



Agri-News

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Custom Feeding Cows This Winter

“Cow/calf operators are looking farther afield this year for their forage supplies,” says Ted Nibourg, business management specialist with Alberta Agriculture and Rural Development. “With the high cost of forage and the cost of trucking, it may make sense to move the cows to the feed rather than the other way around.”

Average-sized cows weighing about 1300 lbs before calving will cost \$1.60 to \$1.75/head per day to feed. After calving, the feed costs for a 1300 lb cow should range between \$1.75 and \$1.90/head per day. This is based on current hay prices of \$120 - \$140/ton, barley prices between \$2.80 - \$3.20/bushel and silage valued between \$35 - \$37/wet ton.

This fall’s range of quotes for yardage on overwintered cows is ranging between \$0.75 and \$1.00/head per day. For a relatively modest group of cows of around 100 head, yardage costs will run approximately \$0.80/head per day. This is assuming a feeding period of 200 days. Annual ownership costs of facilities, including depreciation, taxes, insurance and interest on investment, will total about \$2400. Annual operating costs for the feeding equipment will run approximately \$5700, which again covers depreciation, insurance and interest on investment. Remaining variable costs (charges for power, heat, fuel, repairs and operator labour) for the feeding period will be about \$7900. The total yardage costs of \$16,000 is spread over 20,000 cow-days.

“One can easily see that economies of scale come into play,” says Nibourg. “While more cows will not affect variable costs much, they will reduce the per cow operating and ownership costs. This is the reason larger lots are able to charge less for yardage.”

Typical calving charges are between \$25 and \$50 per live calf. Extra vet and medicine costs are over and above this cost.

Occasionally, higher priced calves such as purebreds will incur higher calving charges mainly because the perceived value of the calves is higher.

“The best way to ensure that cows are maintained properly is to monitor their body condition,” says Nibourg. “To protect both parties, it is advisable to agree upon a body condition of the

Cont'd on page 2

This Week

Custom Feeding Cows This Winter	1
Managing Livestock in Challenging Times	2
Grant Programs Help Rural Albertans Connect and Diversify	2
Thinking about Horticulture Crop Production	3
Alberta Canola Producers' Commission to Provide Online Grain Price Reporting	4
Agri-News Briefs	5

cows going into the custom operation. Both parties should agree on a body condition for when the cows leave after the feeding period. Furthermore, some system of mid-period monitoring should be in place to prevent a yo-yo feeding effect. The Alberta Farm Animal Care group has developed a **Term Care Agreement for Livestock** to help producers manage the care of custom fed cows. The agreement is posted on the group's website at www.afac.ab.ca."

For more information on overwintering cows, call Alberta Agriculture and Rural Development's Ag Info Centre at 310-FARM (3276).

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Managing Livestock in Challenging Times

Alberta Agriculture and Rural Development (ARD) provides information, expertise and strategies for Alberta livestock producers who are coping with market and weather challenges.

"The rising Canadian dollar, combined with feed shortages resulting from cool, dry conditions during the 2009 growing season, means that producers have been impacted both financially and agronomically," says Patrick Ramsey, MSc, P.Ag., business development specialist – beef with Alberta Agriculture and Rural Development. "As a result, many producers are faced with having to make critical and strategic decisions concerning their operations."

To assist producers with their decision-making process, ARD has launched a multi-pronged approach, consisting of:

- updated information related to production options on ARD's 'Ropin' the Web website, as well as working with extension partners to provide expertise and knowledge at speaking events/opportunities
- a list of private sector feed companies is posted on ARD's website under *General Store*
- market outlook seminars with Ann Dunford were held to assist producers in examining the present cattle prices and the future outlook for the cattle industry

Producers participating in Agriculture Financial Service Corporation's (AFSC) risk management programs are also encouraged to speak with their AFSC representative for more information.

The federal government has unveiled details about investments to help hog farmers restructure or exit the industry, and to help the industry take advantage of new market opportunities. Visit www.agr.gc.ca for more information.

To help producers manage during dry conditions, and for further information:

- many sources of decision making information can be accessed by calling the Alberta Ag-Info Centre (310-FARM) or visiting Agriculture and Rural Development's website (www.agriculture.alberta.ca)
- extensive information is posted to www.agriculture.alberta.ca under *Options for Alberta producers under the current dry conditions* (species-specific information for all livestock will be posted as it becomes available)
- AFSC can be contacted at www.afsc.ca or 1-800-396-0215 for information about crop insurance, AgriStability, and lending options
- fall producer meetings, the ARD booth at fairs/trade fairs, feed and nutrition suppliers, agricultural associations are all excellent sources of information
- a map of 2009 Livestock Tax Deferral Initial Prescribed Regions is available for download or view at www.agr.gc.ca (further federal designations are expected in Fall 2009)

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Grant Programs Help Rural Albertans Connect and Diversify

Two programs offered by the Alberta government will help rural communities promote economic activity and improve access to high-speed broadband services.

"The Government of Alberta is committed to helping build a strong and sustainable future for our rural communities," said Alberta Agriculture and Rural Development Minister George Groeneveld. "These new projects address specific needs identified by the region and will help to stimulate economic activity and connect communities to one another."

The three-year \$15-million Rural Community Adaptation Grant Program (RCAP) is intended to increase the ability of rural communities and regions to address economic, environmental and social challenges by creating diverse economic opportunities. To date, \$3.5 million has been distributed to 15 communities and organizations to help them adapt to changing economic circumstances.

Examples of the projects:

- the Town of High Level will use a \$404,000 grant to develop and implement a Municipal Economic Development Strategy

- a \$500,000 grant will enable the Town of Drayton Valley to further the Bio-Mile Initiative
- Palliser Regional Municipal Services Company Ltd. received a \$244,000 grant to assist in the Rail Discontinuance Recovery Project

Under the three-year \$9-million Rural Connections: Community Broadband Infrastructure Pilot Program, priority is given to community-led broadband infrastructure projects where rural Albertans have limited or no access to broadband connectivity. Producers, entrepreneurs and other rural Albertans from 11 communities have benefited from \$4 million in funding.

Examples of current projects:

- four rural gas co-operatives (Bow River, Cochrane Lake, Forty Mile, and Phoenix) have each been approved for a grant of \$500,000 to develop a WiMax licensed broadband network;
- a grant of \$492,000 will enable Lesser Slave Lake Indian Regional Council to upgrade existing equipment to develop and construct a wireless broadband infrastructure network in the un-served area north of Lesser Slave Lake; and,
- the County of Grande Prairie No. 1 received a \$300,000 grant to expand the county's broadband infrastructure network to reach all the county's residents.

A description of all approved projects as well as more information on the RCAP or Rural Connections is available at www.rural.alberta.ca or by calling the Rural Development Division at 780-427-2409.

Funding for these grant programs was made available through the Government of Canada's Community Development Trust Fund to help provinces and territories assist communities, organizations and workers move toward greater economic sustainability.

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Thinking about Horticulture Crop Production

"Horticulture crops are often considered by people who are either diversifying their existing operation, switching to something completely different or looking to start up something 'smaller scale' but profitable," says Robert Spencer, commercial horticulture specialist with Alberta Agriculture and Rural Development. "There are many positives associated with the horticulture industry; however, as with any new venture or business, there are also things that should be considered."

Scale – it is easy to have a bit of trouble with scale when comparing the size of a "typical" horticulture crop operation to a traditional field crop operation. It is always recommended to start small, if possible, as this minimizes the level of risk that comes during the learning period (which can last for years).

"You might think that you don't need very much land or you may think that the projected size of your operation is pretty small," says Spencer. "In horticulture, size is relative depending on the crop. Carefully consider factors such as market, risk factors (crop loss/failure), equipment and labour. While 5, 10 or 20 acres might seem like a drop in the bucket compared to cereals or oilseeds, consider managing an intensive crop with only a few labourers – yourself and whatever family you can rope in. You may find it is necessary to adjust your calculations."

Land base – even if you are only planning a small operation, consider the land base requirements to allow a proper crop rotation (for annual or short-term perennial crops), to allow for growth of the operation, or to allow for multiple long-term plantings (e.g. nursery crops).

Market – while horticulture crops can be quite profitable, you must seriously consider where you are going to sell your product and who is going to buy it from you. This is one area of a horticulture business that needs to have figured out in advance.

Market channels – if considering selling directly to consumers, it is still important to determine through what channels your product will be sold – farmers' market, on farm (pick-your-own or pre-picked, farm store), restaurants, institutions, or to a group of customers (Community Supported Agriculture, food boxes).

"There are many factors when dealing directly with customers, not the least of which are time and labour implications," says Spencer. "This area does allow creativity and flexibility, but go in with your eyes open."

Cont'd on page 4

“Selling in retail stores means selling through a wholesaler and being able to guarantee that you will be able to supply sufficient quality product consistently. It is very difficult for an individual to get into the main retail chains. This is probably for the more experienced or larger scale producers. Mechanization will likely be necessary.”

Soils – some soils are better or easier to work with than others. Soils should be well drained, not excessively rocky, and free from salts. Consideration must be given to the timing of planting, getting the crop in the ground, and how the soil is going to be managed.

Water – is a critical part of any horticulture operation. Irrigation is often required, even if only in some years. The quality of the water is equally important to the quantity available.

Labour –horticulture crops can be labour-intensive.

“Mechanization is not always an option and labour pools are often pretty shallow,” says Spencer. “Be sure that you have enough people to do the jobs done when you need them done. Always be prepared to fill in the mechanical gap with hand labour.”

Equipment – some of the equipment used for field crops can be used for horticulture, but much of the required equipment is specialized.

Season length – there are significant challenges associated with growing horticulture crops, not the least of which is the length of the growing season. Alberta’s growing season limits what and how much can be grown in a given year. It is also a variable that increases risk.

Weather realities – some horticulture crops will survive in Alberta but may not be feasible choices when it comes to profitable production. It is recommended to plant crops that will yield reliably.

For information about commercial horticulture production, contact the Ag-Info Centre at 310-FARM (3276).

Contact: *Robert Spencer*
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Alberta Canola Producers’ Commission to Provide Online Grain Price Reporting

As of October 5, 2009, the Closing Daily Grain Prices and Reported Feed Grain Prices can be found online at the Alberta Canola Producers’ Commission (ACPC) website at www.canola.ab.ca

In the past, the Alberta Grain Commission (AGC) posted daily updates of the current grain prices on Alberta Agriculture and Rural Development’s website. This service has now been taken over by the ACPC as industry organizations continue to embrace leadership opportunities, such as taking on an active role in information sharing. There will be no disruption in service and individuals trying to access the prices from Alberta Agriculture’s website will be directed to the ACPC website.

The ACPC, founded in 1989, was the province’s first refundable check-off producer organization. Its mandate is to increase the long-term profitability of Alberta canola growers through research, promotional activities, consumer and producer education programs, and policy development. The commission does not regulate nor is it involved with the production, buying or selling of canola.

The AGC is a provincial government agency within the Ministry of Agriculture and Rural Development (ARD). AGC is comprised of 10 members appointed by the Minister of ARD – eight producers, and two government employees. A small staff supports the AGC members. This body advises and makes recommendations to the Minister on current and emerging issues and trends in the grain industry.

For more information about the Alberta Grain Commission, call the Ag-Info Centre, toll-free in Alberta at 310-FARM (3276) or visit Alberta Agriculture and Rural Development’s website at www.agriculture.alberta.ca

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Agri-News Briefs

Red Deer Swine Technology Workshop

The 2009 Red Deer Swine Technology Workshop will focus on practical management. Speakers will address practical management-related topics aimed at helping producers and their staff to improve productivity. Topics include:

- Optimizing Sow Lifetime Condition
- Getting the Best from Natural Service Boars
- Managing Farrowing Room Health
- Giving a Good Start to the Newly Weaned Pig

A new video **Maximizing Grow-Finish Margins** is being produced for the 2009 event.

The one-day workshop will be held at the Exhibition Centre at the Capri Hotel in Red Deer.

Workshop registration cost is \$75, with a special 'five-for-the-price-of-four' package available. For further information or to register, contact Bernie Peet, Pork Chain Consulting Ltd., at 403-782-3776 or 403-392-3104, or email bjpeet@telusplanet.net

Marketing Caravan

This one-day workshop is all about understanding the needs of today's consumers and how to reach out to them by building positive relationships with local media. The workshop is being held in Airdrie on November 24, 2009. To register, contact Becky Lipton at 780-271-1116 or e-mail becky.lipton@goingorganic.ca

Complete workshop information is available online at www.farmcentre.com/workshops