

OMAF *Virtual Beef*

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If there are any upcoming events or timely topics you would like to see covered send us an email; suggestions are more than welcome. Watch for the next issue in April!

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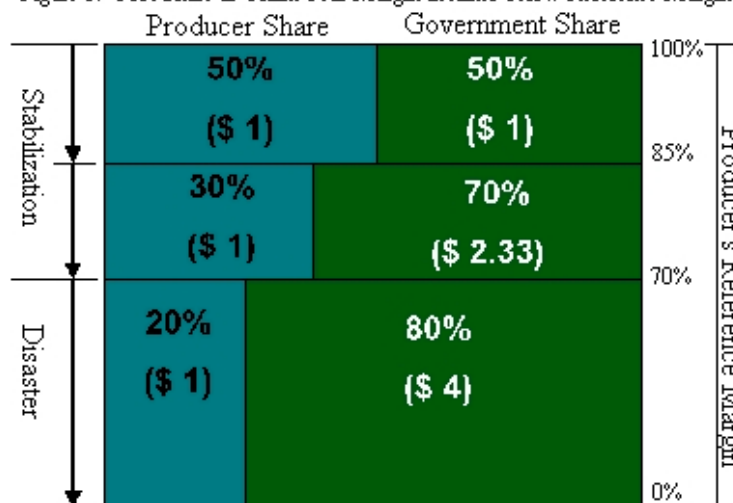
In 'CAIS' You Hadn't Heard; There's a New Program in Town.

Canada and Ontario have signed an agreement to implement the Agricultural Policy Framework (APF). The APF provides a new approach to safety net programs in Ontario. The APF also recognizes the need for industry innovation, environmental responsibility, safe food, consumer confidence, marketing, production, and business management to all work together in order to develop and sustain a viable agri-food sector over the long term. The overarching goals of the APF are to bring financial stability to the industry through an integrated approach where business risk management programs are complemented and supported by initiatives designed to enhance the competitiveness of Ontario's agri-food sector in global markets.

The Canadian Agricultural Income Stabilization (CAIS) program is part of the Business Risk Management section of the APF. CAIS combines income stabilization assistance (formerly Net Income Stabilization Account (NISA)) and disaster assistance (formerly Ontario Farm Income Disaster Program (OFIDP)) into one program. This will allow Ontario farmers to protect their operations from large and small income declines. One of the advantages is that one application now covers you for both programs.

CAIS is built on the philosophy that governments and producers share in the cost of replacing lost income. For smaller losses, producers and governments will equally share the burden. As losses deepen, the share of government funds

Figure 1. Cost Share as Claim Year Margin declines below Reference Margin



increases to four times the amount the producer shoulders, or four dollars to every one dollar the producer contributes.

Figure 1 illustrates this point. It shows the cost share between the producer

and government as the Claim Year Margin declines below the Reference Margin. If a producer's income drops less than 15% (between 85% and 100%), for every \$1 they deposited the government provides \$1. Income drops between 70% and 85% will see the government paying \$2.33 for every \$1 deposited. Once the margin drops below 70%, which is considered the disaster level, the government will provide \$4 of support for every \$1 dollar deposited.

CAIS will use a calculation known as a production margin when determining reference and claim year margins. The production margin is calculated by subtracting production expenses from farm revenue. Only income and expenses, like fuel, fertilizer, pesticide and feed costs, directly related to the production of a commodity are included. These margins will be used to determine whether or not a payment will be triggered in the claim year. The reference margin is the average margin of the previous five years with the best and worst of those years excluded from the equation. The reference margin will establish the minimum and maximum deposit levels for the farm operation.

A new CAIS program account can be opened at any participating financial institution. A minimum deposit equal to 14% of the producer's reference margin is required to participate. At least the minimum deposit must be in the CAIS account by **April 30, 2004** to be eligible for 2003 and 2004 coverage. About 74% of Ontario farms in NISA have enough in Fund 1 to meet the minimum deposit. To ensure maximum coverage in the event of a complete production loss, a deposit of 26% of the reference margin is required. 65% of Ontario farms

in NISA have enough in their Fund 1 to provide full coverage for 2003 and 2004.

Starting **March 31, 2004**, current NISA accounts will be required to be withdrawn over the next 5 years. There is an option available for the Fund 1 (producer) balance to be rolled into a new account to be used for CAIS. Your Fund 2 (government) balance on **March 31, 2004** determines your minimum withdrawal each year. Equal amounts will be withdrawn from Fund 1 and Fund 2 unless one of those funds has no balance remaining or the excess withdrawal from Fund 1 is rolled into your CAIS program account.

Table 1 works through an example of how payments are made as income declines. In 2003 the production margin dropped to \$65,000 which is a 35% drop in margin when compared to the reference margin of \$100,000. The producer deposited \$26,000 into their CAIS account or their maximum deposit of 26% of their reference margin. This deposit level ensures that in the event of an income decline, CAIS payments will take the claim year margin back up to 100% of the reference margin or \$100,000. To do this CAIS uses the cost sharing levels outlined in Figure 1.

CAIS payments at the end of the day then total \$35,000, \$13,000 coming from the producer's CAIS account and \$22,000 from the government. This combined with the producer's 2003 margin of \$65,000 brings them back up to the \$100,000 reference margin.

Table 1. CAIS Payment Calculation Example			
Reference Margin	\$100,000	}	Drop in 2003 Margin: 35%
2003 Claim Year Margin	\$65,000		
CAIS Account Balance	\$26,000	Maximum Deposit Level	
CAIS Payment Calculation			
	Producer Portion	Government Portion	
Stabilization (100% to 85%)	50%	50%	
	\$7,500	\$7,500	
Stabilization (85% to 70%)	30%	70%	
	\$4,500	\$10,500	
Disaster (70% to 0%)	20%	80%	
	\$1,000	\$4,000	
CAIS Payments	\$13,000	\$22,000	
Total Payments in 2003		\$35,000	
2003 Margin including CAIS payments	\$65,000 + \$35,000 = \$100,000		Margin returned to 100% of Reference Margin

The CAIS program will also require producers to submit accrual information for their operation on an annual basis. This information consists of inventory and production records, accounts receivable and accounts payable. This is the same type of information that was collected for the Ontario Farm Income Disaster Program over the past five years.

Accrual information is collected at the end of your farm business' fiscal year end. For example, since most farmers have a calendar year end, inventory

collection should be recorded in the first few days of January.

It is important to note that the producer deposit is not a premium. The deposit belongs to the producer at all times. Unused funds in the account can be rolled forward to future years.

Information meetings for producers on the APF and CAIS program will be held across Ontario in February and March 2004. Please contact CAIS administration 1-877-838-5144 to receive information on a session near you.

How Do You Participate

1. Review your Deposit Options Notice (DON). The following producers will receive a personalized DON package in the mail: 2002 NISA participants, 2002 OFIDP applicants, producers who were not in NISA in 2002 but were a participant in 2001 and producers that applied to the Ontario BSE Recovery Initiative Phase 3 (b) program. The information supplied by the producer under these programs will be used to calculate their deposit requirement. If you have not received a DON by mid-February 2004, please contact CAIS administration at 1-877-838-5144.
2. Open a CAIS program account at a participating financial institution.
3. Deposit into your account at least the minimum deposit, as outlined on your DON by: **April 30, 2004**.
4. Complete and submit the following information by **April 30, 2004**:
 - Joint 2003 and 2004 CAIS program application form
 - 2003 Schedule 2 – inventory, receivables and payables
5. Submit your 2003 farming income (or loss) for tax purposes on a T1163 by **June 15, 2004** if you are an individual or **June 30, 2004** if you are a business entity.

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OMAF Virtual Beef is produced quarterly by the OMAF Beef Team as a means to communicate research findings and results, recommended production practices and solutions to industry issues to beef cattle producers, agribusiness suppliers and industry stakeholders.

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CAIS Production Margins and Deposit Options

Example Calculations for a Cow-calf and Feedlot Operation

Cow-calf Example

Let us take a look at what CAIS production margins and deposits could look like for an Ontario 30 head cow herd, with some backgrounding or finishing, and cash crop sales. In this example, the farm gross sales averaged \$30,000. Analysis of the 1993-2002 NISA database indicates that over time, for every dollar of farm sales, the production margin for cow-calf producers would be about \$0.16. Using this analysis, the production margin for this example farm would be about \$4,800. The Deposit Options Notice (DON) would show \$4,800 as the reference period production margin. The deposit options available would be a minimum of 14% of \$4,800, which is \$672, up to a maximum of 26% of \$4,800, which is \$1,248. The minimum (\$672), maximum (\$1,248), or any amount in between can be deposited.

A minimum deposit will do the following:

- Puts you back to 100% of your reference margin, as long as your margin falls by not more than 40%.
- Puts you back to 70% of your reference margin if your margin falls to zero or negative.

The \$672 minimum deposit would provide protection for up to a 40% drop (\$1,920) in production margin in the claim year. The minimum deposit would also be sufficient to bring the producer back to 70% (\$3,360) of their reference margin if their claim year margin was zero or negative. However, if the drop in program year production margin is greater than 40%, the producer would not have accessed all available government funds.

If the cow-calf producer chose the maximum deposit of \$1,248, the producer would be assured that they would get the most government dollars possible regardless of how big or small their margin decline is in the claim year.

Feedlot Example

In this example, a feedlot's gross sales averaged \$350,000. Analysis of the 1993-2002 NISA database indicates that over time, for every dollar of farm sales, the production margin for feedlot producers would be about \$0.10. Based on this analysis, the production margin for this example feedlot would be about \$35,000.

The DON would show \$35,000 as the reference period production margin. The deposit options available would be a minimum of 14% of \$35,000, which is \$4,900, up to a maximum of 26% of \$35,000, which is \$9,100. The minimum (\$4,900), maximum (\$9,100), or any amount in between can be deposited.

The \$4,900 minimum deposit would provide protection for up to a 40% drop (\$14,000), in production margin in the claim year. The minimum deposit would also be sufficient to bring the producer back to 70% (\$24,000) of their reference margin, if their claim year margin was zero or negative. However, if the loss had been greater than 40% the producer would not have accessed all available government funds.

If the feedlot operator chose the maximum deposit of \$9,100, the operator would be assured that they would get the most government dollars possible regardless of how big or small their margin decline is in the claim year.

To Recap:

	Cow-calf	Feedlot
Average Gross Sales During Reference Period	\$30,000	\$350,000
Reference Period Production Margin	\$ 4,800	\$ 35,000
From the DON Notice:		
Minimum deposit (14% x \$4,800) or (14% x \$35,000)	\$ 627	\$ 4,900
Maximum deposit (26% x \$4,800) or (26% x \$35,000)	\$ 1,248	\$ 9,100

It is important to note that your deposit must be in your CAIS account by **April 30, 2004** in order to secure coverage for both the 2003 and 2004 program years.

How to Make a Decision on Your Options

Look back over the past five or six years and consider how much your production income, costs and margins have fluctuated. What were your average prices? How many years did drought impact your feed supply? You already know the results of your fiscal 2003 year, and may have a sense of the uncertainties that lie ahead for 2004. How do your 2003 and 2004 years compare to what you experienced in 1998-2002?

Ask yourself the following questions:

- Will my industry have more risk in the present and future than in the past?
- Is it good risk management if I can protect a drop in my production margin with a payback of a minimum of \$1 to a maximum of \$4, for every \$1 of my deposit?
- Can I afford to self-insure all of my non-insurable losses if I choose not to participate in CAIS? **Remember that NISA and OFIDP ended with the 2002 fiscal year.**

- What is my financial situation?
- How well do I want to sleep at night?

You may have other questions about how the CAIS program applies to your operation. What happens if you have expanded or decreased your cow herd (feedlot) numbers? Maybe you have added some cash crop land to your operation. The CAIS program is designed to deal with these types of changes. For specific answers to these and other questions, make sure you attend one of the no-charge Canadian Agricultural Income Stabilization (CAIS) program Information Sessions in your area. Call 1-877-838-5144 to register for the meeting nearest you. Program staff at this telephone number can also answer your questions. Make an informed decision on how the new risk management program called CAIS can work for you.

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Cold Cows Turn Up The Heat!

Cold enough for you? As I write these lines while most of the country's thermometers are stuck near the bottom of the chart, this is the most frequently asked question around.

How does cold weather affect your cattle? While cattle can survive extreme cold, winter does adjust your livestock's eating habits.

Inclement or cold weather can cause a yo-yo pattern of eating by cattle. Sudden extreme cold can cause cattle to go off feed for a day or so. Then they gorge themselves on concentrates, which can lead to acidosis.

Cold weather also causes the rate of passage of feed through the animal to increase. This can result in a 5–10% reduction in dry matter digestibility. In addition to this, forages are digested less efficiently in ruminants exposed to cold weather. This effect is independent of intake level. So the forage goes through the animal faster, and is not digested as thoroughly. This is especially true when feeding high forage diets.

Balancing Act

To survive in cold weather, cows must balance heat loss and heat production to maintain their core body temperature. Ruminants acclimatize metabolically to cold winter temperatures by developing an increase in their Resting Metabolic Rate (RMR). There is an inverse relationship between the RMR and the environmental temperature. That is, as the temperature goes down, the RMR goes up. The NRC (1996) suggests that for every 10°C drop in temperature below

20°C there will be a 9% increase in the RMR. Although the relationship most likely is not linear, the fact remains that a stretch of steady cold weather will cause an increase in the resting metabolic rate.

As animals ruminate, they produce additional heat as they digest feed. In order to match this heat to the coldest part of the day, farmers can minimize the impact of increased RMR by feeding as late in the day as possible. This way, the heat of digestion will be produced when the animal is exposed to the lower temperatures of night time. Research in Manitoba shows that in cold winters, feeding later in the day versus early in the morning improved Average Daily Gain by 10.1%. As well feed efficiency increased by 9% and feedlot animals met targeted back fat sooner.

The other opportunity to help the animal to adjust to cold temperatures is to provide more energy in the overall ration, either through better quality forage or an alternative energy source.

Some research also indicates that another benefit of feeding late in the day for pregnant cows is the resulting tendency to calve during daylight hours.

Whatever feeding strategy you employ, one of the most important things to always supply cattle with is a windbreak. Windbreaks allow the animal to stay warmer and thus they will use less feed.

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Preparing a Nutrient Management Plan: Where Do I Start?

While nutrient management has been a topical point of discussion for a few years, when it comes down to preparing a nutrient management plan (NMP), a number of producers have been asking the question “where do I begin?”

Consultants

Some farmers may quickly turn to their local crop consultant, who in turn will develop the NMP for the farmer for a fee. Consultants, and eventually producers, will need to have a certificate to develop a NMP. The consultant obtains the certificate from OMAF after completing required courses, submitting a required number of NMPs and passing an exam. The OMAF web page (www.omaf.gov.on.ca and click on “Nutrient Management”) has a list of certified consultants or you can call the Nutrient Management Information line at 1-866-242-4460.

As for liability, the producer still has the responsibility to disclose all necessary information to the consultant and implement the NMP once it is prepared. The consultant has to prepare the NMP according to the information provided by the farmer while adhering to the requirements of the *Nutrient Management Act* (NMA), which necessitates a consultant to be certified.

For farmers who would like to prepare their own NMP, the following points will help you understand what is required to complete a NMP for your operation.

Courses & Training

Recognizing that there is a great deal to consider with nutrient management, there are a series of courses to help understand the principles and requirements of nutrient management.

- *Fundamentals of Nutrient Management* provides participants with scientific and technical perspectives on soil science, manure management and other agronomic considerations.
- *Nutrient Management Regulation and Protocols course* provides detailed information on the requirements of the NMA and related Regulation O.Reg. 447/03 and Protocols.
- NMN is the computer software program which will take people through on a step by step basis for preparing a NMP and one day training course is provided on NMN (at the end of the course, you

will receive a copy of NMN to install on your computer). For those people who prefer a paper version, a nutrient management workbook is available from OMAF Resource Centres. Currently, two NMN courses are available: an Introduction to NMN course for participants with minimal background; and a Refresher course for those who have taken previous NMN courses.

- A course will be developed in the near future for custom applicators of manure and other nutrients called *Land Application of Nutrients*.

Each course currently costs \$25. Call the Nutrient Management Information Line at 1-866-242-4460 for more details on these courses.

Soil and Manure Tests

One of the first things that you will want to do is “to take stock of what you have got”. In terms of nutrient management, this is accomplished by looking at the various sources of nutrients produced (i.e., from manure) or entering the farm from outside (i.e., fertilizers or biosolids) and looking at nutrients used by farm (example, in the form of livestock or crops or through losses in the soil or air).

Soil and manure analyses will help you to understand your “starting point”. The NMA requires that one soil test every five years is to be submitted for every field or 25 acres that you apply nutrients to as indicated in your NMP. For farms ≥ 300 NU, one manure analysis is required for existing farms by the NMA when you are developing your NMP.

Manure Storage

For most operations, a minimum of 240 days of manure storage is required for either liquid or solid manure. The Construction and Siting Protocol in the Regulation spells out in detail the requirements for earthen, steel and concrete storages. The Protocol also provides specifications for solid manure storages.

In some situations, the Regulation will allow for the use of vegetated “flow paths” as an acceptable method for dealing with runoff from barn yards and solid manure storages. In addition, the Protocol provides the criteria that must be met to if you want to use temporary in-field storage of manure. Temporary in-field storage could meet part or all of your requirement for 240 days

of storage depending on the management of your operation and the physical characteristics of your farm (for example, slope, soil type, etc).

Before we leave the subject of manure storage, you should be aware that some of the storages require supervision of the siting and construction of the storage(s) by a Professional Engineer. The situations where such professional supervision is required are:

- for any new liquid manure storage for > 5 NU or
- a new solid manure storage for ≥ 300 NU that does not have a concrete floor.

have already been collected. This is a good starting point in the development of a NMP. However, if you are still unsure about where to start in the nutrient management plan, staff and resources are available to help you. The OMAF web page (www.oma.gov.on.ca) and the Nutrient Management Information Line 1-866-242-4460 can provide with information and answers to your questions. In addition, your local OMAF Resource Centre can provide assistance.

Peter Doris, Nutrient Management Specialist,
613-475-5604, peter.doris@oma.gov.on.ca
Nutrient Management Toll-free Information Line –
1-866-242-4460 

Conclusion

For many farms, baseline information such as soil tests, manure analysis and field crop rotation information will

Internet Sites

We hope to provide a few internet sites each issue that may be of interest and assistance to producers.

Canfax — www.canfax.ca

The Complete Source for National Cattle and Beef Fundamentals - For over 30 years, CanFax has provided expert analysis of markets and trends in the ever changing North American beef industry. In this new millenium, cattlemen, feedlot managers, and agri-business professionals will continue to rely on up-to-the-minute information as an essential tool for maximizing profit in today's beef sector. Whether your operation needs to plan for three hours or three years into the future, CanFax delivers timely, accurate information for 21st Century cattle industry professionals.

OIE (Office International des Epizooties), World Organization for Animal Health — www.oie.int

OIE is often referred to when discussing BSE. OIE also known as the World Organization for Animal Health has in its mandate, to safeguard world trade by publishing health standards for international trade in animals and animal products.

To provide a better guarantee of the safety of food of animal origin and to promote animal welfare through a science-based approach. Statistics and recommendations on trade with regard to BSE can be found on this website.

Beef Information Center (BIC) — www.beefinfo.org

BIC provides expertise to the food industry, health professionals and Canadian consumer on all things related to beef. BIC's mandate is to increase consumer demand for beef. Market development programs in retail, foodservice and new products are BIC's key activities. Nutrition and consumer communication initiatives are implemented to improve consumers' perceptions about beef.

Budgets

These one page budgets focus on the economics of feeding cattle and features such things as calculating the total cost of gain, feed efficiency and net return/animal. The budget programs (which can be downloaded from <http://www.gov.on.ca/OMAFRA/english/busdev/downtown.htm#beefbud>) can evaluate past performance as well as projecting ahead. It allows you to look at "what if" scenarios before you purchase cattle. This issue features two Shortkeep Finishing scenarios.

\$\$\$ Ontario Feedlot Cost of Production Budget \$\$\$ Shortkeep Finishing Scenario

Calf Information

		\$/Head	\$/lb
Sale Weight (lb.)	1420	\$ 1207	
Purchase Weight (lb.)	930	\$ 753	
Days on Feed	170	\$ -	
Death Loss %	-	\$ 454	\$ 0.93

Expected Cost of Gain

		\$/Head	\$/lb
Feed (\$/lb of gain)	\$ 0.64	\$ 313	\$ 0.64
Health & Vet. Expenses (\$/hd)	\$ 10	\$ 10	\$ 0.02
Marketing/Trucking (\$/hd)	\$ 28	\$ 28	\$ 0.06
Yardage** (\$/hd/day)	\$ 0.30	\$ 51	\$ 0.10
Interest Rate %	5	\$ 23	\$ 0.05
		Expected Cost of Gain	\$ 425 \$ 0.87
		Net Return	\$ 29 \$ 0.06

Expected Market Situation

		\$/Head	\$/lb
Sale Price (\$/lb.)	\$ 0.85	\$ 1,178	\$ 0.83
Purchase Price (\$/lb.)	\$ 0.81	\$ 782	\$ 0.84
Total Gain (lbs.)	490	A.D.G. (lbs./day)	2.88

Feed Requirements

	\$/tonne	Lbs. per Head/Day	\$/Head	Percent DM
Hay	\$ 70	1.0	\$ 5	90
Haylage	\$ -	-	\$ -	45
Corn Silage	\$ 30	8.0	\$ 19	35
Dry Corn	\$ 135	24.0	\$ 250	86
H.M. Corn	\$ -	-	\$ -	70
Beef Supplement	\$ 350	1.3	\$ 36	90
Salt & Mineral	\$ 450	0.10	\$ 3	100
Corn Screenings	\$ -	-	\$ -	86
Other	\$ -	-	\$ -	
Pasture	\$ -	N/A	\$ -	N/A

Total Feed Cost	\$ 313
Feed Cost per lb. of Gain	\$ 0.64
Total DM fed (lbs. per head/day)	25.63
Feed Conversion (lbs. - dry matter basis)	8.89

** Yardage is hydro, telephone, taxes & insurance, bedding, manure removal, housing, equipment repairs Yearling Char. x Blonde heifers purchased in July 2003, weighing 930 lbs. They will be marketed within the next month weighing approx. 1420 lbs. Based on current markets expected sale price is 85 cents live wt. These heifers were fed some silage at the front end and less silage as they approach market wt. **Note: cost of gain 87 cents, ADG 2.88 lbs, feed cost 64 cents/lb and net return \$29/hd.** These heifers would be considered "bought right" at \$0.81/lb but still not a lot of return expected with the current market prices.

\$\$\$ Ontario Feedlot Cost of Production Budget \$\$\$

Shortkeep Finishing Scenario

Calf Information

		\$/Head	\$/lb
Sale Weight (lb.)	1,350	\$ 1,080	
Purchase Weight (lb.)	910	\$ 910	
Days on Feed	160	\$ -	
Death Loss %	-	\$ 170	\$ 0.39

Expected Cost of Gain

		\$/Head	\$/lb
Feed (\$/lb. of gain)	\$ 0.65	\$ 287	\$ 0.65
Health & Vet. Expenses (\$/hd)	\$ 15	\$ 15	\$ 0.03
Marketing/Trucking (\$/hd)	\$ 28	\$ 28	\$ 0.06
Yardage** (\$/hd/day)	\$ 0.30	\$ 48	\$ 0.11
Interest Rate %	5	\$ 22	\$ 0.05
		\$ 400	\$ 0.91
		\$ (230)	\$ (0.52)

Expected Market Situation

		\$/Head	\$/lb
Sale Price (\$/lb.)	\$ 0.80	\$ 1,310	\$ 0.97
Purchase Price (\$/lb.)	\$ 1.00	\$ 680	\$ 0.75
Total Gain (lbs.)	440	A.D.G. (lbs./day)	2.75

Feed Requirements

	\$/tonne	Lbs. per Head/Day	\$/Head	Percent DM
Hay	\$ 70	3.0	\$ 15	90
Haylage	\$ -	-	\$ -	45
Corn Silage	\$ -	-	\$ -	35
Dry Corn	\$ 135	24.0	\$ 235	86
H.M. Corn	\$ -	-	\$ -	70
Beef Supplement	\$ 350	1.3	\$ 34	90
Salt & Mineral	\$ 450	0.10	\$ 3	100
Corn Screenings	\$ -	-	\$ -	86
Other	\$ -	-	\$ -	
Other	\$ -	-	\$ -	
	\$/acre			
Pasture	\$ -	N/A	\$ -	N/A

Total Feed Cost	\$ 287
Feed Cost per lb. of Gain	\$ 0.65
Total DM fed (lbs. per head/day)	24.63
Feed Conversion (lbs. - dry matter basis)	8.96

** Yardage is hydro, telephone, taxes & insurance, bedding, manure removal, housing, equipment repairs

This budget examines top quality Char./Limo. cross heifers purchased in September weighing 910 lb for \$1.00/lb. These heifers have been pushed hard on a primarily dry corn diet and will be marketed in February with a projected sale price of \$0.80/lb. Their ADG is expected to be approximately 2.75 lbs. Projected net return **-\$230/hd**. Based on average fall prices for yearlings there will likely be lots of red ink on many cattle going to market in this first quarter unless markets take another upward swing.

For more information or to determine your Cost of Production (COP) contact:

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Profitable Pastures Conference

Profitable Pastures Conference will feature a number of speakers with informative topics for anyone who is pasturing livestock.

The feature speaker will be Dr. Ben Bartlett from Michigan State Extension. Dr. Bartlett will make two presentations, "Water Systems & Grazing Systems - Making them Practical" and the second, "Effective Use of Annuals in a Low Cost Grazing Operation". With his extensive and well-rounded experience as a professor, veterinarian, farmer, and speaker, Dr. Ben Bartlett skillfully demonstrates the practical application of his research in pasture and grazing management practices. Ben received his doctorate in Veterinary Medicine in 1971 from Michigan State University where he now works in Extension Dairy and Livestock. His is also a veterinarian, specializing in herd health and operates a farm operation with 400 sheep and 200 grazing cattle.

Dr. Bartlett has spoken on grazing practices around the world including the UK, Australia, India, Japan and Argentina.

Birgit Martin, from Gore Bay, Manitoulin Island, will speak on, "Matching Grass Growth to Animal Needs". Birgit has research and practical experience in intensive

grazing management for both dairy and beef operations and brings a very practical approach to grazing management.

John Steele who has a 1000 ewe sheep flock at Norwood, Ontario will address the topic "Effective Use of Pasture in Sheep Management".

At Elmwood, Glen Wells, manager of the Bruce Community Pasture will outline some of his observations that he has made over the years at the Community Pasture. At Cobden, Carolyn Closs from Shawville, Quebec will outline how their family farm operation has used pasture management to the best benefit for their cow calf operation.

A trade show will be held in conjunction with this day. Local suppliers will be on hand to discuss their products and services of interest to livestock producers.

If you are looking for information on making pasture an effective part of your livestock operation plan on attending Profitable Pastures.

Jack Kyle, 705-324-5855, jack.kyle@omaf.gov.on.ca



Profitable Pastures Conference

Monday, **March 1st** at Elmwood Community Centre

Wednesday, **March 3rd** at Cobden Agricultural Hall

Registration and Trade Show open at 9:00 AM and the speaker program starts at 10:00 AM.

To register for the conference, contact Ontario Forage Council 1-877-892-8663 or email info@ontarioforagecouncil.com.

Registration cost is \$30 payable to the Ontario Forage Council. The pre-registration deadline is February 18, 2004.

Tough Times, Tough Folks ... Tougher Decisions

As we start a new year with a tough set of industry circumstances, it stands to reason that the business decisions we will make for the coming year may be different from the norm. In fact we probably need to look at all of our decisions and management in a new light. Consider the following for your farm.

Starting with Winter Feeding

What do I have on inventory for feed? How much am I feeding? Do I have more cattle than normal? Do I have enough feed to get me through? Can I reduce it? Can I adjust it? Can I stretch my feed resources with some other feed? If you have some very good hay can it be diluted down with lower quality roughage like straw to increase the gut fill. There is a fine line here however regarding animal welfare. We can't compromise on cow welfare. If you make adjustments that some cows can't handle, then you may need to remove them from the herd one way or the other.

Calving and Health Program

Am I calving at the right time of year? Would moving the season help me reduce feed costs or death losses? Looking at my health program and mortality rate, can I reduce it? Will a complete vaccination program, or providing more pen space per animal help keep the disease levels lower? Should you consider vaccinating the cowherd with a modified live when they are open? Can I do some "processing" now? Castrations and dehorning are physically easier on small calves and may pay dividends next fall in the marketplace. Last year saw a large spread on prices if calves weren't "done right". Discuss your options with your veterinarian and marketing venue.

Tagging and Records

Do I have my National ID tags ready to go in? The tagging exemptions that used to exist disappeared last year following the BSE investigation. It also brought home how important it was to write down the information on the calf with the tag number. It will help down the road when we are trying to determine the age of a slaughter animal. Would this be a good time to consider taking the Quality Starts Here Course from OCA? Would being a QSH certified farm help with my future marketing?

Breeding

Again am I breeding so that I'll calve at the best time? This decision needs to be weighed carefully in light of the whole operation, as marketing may need to change because of a different calving/weaning time. Is the bull I'm using going to enhance the marketability of my calf crop? Consider the replacement heifers. Should I be breeding as many? Are they the right size, type and build to be easy keeping economical cows? Will the yearlings being bred this year stay in the herd for a **long** time? If there is any question of that, should I be marketing her now as a feeder that will finish under 30 months?

Grazing/Winter Feed

Rotational grazing will increase the carrying capacity of your pastures. Can you plan now to divide some of the pastures? Do you need to get information, pickets, wire or energizers to accomplish this? Can you plan now for stockpile grazing next fall whether with grass, grain regrowth or stover? Then take a look at your potential hay crop. Is it enough to carry all the stock you plan on keeping. Can you negotiate with some neighbours or absentee landowners to guarantee hay acreage.

Marketing

Start planning next fall's marketing strategy. Which calves returned the most dollars last fall? Can I do things to make my calves fit into that category. Will it make a difference which sale I take my calves to, or when? Can I group the calves differently or split my marketing? Did I advertise my calves in the right places? Have I followed up on last years' sales so I can use that as proof of their value? Are calves the answer or would keeping them for backgrounding or finishing net me more money?

A lot of tough questions and the only person who can answer them for each farm will be the producer and their family. All of the industry will be struggling for answers as we try to adjust to the new realities for the beef industry in 2004.

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Pasture Walks – A Learning Experience

Is your organization looking for an activity or meeting idea for the coming year? If you are involved in planning for your organization consider having a pasture topic on your agenda.

Pasture is the lowest cost feed source and in these times of stressed markets paying attention to your biggest expense item — feed — will show significant benefits.

Pastures are often neglected or ignored in the feeding program. Top managers are achieving pasture gains in the range of 500 to 600 lbs. of beef per acre.

Many pastures are only at 20-25% of this production level. The majority of the pastures could have their productivity increased by 50% in one season and in a few years have it doubled or tripled.

Developing a "grass eye" is a key component to improving your pasture management ability. A "grass eye" is the ability to see what is happening in the pasture and what is about to happen from the

perspective of the grass. It is this information and knowledge that will allow you to plan for and react to the best management options available.

At a pasture walk you work as a group sharing your observations and learning from the different perspectives that each person brings.

Some of the topics that might be considered for a pasture walk could include: species selection, when to start grazing, when to remove livestock, fencing systems, fertility, stocking rates and stocking density.

By sharing their individual observations and experiences the members of the group will take away ideas that will help them increase the productivity of their pastures.

Consider a pasture walk as one of the activities your organization holds this year.

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Upcoming Events

February 24, 2004	Beef Improvement Ontario Annual Meeting - Toronto
February 24, 2004	Cattlemen's College - Toronto
February 25-26, 2004	Ontario Cattlemen's Association Annual Meeting - Toronto
March 1, 2004	Profitable Pastures, Elmwood
March 3, 2004	Profitable Pastures, Cobden
March 13, 2004	Winchester Beef Day
April 2, 2004	Alvinston Beef Day