

Insemination of cows is carried out mostly by artificial means. Although it had always been an official duty undertaken by the Department of Agriculture, the A.I. service was stopped in 1978 on account of budget cuts. A.I. is now practiced by private veterinarians and is costly.

Profitability analysis

Table (IX-11) contains a summary of profitability analysis for peasant types of cow herds. According to this study, a herd of two Friesian cows raised under those patterns of husbandry described earlier yields an annual profit of about JD 180.

Looked upon from the standpoint of the raisers themselves, profit margins are even wider, at least in relation to the amount of labour. This raises profits by more than 150 percent, and is one of the main reasons why peasant herds are adequately profitable, in contrast to commercial large herds, where the role of family labour is relatively small. Besides, milk output of small village herds is marketed locally at prices higher than those of Israeli liquid milk, which is widely available in urban markets.

Table (IX - 11)

Profitability of peasant cow herds

Assumptions:

Size of herd - 2 milking cows

Breed - Impure Friesians

Cost of rearing heifers into milking age is offset by the sale price of cows for meat.

Volume of investment:

Market price of cows	JD 1100
Cost of equipment	100
Shed	200
Total	1,400

Fixed costs:

	JD/year
Depreciation on cows at 10%	110
Depreciation on equipment at 10%	10
Depreciation on shed at 5%	10
Interest on investment at 10%	140
Total fixed costs	270

Variable costs:

Feed concentrate, 6.0 tons at JD 80	480
Tibin (shredded straw), 4.5 tons at JD 40	180
Grazing for 3-4 months - free	-
Labour for grazing and general husbandry	300
Medicines	60
Water	5
Total variable costs	1025
<u>TOTAL COSTS</u>	1295

Returns:

Milk, 8000 litres per year at JD 0.16	1280
Calves (two), 40 kgs each at one week of age, at JD 1.6 per kg.	128
Manure, 4 tons at JD 17	68

TOTAL RETURNS

<u>NET RETURNS</u> - family labour included	181
- family labour excluded	481