



## GRASSROOTS NEWS & VIEWS

# SEPTEMBER 2019

### DIRECTOR'S NOTE—STEVE YULE

*Howdy Folks!*

One thing about our agriculture industry, it is never without challenges but, our diligence in messages of the truth and positivity will make a difference in the end to consumers. Whether obstacles are politically driven, market fluctuations or the widely varied weather patterns across the province, it is time to have a plan.

Since controlling markets and weather is out of our hands, we strive to make a plan as best we can to accommodate the “what if’s”. This plan is tweaked and revived throughout the year as the end goal seems to be a moving target we are shooting for. We started in the spring with a drought through calving in May and it was relentless into the first week of July. We moved cattle rapidly throughout fields as grazing would allow, and any swath grazing cocktails planted relied heavily on pivots to germinate and get a start to the growing season. Early July, the spotty rains brought relief. At the home place we were able to maneuver cows between dryland and irrigated pasture while keeping a much closer eye on our management program to ensure we have enough carryover to go into winter and into next spring.

The next part of the plan started in June for winter feeding programs. The decision for us is always complex. First, we ask a few questions such as; how many head are we going to feed throughout the winter months and for how long? Are we going to keep our calves into the spring? What quality of feed are we going to grow that produces while remaining cost effective? Thankfully, being an active member of the Foothills Forage and Grazing Association, my eyes have been opened to how the positive effects of good grazing management can impact all these decisions. Between grazing corn, cocktail mixes, greenfeed, hay and straw we have a plan that seems to work and give some flexibility to the marketing decisions.

We have made a couple changes to the locations for corn grazing which made cattle movement logistics a lot smoother

and less labor intensive. Less equipment use and labor are always part of the goal at our place. With the high cost and shortage of feed, testing feed quality and coming up with the right balances of nutrition is going to become real important again this year. Our goal is to have time to enjoy our family, friends and this rural lifestyle we have grown up with. We chase our kids from rink to rink all hockey season, and cattle shows all summer. Having a plan in the business allows us to be able to enjoy all of what we consider the best things in life....family and friends.

Our area is very fortunate to have the FFGA to lead the way with regard to soil and forage development. The single largest information environment conference is coming up in Edmonton this December 10-12. Join us at the Western Canada Conference on Soil Health and Grazing!

*Steve Yule*



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# Sustainability starts in the microbiome



**Part 1: Cows and climate change**  
When Canada's beef industry says its priority objective is to be sustainable, what does that mean, specifically?

The answer isn't a simple as you might think. A comprehensive definition should include animal health, eating quality, the impact of production on the environment and the ecosystem services returned to Canadians, stewardship of the land, and the circular economy that includes the ability of cattle to use byproducts as feed and the production of energy from manure.

"The short answer," says Tim McAllister, Principal Research Scientist for Agriculture and Agri-Food Canada in Lethbridge, Alberta, "is that we have to take a systems approach to sustainability."

McAllister's research focuses on cow microbiology, nutrition and biology, and how their influence on sustainability depends on their interaction

with the rest of the cow. This isn't simple, either. Interaction could refer to the microbiome of the respiratory tract and the cow's likelihood of developing pneumonia that needs treatment with antibiotics. Or it could be the microbiome of the digestive tract and the cow's resulting feed efficiency and methane production, the likelihood of digestive disturbances, or the influence the microbiome has on establishing human pathogens within the cow's digestive tract, which can even influence the amount of methane produced from biodigested manure.

McAllister is collaborating with Gentec researcher Leluo Guan on the two-way communication between these microbiomes and the cow.

"The microbiome is heavily controlled by the immune system and the metabolic end products that the microbes produce. Since proteins and vitamins play a key role in immune re-

sponse, we're looking at the nutritional elements of the cow's diet, especially since, in feedlots, cows are fed byproduct feed, such as distillers' grains, that would be a liability to the ethanol industry without a market for them as feed."

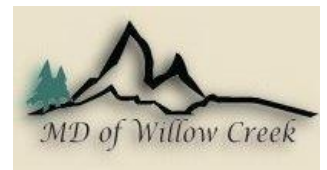
The microbiome allows cattle to ferment forages, which results in methane as a byproduct. McAllister points out that the origin of this methane is different than that of methane that is used to heat our homes. Carbon in cow methane comes from the forages it has just eaten, and it has just been captured by the plant through photosynthesis. In most cases, this carbon was carbon dioxide in the atmosphere less than a year before capture.

"So carbon in methane from cattle originates from short-term carbon in the atmosphere as CO<sub>2</sub>, the season before the animal grazed the plant" he says. "That's very different from the carbon from fossil fuels. That methane was deposited and stored millions of years ago. Most of it is ancient carbon."

McAllister points out that cattle and other ruminants were producing methane long before the Industrial Revolution without any significant consequence for climate change. There were 30-60 million buffalo roaming North America's Great Plains—all far less efficient as they consumed only forages, unlike the forage/grain system used

*(Continued on page 7)*

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# Understanding and Using Basis Levels in Cattle Markets

## What is Basis?

Basis is the difference between a cash price and a futures price. Often a basis quote refers to the "spot" basis, which is the difference between the current cash price for slaughter or feeder cattle and the "nearby" futures price. For Canadian producers, the spot basis means the difference between the Canadian cash market and a US futures price, since the only futures market in North America that trades cattle futures contracts is the Chicago Mercantile Exchange (CME) located in Chicago, Illinois.

A futures contract price reflects what traders think today that cattle will be worth at a specific future time, and the cash market reflects the actual selling price of a physical commodity. As time passes, the cash price and futures price typically converge or come together. The difference between the two markets is the basis. The basis will usually change over time as the nearby futures month gets closer to the present time. The changing basis level can provide opportunities for pricing cattle.

## How to Calculate Basis

Since futures contracts are traded in US dollars and based on US grades of cattle, futures prices must be converted to a Canadian dollar equivalent. Once this conversion is done, a simple subtraction from the local cash market price will give a basis for that class of animal. This basis will show the difference between today's cash price and what the futures market believes, today, that cattle will trade for at a point in the future.

### Calculating today's spot basis

Today is June 4<sup>th</sup> and a feedlot has a pen of finished steers. The packer buyer has bid C\$ 148/cwt for the animals. The feedlot operator needs to know what basis the buyer is offering in his bid. The cattle owner calculates the basis this way:

First, the feedlot operator must figure out which is the nearby futures month for CME Live Cattle (slaughter cattle) futures. Since today is June 4<sup>th</sup>, the futures month that is closest to June 4<sup>th</sup> is August.

$$\text{Basis} = \text{Cash cattle price} - \left( \frac{\text{August live cattle futures}}{\text{Exchange rate}} \right)$$

$$\text{Basis} = \text{C\$148} - \left( \frac{\text{US\$149.83}}{\text{US\$0.9122/C\$}} \right) = \text{C\$148} - \text{C\$152.9} = \text{C\$} - 4.9$$

Or,  $\text{Basis} = \text{C\$} 4.9/\text{cwt}$  under futures

The basis being offered for this pen of cattle is -C\$ 4.9Cdn or C\$ 4.9 under the August Live Cattle futures price. It is expressed in Canadian dollars. The feedlot operator knows a more normal basis (average basis for last 5 years) for steers during June is about -C\$ 5.8 or C\$ 5.8 un-

der August futures. A better or stronger basis is one that gives a higher cash price providing that futures don't change in the meantime. Since the basis is stronger than the average basis, the cattle seller would accept the offer of packer buyer.

## Calculating the Forward Basis

Today is June 4<sup>th</sup>. There is a pen of 950 lb. steers being fed for sale to slaughter weight. The feedlot buyer expects the animals to be finished in mid October. A packer buyer is offering a flat price or forward contract of C\$140/cwt. for the steers delivered to the plant during the third week of October. The price applies providing the cattle meet the specifications stated in the contract when they are delivered. The feedlot buyer wants to know what basis is built into that flat-price or forward price contract.

### Step 1: Choose the futures delivery month closest to, or just past, when the cattle will be sold.

If cattle are targeted to finish in January, use the February Live Cattle futures in the basis calculation. If cattle are targeted to finish in July, use August futures. Never choose a contract that will expire, or stop trading, before your cattle are ready to sell. Live Cattle futures contracts for slaughter-weight animals trade for the months of February, April, June, August, October, and December.

Remember, this pen of steers is expected to weigh 1,415 lb. in the mid of October. The closest Live Cattle futures contract after October would be the December futures contract. Suppose the December contract is trading today at US\$149.83/cwt. Remember, this futures quote is today's estimate of what US fed steers will be selling for in December, four months and a week into the future. Of course, that doesn't mean that December futures will actually be trading for US\$149.83/cwt. in December. It just means the market thinks that, today, December futures will be trading for US\$149.83/cwt.

### Step 2: Convert the futures price into Canadian dollars so it can be compared to an Alberta direct-to-packer A-grade fed steer price.

Exchange rate futures are the best tool to estimate the applicable US/Canadian dollar exchange rate expected in December. Quotations for Canadian dollar futures, available on Internet web sites or some daily newspapers, are suitable for this purpose. In this example, the closest Canadian dollar futures contract is December. It closed at US\$ 0.9122. The December Live Cattle futures price of US\$149.83/cwt converted to Canadian funds is:

$$\frac{\text{US\$149.83}}{\text{US\$0.9122/C\$}} = \text{C\$164.25/cwt}$$

Remember, the packer buyer is offering a flat price contract, sometimes called forward price contract, for the pen of steers. He is offering C\$ 140/cwt. for the steers delivered to the plant at the end of June.

### Step 3: Calculate the basis.

The forward basis that the buyer is offering in his flat price contract is \$24.25 under the October futures. By comparing this basis "bid" to historical basis levels for mid of October, and by assessing market conditions for the cattle being fed, the seller will have more information to decide whether the flat price contract is a good deal. The 5-year average of feeder cattle basis in AB for October is -C\$ 12.8 or 12.8 under. Comparing the average basis with basis from offered forward contract indicates that the seller may shop the market more widely to try to find a better or stronger basis level.

## Calculating Feeder Cattle Basis

The process for calculating either the spot or forward feeder cattle basis is nearly the same as for finished cattle. The one difference is that there are two more feeder cattle futures months traded at the CME than there are live cattle.

CME Feeder Cattle futures contracts represent 50,000 pounds of 650 to 849 pound medium and large-frame feeder steers. They trade for the months of January, March, April, May, August, September, October and November.

Start figuring the basis by selecting the proper CME Feeder Cattle futures contract, described in **Step 1**, above. Remember that CME Feeder Cattle futures trade for different months than CME Live Cattle futures.

Then, convert the Feeder Cattle futures price into Canadian dollars per hundred-weight, as shown in **Step 2**, above.

Finally, subtract the futures price from the local cash market price, as shown in **Step 3**, above.

### Things to remember about feeder cattle basis levels

Local feeder weight classes can be quite different from the weights used for the Feeder futures markets. Care must be taken to compare two similar classes of feeders. Again, CME Feeder Cattle futures contracts are for 650-849 lb. feeder steers.

Prairie feeder cattle markets are sensitive to both local supply and demand of feeders and the local supply and demand conditions of feed grains. (See the module:

(Continued on page 6)



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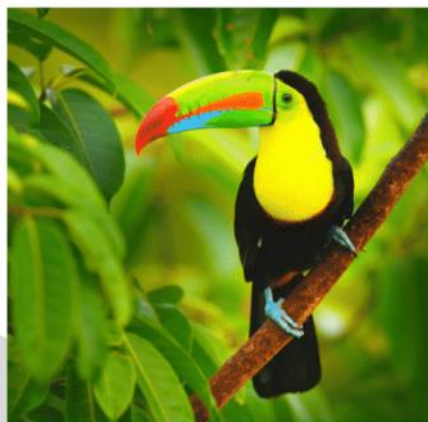
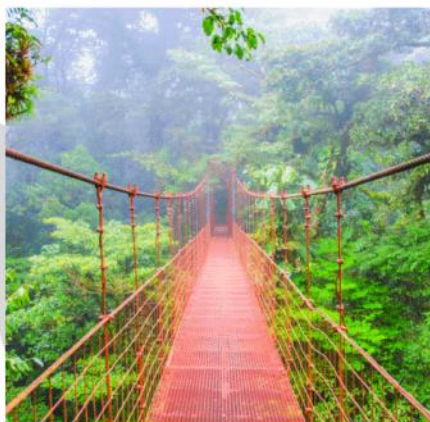
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(Continued from page 4)

Predicting Feeder Cattle Prices). Those two things can and will have significant impacts on Alberta feeder cattle basis levels. Also, the US feeder cattle markets follow their local feeding practices and feed grain prices. There are a number of unique US feeding practices that can impact CME feeder cattle futures but which don't impact Canadian feeder cattle markets. For instance, the use of winter wheat pastures for over-wintering feeders. That practice makes the US market sensitive to pasture conditions all year long. Poor US winter wheat pasture conditions will cause feeders to move into feedlots early and impact both the feeder and live cattle markets.

Using basis as part of a feeder cattle marketing strategy is similar to that for fed cattle. However, when the Canadian feeder basis is considered to be overly weak, there is the choice to hold the animals longer than originally intended, and possibly finish them to slaughter weight. Holding slaughter-ready cattle from the market, waiting for a stronger basis, is only a short-term choice. The risk of overweight discounting increases the longer slaughter cattle are held.

### How to use a basis in cattle marketing decisions

Basis levels should be used as part of a total marketing strategy but not used in isolation. Producers should follow cash markets, futures markets as well as basis levels to take advantage of pricing opportunities. Basis levels do fluctuate over time as conditions change and the market reacts to these changes.

Begin by examining historical basis levels in terms of their fluctuations, seasonality patterns and size of the basis relative to the price of the cattle. This will give a good indication of whether the spot or forward basis levels are **strong** (narrow) or **weak** (wide), and thus signal pricing opportunities.

Historic slaughter and feeder basis charts show the average basis for all cattle at various times of the year. These charts don't show the basis level differences, which can be significant, between different herds. Some cattle will consistently be sold at a basis that is stronger than the average. Other cattle will consistently be sold at a basis that is weaker than the average.

This basis difference between herds or breeds or types of cattle is why it is very important that producers calculate their own basis every time they sell some cattle. This basis information will indicate to the producer the value differences in their cattle from industry averages. The value differences will reflect grade and type discounts or premiums. A producer's own basis information, gathered over time, will provide a

more effective basis history than the industry averages alone.

### How to use basis in cattle marketing strategies

If the forward basis is **strong** (narrow), it signals an opportunity for a forward contract. This could be either done through a basis contract or a flat or forward price contract. In a basis contract, a basis could be locked in and the futures would be priced later. For example, an \$8 under August basis contract, for slaughter cattle to be delivered in August, could be offered by a buyer at any time between January and say, May. The final price of the cattle is determined at a later date by locking in the August Live Cattle or August Feeder Cattle futures at any time before the cattle are delivered.

Similarly, during times of a strong forward basis and high or relatively high futures prices, a producer selling finished cattle, could use a forward or flat price contract. In this situation, a flat price contract locks in the specific futures contract price, the currency exchange rate and a strong basis.

A **weak** (wide) basis it signals an inability of the industry to move product compared to the supply of cattle. Often this happens when locally too many cattle are available for the current or expected demand. Large cattle supplies push cash prices lower and weaken the basis. Often, fed cattle producers choose to hold their cattle during this time, resulting in over-finished animals facing weight discounts. A good strategy is to market cattle on time, before they are over-finished, and possibly gain a premium for delivering a well-finished animal in a market filled with over finished animals. In this situation, the actual basis will be stronger for the producer selling animals that are not being discounted.

Also, a weak basis level in the fed cattle market can be a signal to buy feeder cattle. Since feeder cattle prices are influenced by the slaughter cattle market, the weak fed cattle basis will often translate into lower feeder cattle prices, possibly making the feeders a good buy. (See the module *Predicting Feeder Cattle Prices*).

A weak basis may also be a good time to hedge cattle using the futures market. This would be appropriate if the producer wants to lock in a forward price at a time when forward basis levels are weak. Futures markets often turn lower when there is a prolonged weak basis. Therefore, careful analysis of over-all basis levels and price expectations should be undertaken.

### Basis Risk in Livestock Markets

In grain markets, basis risk is usually less than futures price risk. That is, basis changes are usually less than changes in the futures price. This means

that acting on pricing opportunities based on a basis level is usually a sound risk management strategy for grain producers.

However, in Canadian livestock markets the basis risk is NOT always less than the futures price risk. This is because livestock markets deal with a non-storable commodity. As slaughter cattle reach market weights, they must be sold or suffer discounts. This will push the cash market lower, and weaken the basis. The cost of gain for Canadian feeder cattle can be different than the cost of gain in the US. Higher cost of gain in Canada can push Canadian feeder cattle prices down without affecting US feeder cattle futures. That situation would usually weaken Canadian feeder cattle basis levels.

### Reading Historic Basis Charts

The chart above, titled, Alberta Slaughter Cattle (Steer) Basis Levels was prepared in August, 2014. It shows historic and current basis levels for Alberta slaughter steers. The solid yellow line shows the weekly average slaughter steer basis for the five-year period from January 2009 through December 2013. The shaded area shows the best and worst basis during the same 2009 through 2013 period but leaving out the extremely strong or weak levels.

The light green line with orange circles shows the average weekly 2012 basis. The blue line with blue diamond shows 2013 basis levels while the black line with black squares shows average 2014 slaughter steer basis. It is useful to compare 2014 basis levels with 2012 and 2013 and to the 2009-13 average and the period's strongest and weakest levels.

Notice that there is a seasonal pattern to slaughter steer basis levels and that each individual year may or may not follow that seasonal pattern.

### Conclusion

Basis risk is NOT always less than price risk in livestock markets. Pricing strategies using basis levels are part of a successful marketing approach. However, basis strategies should not be used without understanding the relationships between different market forces. It is important for producers to calculate their own basis levels every time they sell cattle.

*This article is the third resource in the FFGA Newsletter addressing Understanding Cattle Marketing. All articles can be found at <https://www.alberta.ca/understanding-and-using-basis-levels-in-cattle-markets.aspx>*

(Continued from page 2)

to produce cattle today. Therefore, climate change is really a consequence of the release of ancient—not short term—carbon into the atmosphere. While the methane molecules from these two sources are the same, their origin is vastly different.

Another component is the native and tame grasslands that are managed by Canada's cow-calf producers. These lands store vast amounts of carbon that would be released into the atmosphere if they were to be cultivated. Using these lands as pasture preserves the land and its biodiversity, with the added benefit of carbon storage.

“Consumers need to understand the nuances associated with beef production in Canada and the roll beef cows play in nutrient recycling,” says McAllister.

Indeed, one of the major issues of the day is food waste. The world actually produces more than enough food for its population but loses over half through poor storage and distribution before it even reaches consumers. In Canada, 30-50% of some foods can end up in composting facilities or landfills—this is after the fuel, fertilizer and transportation energy has been spent to produce it. Once it enters a landfill, there is a good chance it will produce methane during decomposition.

“If we could line up supply channels, food waste doesn't have to be a net liability,” says McAllister.

“Unlike poultry and pigs, which have defined nutritional requirements and a narrow profile for adjusting it, cows live in an outdoor environment and have to deal with a range of forages and feed types. The rumen microbiome is capable of breaking down many different types of toxins, making cattle the logical end user of food waste streams.”

On that note, we're going to leave you with that cliff-hanger. Next month's article will continue the story on McAllister's vision for cutting food waste.

Article written by and featured on Livestock Gentec's website at <https://livestockgentec.ualberta.ca/2019/09/03/sustainability-starts-in-the-microbiome/>

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# What to consider when choosing alternate cattle feed sources



With a hay shortage looming across much of the Prairies, many cattle producers will need to look further afield for feed.

There are numerous options for alternate feeds, such as salvaging hail-damaged or stressed crops. Nitrate toxicity is a concern if the crop was highly fertilized with nitrogen, but Barry Yaremicio, beef and forage specialist with Alberta Agriculture's Ag-Info Centre, said it can be mixed with other feeds to balance the overall amount of nitrate and make it safe to feed.

Canola is an ideal crop to salvage. "At the full bloom to early pod stage, the plants are roughly equivalent to a high-quality, first-cut alfalfa grass hay," he explained. The energy content is similar at around 64 per cent, with protein levels ranging from 14 to 16 per cent.

Testing for nitrates and sulphur is necessary when feeding salvaged canola, especially if sulphur fertilizer was applied at high levels. "If you get about 0.4 per cent sulphur in the entire diet then you could have potential problems with polio."

Producers can also use byproduct feeds from unexpected sources, including screenings from sunflowers. Cull potatoes are another possible alternate feed. Potatoes have an energy content of 82 per cent total digestible nutrients (TDN), similar to barley grain, and a protein content of nine to 10 per cent. Given their high water content, Yaremicio advises ensiling potatoes in a silage bag on a slight incline to allow water to accumulate at the lower end of the bag. Cutting a small hole in the

bag drains the excess moisture. The ensiling process softens the potatoes, so they won't pose a choking hazard.

You can also feed bakery waste or stale bread, which has an energy content of 88 to 90 per cent, depending on the type of flour used and added sugar.

"Maximum feed-

ing rate on that is roughly six lbs. per head per day to mature cows because of the rapid fermentation of the starches, which could eventually cause bloat, acidosis or grain overload symptoms." The maximum for younger calves is about three lbs. per day.

Contact malting companies about purchasing distillers' grains or barley malt sprouts for feed. Distillers' grains have a protein content of 36 to 44 per cent and an energy content similar to barley grain, making it a good supplement. Watch out for higher trace mineral levels, though.

"Phosphorus especially can be three times higher than what you'd find in barley grain," said Yaremicio. "It's going to be short of magnesium as well, so if you're using distillers' grains, you need to add extra calcium and magnesium to the ration."

Don't forget something as simple as straw and grain. "Pregnant cows only need a minimum of nine per cent protein and 60 per cent TDN in the ration to make it through to calving," he said.

To keep females in good condition at mid to late pregnancy, he recommends feeding around eight to nine lbs. of barley or oats along with free choice straw at about 20 to 25 lbs. per head per day. The general guideline is females will likely not eat more than 1.25 per cent of their body weight in straw per day.

While it may take a few days for cattle to acquire a taste for pea straw, it has two to three per cent higher protein levels than oat, barley or triticale straw, Yaremicio said. On the other hand, he warns against using flax straw, as it is

hard for animals to digest and may contain hydrogen cyanide if the plant was not fully mature and green straw is present. While certain weeds can be fed, it's important to know which weeds are present. Weeds such as sow thistle, lady's thumb, pig weed, lambs quarters, wild sunflower, stink weed and witch grass may have high nitrate levels. This likely isn't a concern if they're found in a low area or a field that hasn't been fertilized, but he said it's something to consider.

There are greater concerns with baling and feeding kochia, given its high oxalate levels. "What oxalate does is it binds with the calcium or prevents the absorption of calcium into the animal, and therefore you could have problems with downer cows, grass tetany or milk fevers," he said. "No more than 20 to 25 per cent of the entire ration on a dry matter basis can be kochia, and also don't be afraid to supplement more calcium than normal."

If you haven't fed any of these products before, Yaremicio suggests contacting your nutritionist, provincial extension specialist or feed mill for advice on how best to use these feed sources.

Yaremicio adds that testing for water and feed quality will provide a better idea what supplementation is required when using alternate feeds. Water quality studies conducted in Saskatchewan in 2017 showed that 40 per cent of the samples received had high sulphate levels, making them unsuitable for livestock consumption.

*Written by Piper Whelan, Field Editor for Canadian Cattlemen. Original article can be found at <https://www.canadiancattlemen.ca/2019/08/02/what-to-consider-when-choosing-alternate-cattle-feed-sources/>*

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# Sustainable beef pilot moving up to the next level

A shot of federal funding for Verified Beef Production Plus will help make the running of the sustainable beef program itself more sustainable — while improving it for participating producers.

The \$602,000 federal grant will help the Canadian Beef Sustainability Acceleration Pilot take a step up and become an ongoing program, said Shannon Argent, business manager for VBP+.

“We’re seeing such an increased demand (for certified sustainable beef) and we don’t want to increase our costs dramatically to provide the resources that we need to,” said Argent.

“So that’s why this funding will enable us to automate some processes to enable us to meet that demand.”

The money will be used to improve the organization’s database to ensure it can converse with a third party.

“There’s nothing like it and we’ve built it from the ground up,” said Argent. “We’re making sure all our infrastructure is in place to be able to deliver what we need to for our sustainable beef initiatives.”

Participants in the pilot must be audited by VBP+ (or a third-party organization called Where Food Comes From) to become certified and show they are meeting the protocols developed by the Canadian Sustainable Beef Roundtable.

The information on who is certified (a group that also includes backgrounders, feedlots, and others) must all be put in a database and the flow of cattle through the system tracked. The database links producers’ information (with their permission) with a third-party chain of custody provider such as the Beef InfoX-change System (BIXS).

“We can communicate the status of producers with the audit cycle so that when they’re saying that the cattle are passing through the chain of custody, we can validate the status of producers and where these cattle are coming from,” said Argent.

The database has been built through investments that the organization has been able to leverage through government grants.

But with about 1,000 cow-calf producers, backgrounders and feedlots participating in the program, that’s a lot

of data to keep track of. This has made automation of some of those processes increasingly critical, she said.

Her organization will also be looking at best management practices for sustainability protocols so they can be incorporated into training to ensure both producers and certification services are getting the best value.

The pilot program began in 2017 when Cargill provided a critical piece of the puzzle — agreeing to process cattle certified under the sustainable beef program separately so the beef could be tracked through its plant and on to customers. The following year, producers enrolled in the pilot began receiving payments — ranging from \$10 to just over \$20 a head.

That sparked more interest in the program, said Argent.

“There’s been an increase in producers that want to be certified on VBP+ to access these programs,” she said.

Since VBP+ is a certification body for the Canadian Roundtable for Sustainable Beef, producers who go through it are automatically certified.

“We’re trying to split the services we provide,” said Argent. “The audit delivery services — that’s how we help producers contribute to the certified sustainable chain. And then our training is another portion of what we do where we can help producers be able to access resources to be able to tell their sustainability story and become certified.”

Producers pay to take the VBP+ program (the cost varies by province) but grants have been key to creating the system, she added.

“We also have to make a self-sustaining program. We’re using these government grants as leverage to make sure we can automate where feasible and lower audits costs.”

To be part of

VBP+, producers take the training and are audited the first year. In the second year, they have a record assessment. The third year is a self-declaration, and they go up for a renewed audit on the fifth year.

“This meets the needs of our end users,” said Argent.

*Article written by Alexis Kienlen, Reporter for Canadian Cattlemen. Original article can be found at <https://www.albertafarmexpress.ca/2019/08/02/sustainable-beef-pilot-moving-up-to-the-next-level/>*



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**Vision:** We envision a global community that respects and values profitable forage production and healthy soils as our legacy for future generations.

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