

**Market Price Discovery for Forages in Saskatchewan**

As of July 12, 2010



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## **1) Forward**

Price discovery in the forage industry is a difficult task due to the lack of a central marketing entity. Forages are generally sold on a person to person basis often negotiated at the farm gate. Therefore the information provided in this report was compiled through a wide range of contacts and sources from within the industry to best endeavor to depict the current market situation.

July is traditionally a slow point in the forage market as most producers are focused on the current year's crop during this time. July of 2010 has been full of anticipation as many producers wait for drier weather to start haying. A very wet spring has resulted in expectations of above average hay yields, however, the quality and actuality of these yields will not be confirmed until the hay crop is put up dry. Many producers have not started haying yet or are just starting. The late start is a result of wet conditions that have continued from the spring. There are many inclinations that forage prices will be relatively low this year due to the higher hay yields expected. However, there is very little movement of hay currently, and this can most likely be attributed to the industry waiting to see what actual yields are being put up and the quality of those yields. Movement very likely will remain slow throughout July and into August until the industry has a more definite measure of market variables.

Most of the pricing for baled forage reported within this report is for 2009 crop moved between the previous price survey conducted in January 2010 and July 2010. While most are suggesting that 2010 crop will likely be priced lower, this report gives a starting point for buyers and sellers looking to price 2010 forages.

## **2) Regional Forage Production Trends for 2010**

Across much of Saskatchewan early this spring, temperatures were cool and as a result many farmers and ranchers were feeding livestock longer than normal, depleting winter feed stocks considerably. However, moisture conditions improved considerably and were above average and record moisture levels were seen in many areas later in the spring. Saskatchewan producers are expecting above average forage yields due to the excess moisture. Haying has been delayed across most of the province due to the continuous wet spring and most areas were either not cutting or just beginning to cut hay at the beginning of July. Much of the hay that is already cut has been rained on, and although yields will be higher, the quality of the hay that will be put up is still unknown as the weather conditions remain very wet. Many producers may be looking at silage and hay preservatives as alternative options of putting up feed in order to maintain the quality under these moist conditions. Although yields are expected to be high this year, there will be fewer acres cut due to flooding in some areas. In general, regional agrologists and contacts listed in the appendix, report that very little or no hay is moving in their areas, as much of the old crop has been depleted and it is unknown where hay prices will settle until the actual yield and quality of forages harvested is known.

The excellent growing conditions noted in Saskatchewan appear to extend much of the way into Alberta covering the majority of the east side of this province, as well as into Manitoba. It is assumed that these widespread conditions will result in higher hay yields, depressed hay prices, and less hay being transported long distances, as most places will be able to source locally.

Most areas of the province are expecting above average hay yields. This is due to the record moisture that the majority of the province has experienced. However, yield loss due to flooding will be a factor for some areas and hay quality could be compromised if wet conditions persist.

Depending on the quality of hay and actual yields put up, greenfeed and crop residue may become important feed sources later in the season. However, actual greenfeed production may be lower due to unseeded acres, late seeding, and flooding. As in most years, the amount of greenfeed will largely depend on the timing of the first frost or other weather detriments experienced by annual crops.

During the past few weeks, many areas have continued to receive precipitation. Regional Agrologists report that moisture has improved pasture conditions and replenished water supplies. However, warm dry weather is needed all over the province in order for haying to progress. In areas of the province where haying has begun, producers are dealing with long curing times and rained on hay.

### **3) Field Pest Impact and Reports for 2010**

The Saskatchewan Ministry of Agriculture Crop Report for July 8, 2010 reports that gophers are causing damage in the west central, east central, and south west parts of the province. Gophers (Richardson Ground Squirrels) continue to be a problem for perennial crops in the south west, but areas are more localized in the central portions of the province.

No significant grasshopper damage has been reported on hay and pastures in Saskatchewan during the 2010 growing season. The Regional Forage Specialist in Swift Current noted that the cool wet conditions seem to have limited the population growth of the grasshoppers. Crop reports are not reporting any damage from grasshoppers in annual crops. The 2010 Saskatchewan Ministry of Agriculture grasshopper forecast predicted that across much of the province, grasshoppers would not be a problem especially following the cool spring. The grasshopper forecast predicted that few localized areas in the south and north west portions of the province may have more significant grasshopper populations.

There have been sporadic reports of alfalfa weevil coming in to Saskatchewan Ministry of Agriculture (SMA) regional offices over the past few weeks. Alfalfa weevil has traditionally been a problem only in the south east region of the province, but there was concern that they may be moving north and west. Last year, weevils were reported as far north as Foam Lake and as far west as Assiniboia. Lorne Klein, SMA Forage Specialist in Weyburn, was in contact with concerned producers in the Indian Head, Grenfell and Montmartre areas in 2009. He reported that areas where weevils were seen in 2008 seemed to have had them again in 2009. However, due to the cold wet conditions of this 2010 spring, the weevil population has remained small and moved very little. The above average forage production has also made it difficult to notice any damage that weevils may be doing to alfalfa stands.

Regional Forage Specialists are currently conducting alfalfa weevil sweeps around the province. Preliminary results of the sweeps are revealing that alfalfa weevils are present

in very small numbers in most areas. They are also confirming that the weevil population did not move far from the south east region. Glenn Barclay, SMA Forage Specialist in North Battleford, contributes the low weevil population to the cool wet spring.

#### **4) Current Saskatchewan Transportation Costs**

At the time of this survey, the transportation industry in Saskatchewan indicated that rates for hay and feed transportation have been leveling off due to the reduction in fuel costs. Throughout Saskatchewan current rates are anywhere in the range of \$5.00-\$6.00/loaded mile for hauling hay. Short hauls of less than 70 miles are reported at \$100-150.00/hour. These rates are essentially the same as seen in the January 2010 survey.

Trucking companies have not been moving much hay at this point in the year and expect to see things pick up later in July and into August. Producers again note the significant cost of moving hay therefore generally limit their purchases to an area within 70 miles of their yards. Sourcing local hay in areas where hay yields are well above average could be easy this year, however premium quality may not be as accessible. Also there is very little concern in the industry that hay will be moving into Alberta because above average hay yields are being experienced there as well. It appears that there will not be a lot of competition for hay this year however, compromised quality could result in competitive conditions for premium quality hay.

**Table 1. Transportation Costs for Forages in Saskatchewan**

<b>Location</b>	<b>Rate in \$/loaded mile (long hauls)</b>	<b>Rate in \$/hr (short hauls)</b>
South West	6.00	105.00
North East	5.25	100.00
Central	5.25	
South East	5.00	
Southern	5.75	
South East	6.00	150.00
Central	5.00	
South West	5.00	
<b>Average</b>	<b>5.41</b>	<b>118.00</b>

#### **5) Current Saskatchewan Forage Prices**

In large part, the prices reported are for 2009 crop (forages moved between January 2010 and July 2010). Across most of the province, 2010 crop is just being cut and prices have not yet been set. In most cases, contacts from this survey predict that hay prices will be lower than prices for 2009. The exception to this is prices reported for baled forages, but this might be a result of the wet conditions and concern over hay quality.

**Grass-** Straight grass forage is less predominant than mixed stands of grass and legumes. However, auction marts in Saskatchewan seem to prefer high percentage grass hay (80-90% grass component) for young calves coming through their facilities and are reflected in the values shown in Table 2. The wide range of prices seen in grass hay is largely due to the variability in quality of this commodity. Generally, auction marts try to source high quality grass hay (thus demanding a higher price), while other users (feedlots or cow calf producers) can often utilize the lower quality, lower priced types of this product in their rations.

**Standing Forages-** The July 2010 price scan captured standing forage prices. In general, standing forage can be priced around \$35/T less than baled forage prices as it costs approximately \$35/T to put up hay. However, this year standing forage is priced much lower than baled forage, as much as \$57/T less. This is a result of the wet conditions and the reality that there is no guarantee of the quality when purchasing standing forage, whereas baled forages present the actual quality in a finished product. Again it was noted that many of the producers or organizations selling standing forages are concentrated in the eastern or northern portion of the province.

**Green feed-** Very few greenfeed supplies were found on offer across the province. With high grain and oilseed prices experienced last year, this was not surprising as farmers had the potential to make a much higher return on annual crops that were harvested last year. This resulted in much less greenfeed carry over from 2009. There are no prices for greenfeed for the 2010 crop, as seeding dates were much later due to the extremely wet spring. Millions of unseeded acres around the province due to flooding have, no doubt, contributed to the reduced greenfeed acres. However, some are attempting to still seed greenfeed crops, in hopes that they will be able to be taken off prior to the first frost. Many annual crops that were successfully seeded were delayed due to the cool spring and the extremely wet spring has resulted in flooding damage. If annual crops are unable to mature before the first frost, or if growth is poor due to weeds and disease, they will become potential sources to help offset the lack of greenfeed production.

**Clover-** Clover is a low demand and low supply forage crop in the province. No prices were found within the province for this forage. There is limited to no purchasing by feedlots of this commodity.

**Dehy Alfalfa-** The high prices in the grain and oilseed sector have prompted some producers to take acres out of forage crops to allow for annual crop seeding. The reduction in forage acreage has made it more difficult for some processors to procure acres. Also rising energy costs are having a negative effect on this industry throughout Canada. The reduction in cow herd numbers in both Canada and the US has also had a negative effect on this industry, but demand has remained strong in the UK and Asia.

Dehy processors in Saskatchewan generally purchase either standing alfalfa or suncured (baled) alfalfa or possibly both. Processors are indicating that prices for 2010 will be down slightly from prices in 2009.

**Table 2. Saskatchewan Forage Prices as of July 12, 2010**

Forage Type	Condition	Asking, Settled or Buying Price	# of Traders	Quantity (Acres or T)	High (\$/T)	Low (\$/T)	Weighted Average (\$/T)
Grass	Standing	Asking	1	160	25	25	25
Grass	Standing	Settled	1	200	25	25	25
Alfalfa	Standing	Asking	2	1150	33	25	30
Alfalfa	Standing	Settled	1	300	25	25	25
Alfalfa/Grass	Standing	Asking	1	400	55	55	55
Alfalfa/Grass	Standing	Settled	3	3,650	25	20	21
<b>Standing Hay Totals/Average</b>			<b>8</b>	<b>5,860 acres</b>	<b>\$55</b>	<b>\$20</b>	<b>\$30**</b>
Grass	Baled	Buying*	8	1,569	154	45	84
Grass	Baled	Asking	1	200	60	60	60
Grass	Baled	Settled	1	400	80	80	80
Alfalfa (1 <sup>st</sup> cut)	Baled	Buying	1	400	50	50	50
Alfalfa (1 <sup>st</sup> cut)	Baled	Asking*	2	177	160	100	117
Alfalfa (1 <sup>st</sup> cut)	Baled	Settled	1	250	100	100	100
Alfalfa (2 <sup>nd</sup> cut)	Baled	Settled*	1	200	120	120	120
Alfalfa/Grass	Baled	Buying*	3	600	120	60	97
Alfalfa/Grass	Baled	Asking	7	1,441	140	30	81
Alfalfa/Grass	Baled	Settled	2	1,085	85	80	84
<b>Baled Hay Totals/Average</b>			<b>27</b>	<b>6,322 T</b>	<b>\$160</b>	<b>\$30</b>	<b>\$87**</b>

Forage Type	Condition	Asking, Settled or Buying Price	# of Traders	Quantity (T)	High (\$/T)	Low (\$/T)	Weighted Average (\$/T)
Greenfeed	Baled	Buying*	2	400	110	66	94
<b>Other Feed Totals/Averages</b>			<b>2</b>	<b>400 T</b>	<b>\$110</b>	<b>\$66</b>	<b>\$94**</b>
Straw	Baled	Buying*	3	1,653	61	36	39
Straw	Baled	Asking	1	245	37	37	37
<b>Baled Straw Totals/Averages</b>			<b>4</b>	<b>1,898 T</b>	<b>\$61</b>	<b>\$36</b>	<b>\$38**</b>

\* indicates price delivered

\*\*simple average

Numbers compiled through use of June and July, 2010 Saskatchewan Ministry of Agriculture Feed and Forage Listing Service, feed listings in the Western Producer from June and July, 2010, personal communication with hay growers, brokers, livestock producers, the major feedlots in Saskatchewan (ranging in capacity of 5,000 to 30,000 head), many of the auction markets in the province, several of the Dehy processors in Saskatchewan and companies with reclaimed or conservation land.



**Export Timothy-** Again there is little activity within the province in the export timothy market. This is most likely due to the fact that the main players in the export timothy market in western Canada are still both situated in Alberta and generally do not purchase timothy from SK due to the high cost of freight from SK to AB. There is one main buyer of timothy in Saskatchewan with two major processors in Alberta. In both provinces, processors anticipate prices to be slightly lower than last year (2009 premium quality timothy crop was about \$200/T). Also in both provinces, yields appear to be above average, but wet conditions are increasing drying times and decreasing quality. Demands remain strong in Japan and worldwide including some new markets in the US and Arab countries. The logistics of having large hay bales transported and delivered into these markets is becoming increasingly problematic, so export of Timothy from Canada continues to decline. However, there are opportunities in North American specialty markets including pet food. The 2010 timothy crop was just beginning to be harvested at the time of this survey. Table 3 shows the expected timothy prices for 2010 crop in Saskatchewan.

**Table 3. Expected Timothy prices for 2010 crop based on quality (SK)**

<b>Timothy Quality Level</b>	<b>Price \$/T</b>
Premium	180
Low Premium	160
Standard	130
Utility	100

Alberta processors do not purchase any timothy from Saskatchewan, as transportation costs limit the purchasing area to Alberta. However Alberta companies were contacted for this report to get a better idea of timothy prices in Western Canada. Table 4 shows the expected prices reported by these companies for the 2010 crop. The expectation was that 2010 prices would be similar to last year or slightly less. The 2010 timothy crop was just starting to come in and companies reported that the irrigated timothy would be above average for yield, and that dryland timothy stands will also have greatly increased yields this year due to the wet conditions in much of Alberta. These Alberta companies export mostly to Asia, however they note that there is continual interest growing in Arab countries.

**Table 4. Expected Timothy prices for 2010 crop based on quality (AB)**

<b>Timothy Quality Level</b>	<b>Price \$/T</b>
Premium	205*
Low Premium	185*
Standard	165*
Utility	125*

\* indicates price delivered

**Silage-** The price for barley silage was determined by speaking to the large feedlots in Saskatchewan. Most reported that prices are determined through formula based on the price of barley silage, therefore can be expected to rise and fall with the price of barley. Taking this in to account, the price for barley silage should be lower from 2009 due to the reduced barley grain prices. Barley last year at this time was approximately

\$3.00/bushel and this year prices are approximately at \$2.70/bushel. However, barley silage prices are very similar to 2009 and it is possible that this is a result of unseeded acres and late seeding of greenfeed in 2010.

The Saskatchewan feedlots surveyed vary in capacity from 5000 to 30000 head. The feedlots surveyed are predicting to price barley silage in the \$38 – 55/T range for 2010.

**Straw-** At the time of this survey, there were very few prices for straw. Most buyers had purchased enough straw last fall to get them through the year. Prices for 2010 crop will be determined in the January 2011 survey.

**Organic Hay-** There did not appear to be any organic hay on the market during this survey. The situation in Saskatchewan seems to indicate a very limited market for organic hay. This is very likely due to the fact that organic livestock producers in Saskatchewan appear to produce organic hay for their own use. There is a large market for organic hay in the USA, however, transportation costs limit the usefulness of this market to the Saskatchewan grower. Considering that last years' organic hay average was \$89/T, it can be assumed that prices this year have the potential of being lower due to above average hay yields; however, quality will still remain a contributing factor.

## **6) Regional Forage Pricing Trends**

**South West:** Switzer Auction Services provides hay auction services across the southwest. They have not sold anything since 2009 and they do not begin sales for 2010 crop until later in the fall. They predict prices will be lower this year due to the above average hay yields, but acknowledge that premium quality could be in demand if wet conditions continue through haying. Producers in the area have noted that there are widespread above average hay yields, which means there is potential for easy access to local hay. Prices are in the \$80-100/T range. Auction marts in the area have reported that cow sales are normal for this time of year, and down from last year, as there is a sense of optimism within the beef industry for better prices this fall and the potential for cheap feed locally. The Regional Agrologist reports that pricing has not yet been developed for 2010 crop as many are waiting to see what hay crops yield. He suggests that the hay yields are there, but that producers need cooperation from the weather to get those yields off dry.

**South East:** There is very little hay moving in this region at this time. Prices are in the \$45-\$100/T range. The Regional Forage Agrologist expects hay yields to be above average, which should increase supplies and decrease prices. However, some heavy rains in the last few weeks have caused some flooding damage to hay stands and wet conditions could compromise quality.

**East Central/North East:** The Regional Agrologists in this area note that there is very little hay moving in the area. It has been extremely wet in the Yorkton area, and there are many unseeded acres and some flooded hay stands because of the wet conditions. It is expected that yields will be above average in this area. Prices in this region ranged from \$30-100/T. Due to the exceptional growth of the 2010 crop, prices for this year should be below the long term average of \$50-60/T in this region. However, like everywhere else, this is pending that the crop is able to be taken off and that quality is not compromised by the wet conditions.

West Central/North West: This region has been wet for much of the spring and early summer. Regional Agrolgists are reporting that hay yields are well above average and estimate that yields should be 40% above normal. Pastures have received excellent moisture and there is lots of grass for grazing. The high yields are expected to have a significant impact on hay prices for 2010 crop, causing a downward trend in prices. To date there has been very limited cutting in this region due to fear of it getting rained on. As the hay crop is maturing, quality is declining. However, if cut hay is rained on several times, the quality can be compromised to a much greater extent. Prices are in the \$70-140/T range.

Regional Forage Pricing Trends Summary: The prices represented for each region have been affected by an unforeseen market factor. Many of the unusually high prices over \$100/T are a result of pessimism and fear that, although there is a lot of hay crop standing, the quality will be compromised due to the wet conditions. The lower ranges of prices under \$80/T seem to reflect the market situation more clearly. There is great potential for the forage market being flooded with excess supply of hay this year. However, the wet conditions continue throughout much of the province and hay quality could be compromised. The reality is that there is potential for the market to be extremely variable. If the hay is taken off, and quality and actual yield are there, prices will inevitably be relatively low. If the hay that is taken off is of poor quality, good quality hay may demand a premium that is comparable to last year. Also, there is potential for the latter scenario to be offset by greenfeed if it is of good quality.

## **7) Adjoining Jurisdictions Forage Price Trends**

Due to the high cost of transportation, supply and demand for forages in adjoining provinces and states has had a lesser effect on the Saskatchewan forage market. Occasionally, demand from the northern US states dictates the forage prices in Southern Saskatchewan. This effect is similar in the eastern and western areas of the province when demand is high in Manitoba and/or Alberta. The widespread excess moisture situation that the prairies are experiencing will result in even more hay available and remaining within its' local market. In most cases, livestock hay is rarely transported more than 110 -160 kilometers anyway.

In general it appears that there is little hay moving in the US as few listings were found in the northern portion of North Dakota, and few listings were found in northern Montana. Prices found in the adjoining provinces and states were similar to those reported in Saskatchewan, however movement of hay appears slow in Manitoba as few listings were found. The higher prices in Alberta tended to be for irrigated alfalfa or alfalfa/timothy grass mixtures of premium quality or small squares of premium quality for horse hay. The higher prices in North Dakota tended to be for organic hay.

**Table 5. Forage Prices in Adjoining Jurisdictions\***

Forage Type	Alberta Gov't listing service (asking \$/T)	Manitoba Gov't listing service (asking \$/T)	Montana State listing service (asking \$/T)	North Dakota State listing service (asking \$/T)
Alfalfa	65.00-160.00 (7 offers)	-	100.00 (1 offer)	100.00-150.00 (2 offers)
Alfalfa/grass	60.00-200.00 (3 offers)	55.00-66.00 (2 offers)	60.00-100.00 (3 offers)	65.00 (1 offer)
Grass	85.00-130.00 (2 offers)	47.00 (1 offer)	-	55.00 (1 offer)
Straw	22.00-50.00 (4 offers)	-	31.00 (1 offer)	-
Clover	-	-	-	-

\*Listings were taken from Alberta, Manitoba, Montana and North Dakota state listings as of July 12, 2010. All prices converted to Canadian \$/metric T.

The USDA weekly hay reports monitor the settled price of hay across auction houses in individual states. For the week ending July 9, 2010, prices were as follows (converted to CDN\$/T unless otherwise stated):

Montana- Hay prices steady on old crop inventory. Trade activity and demand on new crop offerings mostly light with light to moderate buyers' inquiry. New crop hay season is in full swing with producers actively cutting and baling. Yields in bales per acre have been average to mostly better than average in majority of the coverage areas. New crop prices have not been fully established at this time however producers are looking for steady prices with last year.

Alfalfa: good to premium \$160.00-180.00/T small squares, \$100.00/T round bales.  
Alfalfa/grass mix: good to premium \$140.00-170.00/T small squares, \$80/T round bales.  
Timothy grass: good to premium \$150.00-180.00/T small squares.

South Dakota- Hay prices are mostly steady. Some first cutting production is underway. A lot of hay damage was reported due to wet conditions in May and early June. Drier weather this past week is helping production. Supplies remain good as it appears there will be some carry over this spring.

Alfalfa: large squares; premium \$108.00/T, good \$75.00-80.00/T, utility \$65.00-70.00/T, loaded \$90.00-110.00/T, large rounds; good \$80/T utility \$60.00-65.00/T  
Grass: small squares premium \$4.00/bale (US\$)

Overall the USDA indicates that supply and demand are good for forages across the northern states. They do not indicate a large pull of forages from Canada.

## **8) Forage Seed Retail Prices**

Table 6 contains an inventory of commonly purchased forage seed prices compiled by surveying the retail companies. Three classes of forages are presented: grass, legume and native species. All prices are for certified #1 seed unless otherwise stated.

Prices for native seeds varied significantly. Seed companies commented that pricing for native seeds is often done on a case by case basis due to the limited availability of many of these types of seeds.

**Table 6 Forage Seed Prices in Saskatchewan for 2010**

<b>Class</b>	<b>Species</b>	<b>Average Price \$/lb</b>	<b>High \$/lb</b>	<b>Low \$/lb</b>
<b>Grasses</b>	Smooth brome	<b>2.23</b>	2.67	2.05
	Smooth brome (common)	<b>2.01</b>	2.08	1.99
	Fleet Meadow brome	<b>2.99</b>	2.99	2.99
	Meadow brome (common)	<b>2.89</b>	2.89	2.89
	Russian Wildrye	<b>4.87</b>	4.99	4.49
	Tall Fescue	<b>2.53</b>	2.69	2.29
	Fairway Crested wheatgrass	<b>2.84</b>	2.89	2.79
	Kirk Crested wheatgrass	<b>2.62</b>	2.69	2.59
	Crested wheatgrass (common)	<b>2.49</b>	2.49	2.49
<b>Legumes</b>	Alfalfa hay type	<b>3.93</b>	4.29	3.69
	Alfalfa creeping root	<b>3.58</b>	3.75	3.29
	Alfalfa common	<b>2.97</b>	3.69	2.59
	Cicer milk vetch	<b>3.89</b>	3.90	3.86
	Sainfoin	<b>2.90</b>	2.99	2.83
	Alsike Clover	<b>1.73</b>	1.79	1.69
	Sweet Clover	<b>2.11</b>	2.19	1.99
	Sweet Clover (common)	<b>1.51</b>	1.65	1.32
<b>Native</b>	Western Wheatgrass	<b>5.09</b>	6.66	3.75
	Northern Wheatgrass	<b>7.88</b>	11.95	5.00
	Slender Wheatgrass	<b>2.38</b>	4.50	1.63
	Green Needlegrass	<b>5.21</b>	5.50	4.60
	June Grass	<b>28.88</b>	38.70	22.00
	Canada Wildrye	<b>9.29</b>	12.30	7.00
	Purple prairie clover	<b>29.66</b>	38.68	21.59

## **9) Saskatchewan Pasture Prices**

Information regarding pasture rental or grazing rates has been included as part of the July 2010 Forage Market Survey conducted by the Saskatchewan Forage Council.

There appears to be a marked difference between pasture rental prices for Provincial or Crown land versus those seen on private land. It has long been recognized that rates on

Provincial or Federally owned land is subsidized as part of the pasture programs employed by these two levels of governments.

In this survey, the Saskatchewan Ministry of Agriculture, the AAFC-Agricultural Environmental Services Branch (AESB) (formerly PFRA) and the Saskatchewan Watershed Authority were all contacted regarding grazing rates for 2010.

Rates for grazing land owned or managed by these agencies ranged from \$0.38-0.40/per cow/day. Normally in these agency owned pastures, the owner of the cattle is provided with fence, water, and animal management. Agencies reported that on top of the per day charge, there is also a calf fee of \$18-22/calf per season, a breeding or bull fee, mineral fee, and a land tax fee. Drug costs are charged to the owner of the cattle as well. However, in most cases, even after all of these fees have been added in to the grazing cost, the rate per cow/calf pair is still well below rates seen on private land.

Pasture listings in the Western Producer for June and July, the Saskatchewan Feed Grain and Forage Listing in June and July, as well as personal contacts were used to find prices for private land. A limited amount of information on private land grazing rates was discovered during this survey. This is likely due to the nature of this business where most arrangements are made person to person. Grazing rates for private land ranged from \$0.90-1.15/pair per day and \$0.70-0.75/yearling per day. The rates for cow/calf pairs range widely partially due to the difference in services that would be provided on private land. Some rates include animal management, while others do not. An average of \$0.70/pair per day could be considered reasonable for situations where the landowner is simply renting out fenced pastureland and is not responsible for animal management. Animal management in these cases is the responsibility of the animal owner. The higher prices for private land grazing (\$1.10-1.25/pair per day) would likely be associated with situations where the landowner is providing some animal management or water management for the pasture being rented.