

The Saskatchewan Hay Report

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Sask. Forage Council

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Saskatchewan Haying Progress

(For the week ending Aug. 18, 2002)

Saskatchewan Agriculture and Food Crop Report No. 20.

Little progress has been made on haying operations during the last week. About 56 percent of producers indicate that there will be no second cut of hay in their areas, although recent rains in central and northeastern parkland areas have resulted in good re-growth of alfalfa. As a result some producers may get a second cut of hay in early September. Quality of the 2002 first cut hay is expected to be fair to good in most areas.

In southern crop districts (CD 1-4), 92 % of the first cut hay crop is baled or silaged, with very little second cut being taken. This is due to cool, wet growing conditions in the spring that delayed crop growth and cool, rainy weather in the first part of August. Quality is fair to good, although some of the hay lying in the swaths is rotting from the wet weather. Sixty-two percent of producers do not expect to take a second cut in 2002.

Central crop districts (CD 5-7) also had a cool, wet week with an average of 56 mm of

precipitation recorded. Unfortunately, this precipitation came too late to help early plant growth with the result that some hayfields will not be cut this year. Only east central areas reported mainly fair to good topsoil moisture conditions this area.

Across the central areas, 90 % of the hay has been baled or silaged, and a further 5 % of the second-cut has been swathed. Rain has destroyed some of the hay that was lying in the swaths. Fifty-seven percent of producers do not expect to harvest a second cut.

In northern districts (CD 8-9), the first-cut hay crop is 93 % baled or silaged, with an expected quality of fair to good. Four percent of the second-cut crop has been swathed, and about 44 % of producers surveyed do not expect there to be a second-cut in their area. Frost damage and second growth in cereal crops has meant that many of these crops will not be combined and could be harvested for feed. Producers are waiting for warm weather to see if these salvage crops will grow enough to cut as greenfeed. Re-growth is still slow in some areas with the result that these fields will have to be grazed to salvage any forage.

Table 1 – Provincial Hay Summary (First Cut) - For the week ending Aug. 18, 2002

	1st		Cut %	Quality *		Quality *			No 2 nd
	Uncut	Cut	Baled/Silaged	Excel	Good	Fair	Poor	NR	Cut
South	2.5	6.0	91.6	9.2 (9)	62.2 (61)	18.4 (18)	2.0 (2)	8.2 (8)	61.8 (81)
Central	4.2	5.4	90.4	2.5 (2)	45.0 (36)	33.8 27	8.8 (7)	10.0 (8)	56.7 (68)
North	3.9	2.8	93.3	8.9 (4)	48.9 (22)	26.7 (12)	8.9 (4)	6.7 (3)	43.5 (30)
Prov.	3.4	5.1	91.5	6.7 (15)	53.4 (119)	25.6 (57)	5.8 (13)	8.5 (19)	55.9 (179)

* number of producers reporting in parentheses.

Table 2 – Provincial Hay Summary (Second Cut) - For the week ending Aug. 18, 2002

	2 nd		Cut %	Excel	Good	Quality *		
	Uncut	Cut				Baled/Silaged	Fair	Poor
South	97.9	1.4	0.8	1.0 (1)	4.1 (4)	1.0 (1)	0.0 (0)	93.9 (92)
Central	94.9	5.1	0.0	2.5 (2)	1.3 (1)	0.0 (0)	1.3 (1)	95.0 (76)
North	96.2	3.5	0.4	0.0 (0)	6.7 (3)	4.4 (2)	0.0 (0)	88.9 (40)
Prov.	96.4	3.2	0.4	1.3 (3)	3.6 (8)	1.3 (3)	0.4 (1)	93.3 (208)

* number of producers reporting in parentheses.

2002 Hay Prices

Phil Curry, Saskatchewan Forage Council, Melfort

Hay prices continued to escalate to unprecedented highs throughout Saskatchewan and Alberta, but appeared to peak by the second week of August.

Reduced yields throughout central and northern areas of Saskatchewan and Alberta continue to put upward pressure on hay prices. In addition, hay supplies have been lower than expected in southern Saskatchewan and Alberta in spite of moisture and favourable growing conditions. Alberta Agriculture Food and Rural Development (AAFRD) estimate that there will be a shortfall of 400,000 - 650,000 tonnes of hay this year for Alberta alone.

By the first week of August in Saskatchewan, hay prices reached \$0.06 - (\$0.065/lb) and trucking has averaged \$4.00/loaded mile. Asking prices were as high as \$0.10/lb in the Goodsoil area near the Alberta border. For example, a load of 1st cut alfalfa hay (44 @ 1500 lb. bales) went from Gronlid, SK. to Camrose, AB. for a price of \$130/bale delivered. Feedlots in

the Saskatoon area have secured hay for \$122/ton (\$0.06/lb) F.O.B. Saskatoon. The asking price for hay has been much higher at \$140 to \$250/ton. Asking prices for greenfeed/silage have been as high as \$300/ac standing and baled straw as high as \$50/bale. Even if producers can access straw or greenfeed at a lower price, the cost of transportation makes this practice prohibitive. Many cattle producers are hesitant to pay these asking prices for hay, choosing to wait to assess the availability of greenfeed and straw closer to home.

Recent rains throughout the parklands, have improved the prospects for greenfeed, second growth on annual crops salvaged for forage and a second alfalfa hay crop. The problem is that in many areas, particularly the northwest, second growth of cereal and pea crops will be too short to be harvested as greenfeed and straw will be non-existent. In the northwest, grazing will be the only option to salvage any forage value from fields written off by Crop Insurance. Grain producers in areas where there has been a little more moisture and the plants have some height and have tillered out should consider marketing their crop as greenfeed to local livestock producers.

Hay prices in central Alberta have peaked. Large round alfalfa/timothy bales (average 1200 lbs) averaged \$125/bale (\$0.10/lb) at the August 7, 2002 auction. The price has

since dropped to an average of \$106/bale (\$0.09/lb).

Prices for hay at the Aug. 14, 2002 hay auction at *Vold, Jones & Vold Auction Co. Ltd.* (Ponoka, AB) are as follows:

- Grass/alfalfa or alfalfa hay (good quality)
 - rounds (1200 lbs) \$106/bale
 - squares (50 - 60 lbs) \$3.00 - \$9.00/bale (depending on size and quality)

August prices for hay F.O.B. plant from *Elcan Forage Inc.* (Broderick, SK) remain unchanged from July:

- Alfalfa (good quality)
 - \$120/Tonne
- Timothy (good quality)
 - \$195 - \$200/Tonne
- Timothy (lower quality)
 - \$150 - \$160/Tonne

Annual Crops Salvaged for Forage in Northern Parklands

Dave Whitehead and Barry Swanson, SAFRR - North Battleford and Prince Albert

Drought conditions in northern parkland areas combined with heavy frosts have led many annual crop producers to salvage their annual crops for livestock feed. The relative value of the salvaged crops depends upon several factors. In the case of cereals, if the crop has been badly burnt with few tillers and leaf mass, then prices received are very low (i.e. < \$0.02/lb or \$40/ton). With peas, the height of the crop may make cutting and baling impractical. Cereal crops planted later or with significant second growth, will command higher prices (\$0.03 - \$0.035/lb or \$60 - \$70/ton). Reports of prices as high as \$0.04/lb or \$80/ton have been reported in

the P.A. area. Canola is being salvaged for feed to a greater extent this year due to widespread frost damage to the crop in the area from Paddockwood to Glaslyn, and from Spiritwood to Big River. Canola has significant leaf mass and many producers are putting up high moisture canola as baled silage or "baleage". The feed value of canola approaches that of brome/alfalfa hay, although it tends to make the animals "loose" if it is fed in too high of a quantity and not mixed with other feed.

As in most northern and central areas, straw will be in extremely short supply. Some producers are accessing straw from more than 200 miles away.

Montana Hay Report

(Friday, August 16, 2002)

USDA Market News Service, Billings, MT.

Sales for hay remain steady. Hay continues to be shipped out of state to Wyoming. All sales FOB the stack and per ton basis in large rounds or large square bales unless otherwise stated.

Alfalfa: Premium 70-75 (U.S.\$)

Good quality 60-70, with some sales at 75-80, standing in the field at 47.50. Alfalfa/grass 60-70.

Grass: Good, small bales horse quality, 90-100, delivered 130; Large rounds 60-65, few sales at 70. CRP hay 50.

Timothy: Premium 120-140 for horse quality small bales.

Alfalfa Relative Feed Value (RFV):

Supreme over 180; premium 150-180; good 125-150; fair 100-125; low < 100.
Grass Hay Crude Protein Scale: Premium Over 13; good 9-13; fair 5-9; low < 5.

The Summer of 2002 – Manitoba Forage Update

Don Green - Forage Specialist - Manitoba Agriculture & Food

Across most of Manitoba, spring in 2002 was both cool and dry. This led to delays in forage crop growth and development that have carried on into the remainder of the growing season. In the eastern, east central, and south Interlake where rains fell in adequate amounts, this later growth period was productive with forage and pasture yields being called about normal. In the southwest, northwest, and north Interlake regions, many reports indicated that first cut yields were in the range of 50 – 70% of normal.

Pasture development was slower than normal. In many cases, livestock producers continued to feed cattle into the second week of June, about a week or two later than normal. Where Relative Feed Value (RFV) decline of alfalfa is monitored, it was observed that alfalfa development was two to three weeks slower in 2002 than it was in 2001. Through the Growing Degree Day prediction model for RFV, it was expected that this observation was more pronounced in southern Manitoba than it was in regions in the north.

Although later than normal and lower yielding across much of Manitoba, forage quality of the first cut crop is good and can be described as better on average than in 2001. With the appearance of short supplies and of course the elevated prices due to drought in regions further west, many of the cow calf producers in Manitoba are looking at low cost feed alternatives. Cereal acres harvested as silage and greenfeed were also observed to be above 2001, as a means of providing feed to the local livestock herd. The objectives in baling straw, grass seed

residues to reduce costs, make the local hay/silage supplies go further, and in some cases free up hay for the cash hay market.

Now to that cash hay market. Manitoba farm-gate hay prices are currently in the range of \$60 - \$100 per ton for low to medium quality and between \$100 - \$140 per ton for higher quality forage. The reasons for the wide ranges in pricing are typical of this type of market scenario. Freight plays a large factor as expected and contributes to a discounted price in the Eastern region of Manitoba, at least until demand from the dairy states of Minnesota and Wisconsin develops, which is likely to begin in early winter. Forage quality is another significant factor. Also included in this discussion are historical agreements that do exist between forage growers and livestock producers who have a set price over for example a five-year contract. Although in years past, the hay grower may have benefited from these types of agreement in the supply driven years of recent history, the livestock producer can certainly see the benefit of these types of arrangement on a more demand driven year such as 2002.

There is strong interest in assisting those who have been affected by drought where any extra forage supplies are available. Although marketing hay is an enticing proposition to many, others would prefer to market the forage on their own farms through offering custom boarding to western Canadian livestock producers. To assist these producers and those looking for a spot to winter livestock, Manitoba Agriculture and Food has developed an internet listing service to allow both groups to list their contact information.

The pasture and boarding web-page can be found at:

<http://www.gov.mb.ca/agriculture/news/pasturelist/index.html>

Feed Connection

Agricultural Producers Association of Saskatchewan (APAS)

APAS has initiated Feed Connection, a listing service for farmers who are in need of feed and pasture and those who have the means to help. If you are a farmer who is in need of feed or pasture, or if you are willing to donate feed, straw, twine, transportation, funds or pasture land contact APAS at info@apas.ca, fax at (306)789-7779, or phone at (306)789-7774. For further information on acquiring or listing feed, check these websites:

- Canadian Federation of Agriculture
www.cfa-fca.ca
- Ontario Federation of Agriculture
www.ofa.on.ca/
- Ag Info Net Buy/Sell Service
www.aginonet.com/buynsell
- Saskatchewan Agriculture Feed and Forage Listing Service
www.agr.gov.sk.ca/feedforage
- Alberta Agriculture Food and Rural Development Hay Listing Service
www.agric.gov.ab.ca/store/haylist.html

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The Saskatchewan Hay Report is published monthly from July-October by the Saskatchewan Forage Council. Comments and suggestions are appreciated. If you wish to be placed on an electronic mailing list or have articles and suggestions for upcoming issues, please send them to the editor:

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