



I.D.E.A. Industry Update - August 23, 2002

Good News About Baling Straw

Research conducted by PAMI (Prairie Agricultural Machinery Institute) shows that, on average, when normal practices are followed, only 48 percent of available straw is actually removed from wheat fields by baling, while 52 percent is returned to the land.

PAMI says these values will vary with cutting height, combine type, straw length and other factors. However, some producers may be encouraged to learn that even when it seems that a large amount of straw is being removed from a field, an equal amount remains as a soil amendment.

The research results are particularly relevant this year with so many producers wanting to bale straw for feed and bedding. PAMI's data on the straw to grain ration has been forwarded to PFRA, who are developing maps of straw availability based on this data and wheat yield data. The maps will help potential industrial straw users choose processing plant locations.

PAMI research also shows that during this time of feed shortages, optimizing bale storage is important. PAMI has found that round bales preserve straw quality better than small square bales, and that if the stack is not tarped, up to 40 percent of the straw could be lost due to spoilage.

PAMI says the most effective way to preserve straw is a well maintained tarp over the stack and a layer of straw or other material under the stack.

Feedlots at only 40 Percent of Capacity

The latest CANFAX Alberta/Saskatchewan Cattle-on-Feed report estimated that the number of cattle in feedlots on August 1, 2002 had decreased by 26.5 percent from the year before to 630,000 head. Janet Honey, MAF analyst says that it appears that the industry is using only about 40 percent of potential feedlot capacity.

Fed cattle sales during July were 3.7 percent above the level of a year earlier, partly due to one more market days this year. Feeders are still moving south. Compared to year-earlier levels, the number of feeder cattle exported from Western Canada to the U.S. up to the first week in August 2002 increased by 72 percent to 189,500 head. Feedlot placements in July 2002 were 37.4 percent higher than a year ago, mainly due to a rise of 47.6 percent in yearling placements and a 22.2 percent increase in heavy feeder placements, which still were the majority.

Honey said the CANFAX report shows that although relatively small, the number of calves going into feedlots was 3.1 times that in July 2001. "There continue to be more calves going into feedlots because many of the more mature or poorer quality cow-calf pairs sold by drought-affected operations are being split, with cows being sold for slaughter," she added.

For the first seven months of this year, Alberta cow slaughter increased by 21,800 head or 18 percent.

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In 2001, the Alberta cow kill was about 10 percent of total cows on farms. So the additional cow slaughter so far this year could be caused by a reduction of one percent in the breeding herd.

Further reduction of the breeding herd is likely to occur into the fall when drought-affected cattle producers assess the winter-feed situation. Alberta producers have shipped some cows to areas of Manitoba, where pasture and hay are in good supply. The tame hay area in Manitoba has been rising faster than the beef cowherd.

Pre-Harvest Claims Soar at Sask Crop Insurance

More than 22,000 pre-harvest claims have been filed at Saskatchewan Crop Insurance offices across the province. Last year's drought resulted in only 9400 pre-harvest claims.

These claims involve crops that won't be combined.

The offices with the most pre-harvest claims include: Tisdale - 1248, Prince Albert - 2287, Rosetown - 3659, Kindersley - 2204, Saskatoon - 3003, North Battleford - 3362, Turtleford - 2697.

By comparison, fewer than 150 pre-harvest claims have been filed at offices such as Regina, Estevan, Weyburn, Moosomin and Yorkton.

Saskatchewan Crop Insurance is estimating a total payout this year of \$750 million.

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We have recently (check all that apply):

- Added or Built New facilities
- Added a New Product Line
- Expanded
- Changed Locations/Moved
- Added a New Service
- Added Another Office
- Other: _____

Describe the change, including when it happened:

Please fill in your contact information:

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