

Work with Contractors

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“There are three basic rules when dealing with silage and hay contractors,” says Frank Mickan, Pasture and Fodder Conservation Specialist, DEPI, Ellinbank. They are; 1. Communicate 2. Communicate and 3. Communicate. However the common rule often used seems to be “Can you come tomorrow?” There are many other “not so nice” rules engaged!

I hear and see much finger pointing from both sides of the farmer/contractor fence, some justified, but more often not! Much of aggro can be minimised by the various parties talking regularly and agreeing on the same outcomes for the harvest and understanding clearly each other’s expectations!

Find a reliable contractor who knows his trade by communicating with the range of contractors in your area that you think will do a good job. Suss them out via your own network, other farmers who have used the guys of interest, machinery dealers, members or secretaries of the local Fodder Conservation Association, etc. Be aware that poor feedback may occur for even the “good” contractors on some occasions due to that particular source of feedback being the recipient of an unpredicted rainfall or experienced a machinery breakdown during his harvest.

When you pinpoint the right contractor for your job, make contact some months ahead ideally, to build a rapport and to give him a “picture” of what he’s in for on your job. You both should then decide when and how often contact should be made after this to ensure you are both happy with progress.

Before the harvest starts, discuss the charge rate. Does the contractor charge on an area basis, a per tonne basis, an hourly rate, etc.? If charging is on a per bale basis, what size bales are produced and are they heavy or light bales? Compare rates on a fair basis but this may be difficult. A very high rate per hour may actually be a low price per tonne dry matter in the stack due to the contractor’s high capacity equipment. He owns this so that he can get the jobs done quicker but this means your silage will be of higher quality being harvested more quickly, and the risk of rain is substantially reduced.

If you are chasing quality, that is lower yield/ha, is there a slight increase in cost? Table 1 shows the effect of increased quality and reduced losses on milk income for every 100 tonne dry matter (~300 tonne fresh) of silage produced based on a milk price of 25 cents per litre and 8 MJ ME (megajoules of metabolisable energy) being required to produce that one litre. The conversion of silage to milk is effected by many factors such as substitution rate, quality and type of base feeds, etc.

Table 1. Effect of silage quality or reduced losses on the value of additional milk produced from 100 t DM of silage

Loss range	Quality range MJ/kgDM			
	8.50	9.00	9.50	10.00
20.00%	\$0	\$1,250	\$2,500	\$3,750
10.00%	\$2,656	\$4,063	\$5,469	\$6,875

Based on the figures provided, if a target quality of 10 MJ/kg DM and continued losses of 20% are achieved, there is an increase in milk income of \$3750 compared to producing fodder of 8.5 MJ/kg DM with 20% losses. If losses are reduced from 20% to 10%, then the increase in quality from 8.5 to 10 MJ/kg DM reaps an extra \$6875.

There is a potential to increase quality AND reduce losses on many farms and this table may help you do the sums for contractor rates in many situations, such as harvesting earlier at lighter yields. Allowing for extra costing for the use of a tedder or mower conditioner, which a contractor may have but which you do not, will decrease the period of wilting (or curing time for hay) by half to one day and produce higher quality silage.

The contractor will want to “case” the job sometime before he starts to discuss the location of the areas to be harvested, access and distance between these and the storage site, and a range of other issues. Mention the type(s) of pasture or crop to be harvested and likely starting dates. Inform him of the likely areas and timing of these for harvest.

Decide who is supplying what machinery if you own some yourself. Consider that a tandem mower set up may have over a 6 m wide cut compared to your 5 rotor 2.5 m cut, and the contractor’s machine may have a conditioner to boot! Are you really saving money by mowing your own?

Discuss what is to happen if rain occurs through the various stages of your harvest. Remember the contractor will have several farmers in his ear when this happens and is a difficult time for him as well as your self. Owning or share owning a tedder can speed up the rate of wilting after rain, as well as before rain occurs!

Who pays for the damage to the contractor’s equipment caused by the farmer’s forgetfulness or his overlooking of potential problem situations? Do you both agree to a written contract (rarely done) or a verbal contract (difficult to enforce in a bad situation).

Remember, communicate, communicate, communicate!