2.0 bu	\$16.00 /bu	\$32.00
Wheat - Prairie Spring	2.0 bu	\$16.00 /bu	\$32.00
Wheat - Winter	2.0 bu	\$15.00 /bu	\$30.00
Oats	2.5 bu	\$9.25 /bu	\$23.13
Barley	2.0 bu	\$9.00 /bu	\$18.00
Hybrid Fall Rye	0.80 units	\$98.00 /unit	\$78.40
Corn	32,000 plants	\$0.0031 /plant	\$100.00
Canola	5 lb	\$16.50 /lb	\$82.50
Soybeans	1.43 units	\$62.94 /unit	\$90.00
Sunflower - Oilseed	20,000 plants	\$0.0025 /plant	\$50.00
Flaxseed	56 lb	\$0.57 /lb	\$32.00
Peas	3 bu	\$16.50 /bu	\$49.50
Beans - Pinto	0.75 units	\$136.00 /unit	\$102.00
Beans - White	1.10 units	\$97.00 /unit	\$106.70
Beans - Black	1.25 units	\$87.00 /unit	\$108.75

\* If row cropping, change seeding rate to 1.3 units/acre which reduces seed cost by 10%

<b>Fertilizer</b>				
<b>Fertilizer Type</b>	<b>Bulk Price</b>	<b>Actual Nutrient</b>	<b>Nitrogen Usage</b>	<b>Sulphur Usage</b>
	<b>\$/tonne</b>	<b>\$/lb</b>		
Nitrogen: (urea) 46-0-0	\$830	\$0.818	75%	-
Nitrogen: (NH3) 82-0-0	\$1,300	\$0.719	25%	-
Nitrogen: (liquid) 28-0-0	\$560	\$0.907	0%	-
Phosphorus: 11-52-0	\$1,300	\$0.961	-	-
Potash: 0-0-60	\$660	\$0.499	-	-
Sulphur: 20.5-0-0-24	\$600	\$0.435	-	100%
MES S15: 13-33-0-15	\$1,300	\$1.108	-	0%

<b>Crop</b>	<b>Amount of Actual Pounds of Elements Applied Per Acre</b>								
	<b>Nitrogen</b>		<b>Phosphorus</b>		<b>Potash</b>		<b>Sulphur</b>		<b>Total</b>
	<b>lbs</b>	<b>\$/acre</b>	<b>lbs</b>	<b>\$/acre</b>	<b>lbs</b>	<b>\$/acre</b>	<b>lbs</b>	<b>\$/acre</b>	
Wheat - Hard Red Spring	110	\$76.88	40	\$45.36	10	\$4.99	5	\$5.67	\$132.90
Wheat - Northern Hard Red	125	\$88.78	40	\$45.36	10	\$4.99	5	\$5.67	\$144.80
Wheat - Prairie Spring	115	\$80.84	40	\$45.36	10	\$4.99	5	\$5.67	\$136.86
Wheat - Winter	110	\$76.88	40	\$45.36	10	\$4.99	5	\$5.67	\$132.90
Oats	75	\$46.47	35	\$39.69	10	\$4.99	10	\$11.34	\$102.49
Barley	80	\$54.80	30	\$34.02	10	\$4.99	5	\$5.67	\$99.48
Hybrid Fall Rye	145	\$104.65	40	\$45.36	10	\$4.99	5	\$5.67	\$160.67
Corn	140	\$81.51	70	\$79.38	25	\$12.47	25	\$28.35	\$201.71
Canola	130	\$82.26	40	\$45.36	0	\$0.00	20	\$22.68	\$150.30
Soybeans	0	\$0.00	40	\$45.36	10	\$4.99	0	\$0.00	\$50.35
Sunflower - Oilseed	100	\$74.17	30	\$34.02	30	\$14.97	0	\$0.00	\$123.16
Flaxseed	50	\$34.49	30	\$34.02	0	\$0.00	0	\$0.00	\$68.51
Peas	0	\$0.00	30	\$34.02	0	\$0.00	0	\$0.00	\$34.02
Beans - Pinto	70	\$50.36	30	\$34.02	0	\$0.00	0	\$0.00	\$84.38
Beans - White	80	\$58.30	30	\$34.02	0	\$0.00	0	\$0.00	\$92.31
Beans - Black	80	\$58.30	30	\$34.02	0	\$0.00	0	\$0.00	\$92.31

- \* Fertilizer prices do not include enhanced efficiency fertilizers (EEF). EEF costs would be above and beyond the costs shown.
- \* The fertilizer recommendation will vary depending on the soil type, climate and crop rotation. It is recommended that soil test sampling and analysis be conducted each year to produce a better baseline for fertility. It costs \$1.00 to \$2.00/acre for custom sampling and analysis.
- \* For more information on fertilizer rates and recommendations - [Fertilizer Cost & Efficiency](#)
- \* Note: phosphorus amounts are allotted to each crop in the above examples. Sometimes this amount may not be practical or safe to apply with the seed of some crops like soybean or canola. Options for meeting these needs and phosphorus balance through the rotation are provided at: [Phosphorus Balance Calculator](#)



**Crop Protection**

<u>Crop</u>	<u>Weed Control</u> \$/acre	<u>Disease Control</u> \$/acre	<u>Insect Control</u> \$/acre	<u>Total Cost</u> \$/acre
Wheat - Hard Red Spring	\$37.75	\$12.50	\$0.00	\$50.25
Wheat - Northern Hard Red	\$37.75	\$12.50	\$0.00	\$50.25
Wheat - Prairie Spring	\$37.75	\$12.50	\$0.00	\$50.25
Wheat - Winter	\$14.25	\$12.50	\$0.00	\$26.75
Oats	\$9.75	\$11.00	\$0.00	\$20.75
Barley	\$12.25	\$5.75	\$0.00	\$18.00
Hybrid Fall Rye	\$9.00	\$0.00	\$0.00	\$9.00
Corn	\$34.25	\$0.00	\$0.00	\$34.25
Canola	\$42.25	\$20.50	\$6.00	\$68.75
Soybeans	\$23.25	\$0.00	\$0.00	\$23.25
Sunflower - Oilseed	\$31.50	\$0.00	\$0.00	\$31.50
Flaxseed	\$19.25	\$16.75	\$0.00	\$36.00
Peas	\$20.25	\$22.25	\$0.00	\$42.50
Beans - Pinto	\$83.25	\$48.00	\$0.00	\$131.25
Beans - White	\$83.25	\$48.00	\$0.00	\$131.25
Beans - Black	\$83.25	\$48.00	\$0.00	\$131.25

**Note:**

Chemical costs do not include year end rebates or bundling discounts.

Where possible, costs of generic and post-patent pesticides have been used in this guide.

**Operating Costs**

Interest Rate on Operating	<b>6.75%</b>
Land Taxes (\$/acre)	<b>\$20.00</b>
Labour rate (\$/hour)	<b>\$28.00</b>
Machinery Operating (\$/acre)	<b>\$25.00</b>
Other Costs (\$/acre)	<b>\$17.75</b>
Fuel Cost (\$/litre)	<b>\$1.20</b>
Owners - Labour & Living (hrs/acre)	<b>1.0</b>

<u>Grain Hauling</u>		
Distance to storage	<b>6</b>	miles roundtrip
Distance to market	<b>45</b>	miles roundtrip
Grain truck fuel use	<b>5</b>	Miles per Imp. Gallon
Grain truck size	<b>475</b>	bushels

**Operating Cost (\$/Acre)**

Crop	Hired Labour (hrs/acre)	Fuel	Crop* Insurance	Hail Insurance	Drying Costs	Storage \$/acre**	Rental and Custom Costs					Total
							Seeding	Application	Swathing	Harvest	General	
Wheat - Hard Red Spring	0.2	\$32.81	\$10.25	\$11.20	-	\$15.22	-	-	-	-	-	\$0.00
Wheat - Northern Hard Red	0.2	\$33.51	\$12.28	\$11.20	-	\$16.61	-	-	-	-	-	\$0.00
Wheat - Prairie Spring	0.2	\$33.28	\$8.97	\$11.20	-	\$16.15	-	-	-	-	-	\$0.00
Wheat - Winter	0.2	\$32.69	\$8.91	\$11.20	-	\$14.99	-	-	-	-	-	\$0.00
Oats	0.2	\$39.14	\$15.83	\$11.20	-	\$27.68	-	-	-	-	-	\$0.00
Barley	0.2	\$36.01	\$10.30	\$11.20	-	\$18.45	-	-	-	-	-	\$0.00
Hybrid Fall Rye	0.2	\$33.25	\$13.16	\$11.20	-	\$18.45	-	-	-	-	-	\$0.00
Corn	0.2	\$43.99	\$27.79	\$11.20	\$70.00	\$33.44	-	-	-	-	-	\$0.00
Canola	0.2	\$32.51	\$11.71	\$11.20	-	\$10.38	-	-	-	-	-	\$0.00
Soybeans	0.2	\$28.80	\$18.57	\$14.56	-	\$9.69	-	-	-	-	-	\$0.00
Sunflower - Oilseed	0.2	\$33.49	\$17.92	\$11.20	\$10.00	\$18.45	-	\$13.00	-	-	-	\$13.00
Flaxseed	0.2	\$31.60	\$17.21	\$11.20	-	\$6.69	-	-	-	-	-	\$0.00
Peas	0.2	\$29.00	\$16.36	\$22.40	-	\$12.69	-	-	-	-	-	\$0.00
Beans - Pinto	0.2	\$28.14	\$32.37	\$19.60	-	\$7.69	-	-	-	-	\$25.00	\$25.00
Beans - White	0.2	\$27.95	\$31.12	\$19.60	-	\$7.30	-	-	-	-	\$25.00	\$25.00
Beans - Black	0.2	\$27.95	\$38.10	\$19.60	-	\$7.30	-	-	-	-	\$25.00	\$25.00

\* 80% Insured Value - Based on MASC Risk Areas 2, 5, 6, & 12

\*\* Storage costs are listed under Fixed Costs on the Summary Page.

**Field Fuel Usage**

Crop	Total L/acre	Number of Field Operations & Litres Fuel Per Acre Per Operation								Trucks L/acre	
		cultivator or tandem disk	high speed disk	harrow or land roller	air drill	row planter	SP sprayer	swather	combine & grain cart	3/4 ton pickup	grain hauling
		2.9	3.5	1.3	2.8	1.9	0.5	1.8	7.0	2.0	
Wheat - Hard Red Spring	27.34	2		1	1		4		1	2	6.44
Wheat - Northern Hard Red	27.93	2		1	1		4		1	2	7.03
Wheat - Prairie Spring	27.73	2		1	1		4		1	2	6.83
Wheat - Winter	27.25	2		1	1		4		1	2	6.35
Oats	32.61	2		1	1		4		1	2	11.71
Barley	30.01	2		1	1		3	1	1	2	7.81
Hybrid Fall Rye	27.71	2		1	1		2		1	2	7.81
Corn	36.65	2	1	1		1	2		1	2	14.15
Canola	27.09	2		1	1		4	1	1	2	4.39
Soybeans	24.00	2		1	1		2		1	2	4.10
Sunflower - Oilseed	27.91	1	1	1		1	3		1	2	7.81
Flaxseed	26.33	2		2	1		3	1	1	2	2.83
Peas	24.17	1		2	1		3		1	2	5.37
Beans - Pinto	23.45	1		2		1	4	1	1	2	3.25
Beans - White	23.29	1		2		1	4	1	1	2	3.09
Beans - Black	23.29	1		2		1	4	1	1	2	3.09

Guidelines: Crop Production Costs

Fixed Costs				
<b>Land</b>				
Average Land value (\$/acre)	\$4,750			
Conventional Crop acres	2,000			
Special Crop acres	500			
Owned Land Equity	88%			
Land Financed (\$570 per acre)	12%			
Land Opportunity Cost (Investment Rate)	1.50%			
<b>Land cost (\$/acre)</b>				
Finance Rate & Term	5.750%	25 Years		
Principle & Interest Cost	\$43.54			
Owned Land Opportunity Cost	\$62.70			
<b>Total Cost</b>	<b>\$106.24</b>			
<b>Grain Storage</b>		<u>Usage %</u>	<u>Cost</u>	
Non-aeration bins	15%	\$3.50	/bu	
Aeration bins	70%	\$4.50	/bu	
Hopper bins	15%	\$5.50	/bu	
Storage Financed		60%		
<b>Machinery</b>			<b>Conventional Crop</b>	<b>Special Crop</b>
Total Investment (\$/acre)			\$650.00	\$145.00
Residual Value (End of Useful Life)			25%	
Useful Life (years)			15	
Owned Equipment Equity			60%	
Equipment Financed (\$318 per acre)			40%	
Machinery Opportunity Cost (Investment Rate)			1.50%	
<b>Machinery Cost (\$/acre)</b>				
Finance Rate & Term	6.250%	7 Years		
Principle & Interest Cost	\$46.99		\$10.48	
Machinery Depreciation Cost	\$32.50		\$7.25	
Owned Machinery Opportunity Cost	\$5.85		\$1.31	
	\$85.34		\$19.04	
<b>Total Land &amp; Machinery Debt (\$/acre)</b>			\$888	
<b>Total Debt / EDIBTAR benchmark ratio = 4.8:1</b>				

Conventional Crop Equipment Inventory and Current Values							
	<u>Market Value</u>	<u>Grain Usage %</u>	<u>Grain Allocation</u>		<u>Market Value</u>	<u>Grain Usage %</u>	<u>Grain Allocation</u>
<b>Power Equipment</b>				<b>Harvest Equipment</b>			
4WD Tractor 500HP	\$325,000	100%	\$325,000	Combine	\$325,000	100%	\$325,000
MFWD Tractor 150HP	\$120,000	100%	\$120,000	Swather 35 ft	\$51,000	100%	\$51,000
2WD Tractor 60HP	\$36,000	100%	\$36,000	Harvest Header	\$60,000	100%	\$60,000
ATV Quad	\$6,000	100%	\$6,000	Tandem grain truck	\$72,000	100%	\$72,000
	\$0	0%	\$0	Grain cart	\$40,000	100%	\$40,000
	\$0	0%	\$0		\$0	0%	\$0
	\$0	0%	\$0		\$0	0%	\$0
Total Inv. = \$487,000 (\$195/acre or 30% of Total)				Total Inv. = \$548,000 (\$219/acre or 34% of Total)			

	<u>Market Value</u>	<u>Grain Usage %</u>	<u>Grain Allocation</u>		<u>Market Value</u>	<u>Grain Usage %</u>	<u>Grain Allocation</u>
<b>Seeding &amp; Tillage</b>				<b>Spraying &amp; Misc.</b>			
Cultivator	\$18,000	100%	\$18,000	SP sprayer	\$235,000	100%	\$235,000
Harrow 80ft	\$32,000	100%	\$32,000	Miscellaneous	\$20,000	100%	\$20,000
Air tank	\$70,000	100%	\$70,000	PTO Auger 13x70	\$15,000	100%	\$15,000
Air drill	\$175,000	100%	\$175,000	Auger 8x35	\$5,000	100%	\$5,000
	\$0	0%	\$0	Farm pickup truck	\$40,000	50%	\$20,000
	\$0	0%	\$0		\$0	0%	\$0
Total Inv. = \$295,000 (\$118/acre or 18% of Total)				Total Inv. = \$295,000 (\$118/acre or 18% of Total)			

Owned Equipment TOTAL \$1,625,000

Special Crop Equipment Inventory and Current Values							
	<u>Market Value</u>	<u>Grain Usage %</u>	<u>Grain Allocation</u>		<u>Market Value</u>	<u>Grain Usage %</u>	<u>Grain Allocation</u>
<b>Seeding, Tillage, Spraying</b>				<b>Harvest Equipment</b>			
Planter	\$140,000	100%	\$140,000	Harvest Header	\$72,500	100%	\$72,500
High speed disc	\$150,000	100%	\$150,000		\$0	0%	\$0
Total			\$290,000	Total			\$72,500
<b>Special Equipment TOTAL</b>							
	\$362,500						

Leased Equipment Inventory							
	<u>Annual Lease</u>	<u>Grain Usage %</u>	<u>Grain Allocation</u>		<u>Annual Lease</u>	<u>Grain Usage %</u>	<u>Grain Allocation</u>
<b>Seeding, Tillage, Spraying</b>				<b>Trucks &amp; Trailers</b>			
enter equipment here	\$0	0%	\$0	enter equipment here	\$0	0%	\$0
	\$0	0%	\$0		\$0	0%	\$0
	\$0	0%	\$0		\$0	0%	\$0
Total			\$0	Total			\$0
<b>Leased Equipment TOTAL</b>			\$0.00 per acre				

\* Leased equipment costs are listed under Operating Costs on the Summary Page.

## Other Assumptions

**Fuel Costs:** Includes fuel used for field work, trucking in inputs and trucking out production.

**Machinery Operating Costs:** Includes costs for maintenance, repairs, licenses and insurance, based on 4.2% of machinery investment cost.

**Crop Insurance: (2025 rates)**

80% Insured Value coverage, \$100/acre excess moisture Insurance, and additional hail insurance at \$400/acre coverage for all crops. Coverage and costs based on MASC Risk Areas #2, 5, 6, and 12.

**Other Costs:** Includes overhead expenses - hydro, telephone, accounting, buildings, supplies and insurance, etc.

**Land Taxes:** The average cost based on land tax assessment and mill rates of a sample of municipalities growing crops less provincial tax rebate.

**Drying Costs:** Budget allocates costs only for corn and sunflowers. However, drying costs may be incurred in some years for the other crops.

**Interest On Operating:** Interest charges on operating costs are calculated at 6.75% for six months.

**Land Cost:**

Based on approximate average land values. Budget assumed 12% financed at 5.75% for 25 years, plus 1.5% land equity opportunity cost. Budget can be used to estimate cashflow by removing investment cost.

P&I Cost (based on \$1,425,000 Mortgage) = \$108,839 payments per year / 2500 acres = \$43.54/acre)

Investment = (Total Investment x Owned Equity %) x Investment Rate % (eg. ((\$4,750 x 88%) x 1.5%) = \$62.70/acre)

**Machinery Cost:**

Based on approximate average machinery values. Budget assumed 40% financed at 6.25% for 7 years, depreciation costs over 15 years with a 25% residual value, plus 1.5% machinery equity opportunity cost. Budget can be used to estimate cashflow by removing depreciation and investment cost.

P&I Cost (based on \$650,000 + \$145,000 Loans) = \$117,474 + \$26,206 payments per year / 2500 acres = \$46.99 and \$10.48/acre)

Depreciation (Useage Cost) = (Total Investment - Residual Value) / Years Useful Life (eg. (\$650 - (\$650 x 25%)) / 15 = \$32.50/acre)

Investment = (Total Investment x Owned Equity %) x Investment Rate % (eg. (\$650 x 60%) x 1.5%) = \$5.85/acre)

**Depreciation Cost** = 
$$\frac{\text{Original Cost} - \text{Salvage Value}}{\text{Useful Life}}$$

**Investment Cost** = 
$$\frac{\text{Original Cost} + \text{Salvage Value}}{2} \times \text{Investment Rate}$$

**Estimated Farmgate Values:**

Target crop prices are based on deferred delivery contract prices for fall 2026.

Target yields are estimated based on MASC average yields.

**Storage Cost:**

Storage costs for each crop are based on estimated yields entered on the Summary page.

Budget assumed 60% financed at 5.75% for 20 years.

Farm storage requirements were assumed to cost \$3.50/bushel for 15% of the storage, \$4.50/bushel for 70% aerated storage and \$5.50/bushel for 15% hopper storage.

**Profitability, Breakeven & Risk Analysis Formulas:**

Gross Revenue = Price per unit x Yield per acre (eg. wheat: \$7.75/bu x 66bu/ac = \$511.50/ac)

Net Profit = Gross Revenue - Total Cost (eg. wheat: \$511.50 gross revenue - \$584.46 total cost = -\$72.96 per acre)

Operating Expense Ratio = (Operating Cost / Gross Revenue) x 100 (eg. wheat: \$364.89 operating expense / \$584.46 total cost = 71.3%)

\$ Revenue Per \$ Cost = Gross Revenue / Total Cost (eg. wheat: \$511.50 gross revenue / \$584.46 total cost = \$0.88)

Return on Operating (ROO) = (Gross Revenue - Op. Cost) / Op. Cost (eg. wheat: (\$511.50 gross revenue - \$364.89 op. cost) / \$364.89 op. cost = 40%)

Estimated Return on Asset (ROA) = (Margin Over Operating - Labour - Machinery Depreciation) / (Land Investment Cost + Machinery Investment Cost)  
(eg. wheat: (\$146.61 margin - \$5.60 labour - \$32.50 dep.) / (\$4750 land cost + \$650.00 conv. machinery + \$145.00 special crop. mach.) = 1.55%)

Breakeven Price = Cost / Target Yield (eg. wheat cost \$584.46 / 66 bu = \$8.86 per bu)

Breakeven Storage Carrying Cost = (Price per unit x Operating Interest Rate) / 12 (eg. (wheat price \$7.75 x 6.75% int. rate) / 12 = \$0.04 per bu per month)

Breakeven Yield = Cost / Target Price per Unit (eg. wheat cost \$584.46 / \$7.75 bu = 75.4 bu)

Breakeven Yield Risk Ratio = (Target Yield per Acre / Breakeven Yield) x 100 (eg. wheat yield 66 bu/ac / 75.4 bu BE = 88 %)

AgriInsurance Risk Ratio = (AgriInsurance Coverage / Operating Cost) x 100 (eg. wheat coverage \$467.11/ac / \$364.89 operating expense = 128 %)

**Contact Us**

For more information, contact a Farm Management Specialist.

- [manitoba.ca/agriculture](http://manitoba.ca/agriculture)
- [mbfarmbusiness@gov.mb.ca](mailto:mbfarmbusiness@gov.mb.ca)
- 1-844-769-6224



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