

Chair's Message

Greg Archibald



I would like to begin by expressing my thanks to the Board and the producer membership for placing your trust in me to take on the position as Dairy Farmers of Nova Scotia's Chair. I have great respect for the role and the level of responsibility, time and energy it requires. These past few years have been trying for all, and the tasks ahead remain daunting. However, we have a solid, united team that is dedicated to moving forward.

2023 Board & Executive

In addition to myself, the DFNS Executive for the coming year includes Vice Chair Tony Versteeg and R.J. Dillman as Third Member. I am proud of the Board's accomplishments over the past year. All directors played an important role and had their voices heard. The Executive, along with current directors Robbie MacGregor, Stephen Nielsen, and Dustin Swinkels, are pleased to welcome new directors Geoff Bishop and Alphonse Vermeulen. It will be our collective knowledge and strengths that move the industry forward.

As new directors join, others have stepped down. I would like to recognize Gerrit Damsteegt and Byron Lamb for their years of dedication and the endless hours they gave to our provincial and national boards. It is an adjustment not seeing their faces at meetings, but their contributions will continue to have impact for years to come. I hope their future endeavors are fulfilling and exciting.

Staff

Key players in DFNS' solid, united team are our staff. Following a recent reconfiguration, this is an area I feel confident in as roles are evolving and being redefined. Their effort and desire to tackle the issues that have hampered us for the last few years is inspiring. I want to particularly acknowledge their amazing job at organizing our 2022 AGM. Planning this type of event is always a challenge, but even more so post-Covid. To offer a hybrid event, allowing for both in-person and online participation is a huge task, but one they made look easy. I think I can speak for all members in saying thank you.

Need for Improved Communication

Stepping into the Chair my biggest concern was determining the right next steps to meet the challenges of the future, which include: processing, fresh sampling, IT, and moving towards

increased Maritime harmonization. All of these files have been ongoing for too long and require definitive plans of action. During our recent AGM, I realized the answer on next steps was right in front of me. Our first step and overriding priority needs to be improving communication and information sharing with our membership.

Frankly, the AGM was a humbling experience. While I fully believe in the direction we are going, I also recognize the need to reflect.

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Share Your Thoughts! DFNS' 2022 Annual General Meeting.

The following survey is applicable to ALL producers, even if you did not attend the AGM.

<https://www.surveymonkey.com/r/2022DFNSAGMFEEDBACK>

As we continue to focus on our commitment to improve communication, **your feedback is essential** to helping us move in the right direction.

DFNS Holiday Hours and Emergency Contacts

All DFNS staff will be on holiday Monday, December 26, Tuesday, December 27 and Monday, January 2. On these dates, if you have an urgent matter that requires immediate attention, please contact one of the following:

Kim Harrison	General Manager	902-890-4493
Alana Croft	Producer Svcs & Assistant GM	902-818-7809
Brett Purdy	Transportation Manager	902-324-2472

Individual staff may take additional time off over the holiday season. Voicemail greetings and email autoreplies will provide instructions on who to contact in their absence.

UPCOMING EVENTS & DEADLINES



Dec 22 - 4:30 pm	Dec Quota Leases
Dec 26, 27, Jan 2	DFNS Staff on Holiday
Jan 13 – 12:00 Noon	Jan Quota Exchange Offers
Jan 25 – 4:30 pm	Jan Quota Leases
Jan 27	Jan Quota Exchange Payments

Chair's Message

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Nova Scotia producers are engaged and driven to have a strong industry, both now and into the future. Improving communication and information sharing from the national level to the provincial board level, and further to the milk committees and grassroots producers is a must. With full and timely information, we can all make better decisions. Those decisions may not always be able to address every situation on every individual farm, but as our AGM proved, with open and honest conversation, relevant background information and clear direction on what is needed, our Board and membership can work through anything.

Increased Support for Milk Committees

At least two rounds of Milk Committee meetings will be scheduled in the coming year, with agendas and information packages provided in advance. Alana Croft, our new Producer Services and Assistant General Manager will work with the Board to prepare content and will also attend all meetings in order to assist directors with information sharing, as well as documenting milk committee feedback. This approach will help keep messages consistent across the province. Meeting dates will be shared with all producers so you can reach out to Milk Committee or Board members pre and post meetings to share your thoughts and opinions. A list of Milk Committee members is included in the "Contacts & Resources" section at the end of this newsletter.

Policy Development

The Board is interested in exploring a model where the Milk Committees bring forward resolutions to our AGM. We will be looking to other provinces, like New Brunswick, for examples on which to build procedures and policies that allow ideas to come forward from the membership in an open but structured format. More details will be shared as we determine what will work best for our province.

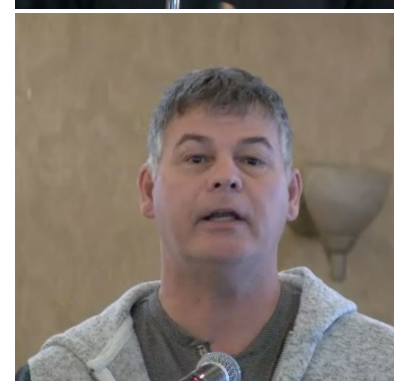
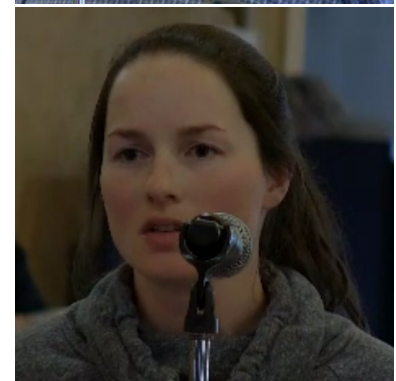
Regarding the proposed quota policy package which was discussed at our AGM, members in attendance demonstrated strong support for the overall plan and intent, but also made it clear that several areas require further clarification and potential adjustments. Early in the new year, a document will be distributed to all members clearly defining the goals of the policy and fully explaining each measure, including the rationale and impact of each towards achieving the stated goals. An outline of the proposed package was shared with Natural Products Marketing Council shortly before the AGM. Once feedback is received from Council, your Board will determine if revisions are required.

In closing, I would like to challenge you - DFNS' membership. Your Board needs and wants to hear from you. We are committed to finding new ways to facilitate better communication, but that only works if you participate. We know everyone is busy, but I strongly encourage you to make the time to reach out in some capacity and discuss the issues or give feedback. This industry gives a lot to all of us, so please take even a few minutes to give back. We will all be stronger for it. I hope everyone sees this as a fair path forward. Please feel free to contact myself or any other board member with questions.

I hope everyone can find some time to enjoy this holiday season, and that family, friends and farms have a safe and prosperous holiday season and start the 2023 year strong.

Snapshots from DFNS' 2022 AGM

Our recent AGM included engaged participation by many of the producers in attendance. On the next few pages, we share just a few of the faces of those who came forward to ask questions and contribute to the discussions.



2022 Annual Meeting Recap

This year marked the return to a more familiar format for DFNS' Annual General Meeting, which was held in-person over the two days of November 29 & 30, in Truro. The option to join online also was available, and this hybrid model proved a great success. Meeting participation was strong. A total of 93 licensed producers were represented over the two days; roughly 75% of those in-person and the balance participating online.

The program included presentations from industry representatives, a market update and the business meeting portion of the agenda where members endorsed the Board's proposed budget for the coming year. Day two included an introduction to the Milk Payment System (MPS) project, featuring a demonstration of the Producer Portal currently under development for DFNS. Both days devoted significant blocks of time to Producer Only discussions. These open format, open mic sessions provided the opportunity for valuable exchanges between the Board and membership on a variety of important issues.

Banquet Highlights

Hon. Greg Morrow, NS Minister of Agriculture, brought remarks to the AGM banquet held on the evening of November 29. The event also featured recognition of retiring director, Byron Lamb and retiring Chair, Gerrit Damsteegt. In addition to thoughts shared by his fellow Board members, Gerrit's colleagues from across the country sent video tributes expressing their appreciation for his work and contributions to the industry over his 15 years as a director, 6 of which were spent as Chair. As a token of appreciation for his dedicated service, DFNS presented Gerrit with a print of the Alex Colville painting, "Moon and Cow".



DFNS Director Greg Archibald presents Gerrit Damsteegt, who is joined by his wife Susan, with a gift in recognition of his many years of service on the DFNS Board.



News Briefs

DDPP 2022-2023

Dairy Direct Payment Program (DDPP) letters for 2022-23 were mailed on Dec. 16, 2022. You can register the moment you receive your letter. The Canadian Dairy Commission (CDC) will start issuing payments at the beginning of January 2023.

SNF RATIO CHANGE – FEB 1, 2023

Given the market decline for SNF and processing capacity limitations, the NS, NB and ON boards have approved a decrease in the max SNF/BF ratio eligible for payment from 2.25 to 2.20, eff. Feb 1, 2023. The SNF/BF market ratio remains unchanged at 2.0. [Read More](#)

FIONA AGRICULTURE DISASTER ASSISTANCE

On November 24, 2022, the Nova Scotia Department of Agriculture opened a one-window financial response to help the industry recover from extraordinary costs caused by Hurricane Fiona. Deadline for applications is Feb. 6, 2023. [Read More](#)

NEW DFNS EXECUTIVE NAMED

On November 30, 2022, the DFNS Board met to elect their Executive for the coming year. [Read More](#)

P5 MESSAGE – QUOTA INCREASE AND 2023 FALL INCENTIVE DAYS

To ensure a stronger production to replenish the low butter stocks outlook for 2023, the P5 Boards have agreed to increase the saleable quota allocated to P5 producers by 2%, on January 1, 2023. In addition, the P5 Boards announce the following conventional incentive days to be issued on a non-cumulative basis for the fall of 2023: 1 day in August, 2 days in each of the months of September and October, and 1 day in November. [Read More](#)

YARDS & LANES – WINTER CONDITIONS

Parts of the province experienced a significant snowfall last week, making our annual reminder on winter maintenance very timely. Producers have a responsibility to ensure their yard is safe and accessible to facilitate milk pickup. In winter conditions, the portion of the driveway and yard that the tanker travels must be cleared of snow whenever necessary. The driveway edges should be clearly marked, and icy surfaces must be salted or sanded, especially on steep inclines.

Helpful Resources

ITEMS TO CONSIDER WHEN BUILDING OR RENOVATING A DAIRY BARN

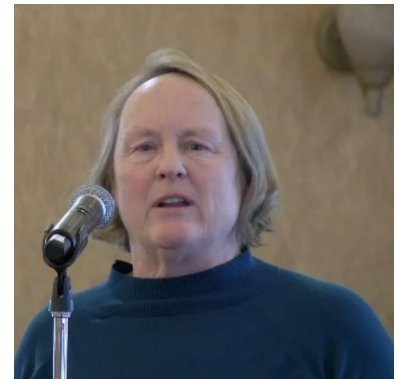
Dairy Farmers of Canada developed a document to assist farmers considering building or renovating barns. It is important to note this is based on current proAction® requirements and the current Code of Practice for the Care and Handling of Dairy Cattle. It does not reflect any changes that may be included in the revised Code expected to be released in 2023. [Read More](#)

ASSESSING LAMENESS FOR TRANSPORT

The Canadian Food Inspection Agency (CFIA) has published an infographic: Assessing lameness for transport. This tool clarifies the decision-making process when assessing lameness before loading animals for transport. [Read More](#)

FARM SAFETY PLAN DEVELOPMENT GUIDE & TEMPLATES

All farms are subject to the Occupational Health and Safety Act and are required to document their commitment to provide a safe and healthy workplace through a Farm Safety Plan. To help guide producers in this process, DFNS has worked with a consultant to develop a set of templates specifically for the dairy industry. All DFNS members who attended the Annual General Meeting received a flash drive containing all the information needed to develop their own personalized Farm Safety Plan. If you are interested in this resource but have not yet received a copy, please contact Alana: acroft@dfns.ca.



Quota Exchange Results - 2022

No quota was offered for sale in January, February, March, May or August. In each of the other months, the small amount of quota offered for sale was used to satisfy a New Entrant.

	# Bids	
JAN	71	1064.79 kgs
FEB	72	1036.81 kgs
MAR	74	1045.23 kgs
APR	75	1063.89 kgs
MAY	72	1065.11 kgs
JUN	69	1057.66 kgs
JUL	68	1038.85 kgs
AUG	57	787.96 kgs
SEP	57	818.40 kgs
OCT	63	932.26 kgs
NOV	79	1165.12 kgs
DEC	69	990.96 kgs

Next Quota Exchange Deadline: January 13, 2023
12:00 Noon

Payment Due Date: January 27, 2023

Quota Leasing Update - 2022

Total amounts of quota leased in the most recent 12 months are as follows:

JAN	807.93 kgs
FEB	900.92 kgs
MAR	761.4 kgs
APR	1016.2 kgs
MAY	776.68 kgs
JUN	834.6 kgs
JUL	1009.06 kgs
AUG	923.4 kgs
SEP	718.37 kgs
OCT	761.48 kgs
NOV	654.6 kgs

To view the lease-in list click here:

<https://www.dfns.ca/quota-hub/lease-in-list/>

To be added to the list, please email your farm name, contact name and phone number to: dfns@dfns.ca

Next Quota Lease Deadline: January 25, 2023
4:30 pm

DFNS Donates to Feed NS



DFNS is proud to join Canadian agriculture groups coming together to fight food insecurity through the Drive Away Hunger program. Feed NS reports our recent donation of \$5,000 allows them to purchase and distribute over 2,300 litres of milk. Learn more: www.driveawayhunger.ca

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MARCH 28 TO 30, 2023

Lab Results

	NOV-22	OCT-22	SEP-22	AUG-22
Average IBC Ind. Bacteria Count	39,501	37,488	45,729	43,494
Average SCC Somatic Cell Count	190,543	194,648	203,265	207,631
Adulteration of Tankers Due to H2O or inhibitors	0	1 (corrected)	0	0

Milk Production and Pricing

Esben Arnfast, Chief Financial Officer

Milk volumes shipped by producers in November increased slightly from 558,000 litres/day in October to 568,000 litres/day. Compared to last November, there has been a 2% increase in volumes whereas the butterfat production increased 3% with a higher average butterfat composition of 4.28 kgs/hl compared to 4.24 a year ago.

The increases in both volumes and butterfat production may be linked to the collective producer response to quota increases, additional production incentives and tweaks to the payments for milk solids non-fat.

Butterfat production for the province has been inching up closer to the daily quota of 24,151 kgs of bf allocated to producers. The rate of change in the provincial under-production credits in days has slowed and the average is now -8.8 days compared to -8.4 days after October. It will be interesting to see how closely the normally high winter production matches up with quota after the 2% increase announced effective Jan 1, 2023.

The NS transportation rate increased in November to \$3.44/hl from \$3.34/hl in October.

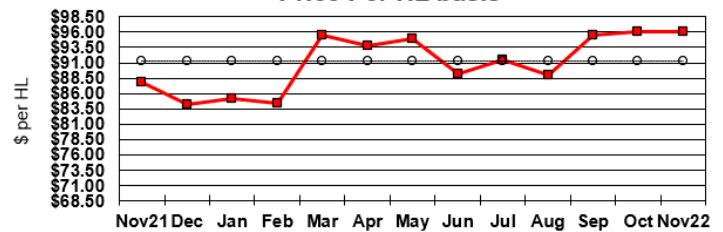
The Nova Scotia average producer raw milk price has stabilized since September and November's price of \$96.11/hl exactly matched October's at least on a volume basis. On a butterfat basis, the November price of \$21.78 per kgbf for average raw milk composition was a slight decline from October which was \$21.94.

Despite the similar end-result, there was some variation in the factors that affect the milk price. The November daily milk value utilized by processors was slightly higher but that was offset by a lower value of raw milk exported to other provinces in November. The pooling adjustment used in October was just under \$842,000 versus approximately \$881,000 for November.

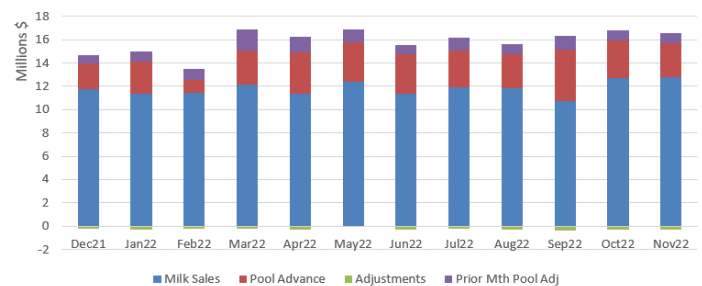
The scatter graph to the right shows each farm's lost milk revenues from the SNF/BF payment policy implemented Aug '21 and adjusted Aug '22. The policy is intended to encourage butterfat production needed for the Canadian market and at the same time, discourage SNF production beyond the current needs of the Canadian market. For the month of November, a total of \$71,363 was held back for SNF production above the minimum market SNF/BF ratio of 2.0 and redistributed to the payment of all NS in-quota SNF components falling under that ratio.

Milk Marketing Report November 2022				
Production	2022	2021		
Avg. Litres/Day	568,118	557,583		
Avg. Kg Butterfat/Day	24,330	23,638		
Avg. Composition, kg/hl				
Butterfat (BF)	4.2826	4.2394		
Protein (Pro)	3.3068	3.3224		
Other Solids (OS)	5.9089	5.8843		
Bulk Haulage (\$/hl)	3.44	2.93		
Producer Prices				
(\$ per kg)	BF	Pro	LOS	Avg/hL
Nov In-Quota, Below Market	13.3017	10.2241	0.9000	96.11
Nov Market SNF Rate (\$/kg)				
SNF/BF = 2.00-2.30	0.0000	3.8549	3.8549	
Nov Over-Quota (Penalty)	-2.7327	-1.9107	-0.3917	-20.00
Dec Over-Quota (Penalty)	-2.7327	-1.9107	-0.3917	-20.00
Total licensed producers:	200			

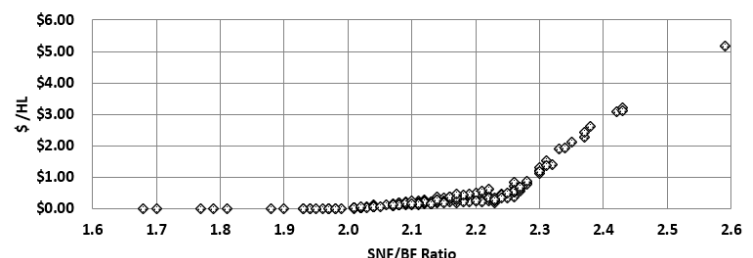
NS Average In-Quota Below Market SNF/BF Producer Price Per HL basis



Raw Milk Price Factors Nov22



Nov 22 Market Price & ZeroPay Dollars Lost (\$/HL) at SNF Ratios





RESOURCES & CONTACTS

DFNS Staff

General Manager	Kimberly Harrison	902-890-4493	kharrison@dfns.ca
Producer Svs & Ass't GM	Alana Croft	902-818-7809	acroft@dfns.ca
Transportation Manager	Brett Purdy	902-324-2472	bpurdy@dfns.ca
Chief Financial Officer	Esben Arnfast	902-986-6103	earnfast@dfns.ca
Finance Officer	Jordan McCue	902-986-5859	jmccue@dfns.ca
Policy Analyst	Emma Eisses	902-305-3662	eeisses@dfns.ca
Operations Coordinator	Stephanie Roe	902-324-0672	sroe@dfns.ca



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DFNS Board

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Stephen Nielsen	snielsen@dfns.ca
Alphonse Vermeulen	avermeulen@dfns.ca

Danielle Dorn Kouwenberg
Appointed by the Minister of Agriculture danielle.dornkouwenberg@novascotia.ca

DFNS Milk Committees

REGION 1

Director Assigned: Tony Versteeg

Arnold Verschuren
Troy van den Hoogen
Robbie Sutherland
William Cox

REGION 4

Director Assigned: Stephen Nielsen

David Cole
Jeff Scothorn
Sandy Cole
Nick Bokma

REGION 2

Director Assigned: Robbie MacGregor

Jason van der Linden
John Oostvogels, Jr.
Allan MacDonald
William Vosman

REGION 5

Director Assigned: Dustin Swinkels

Darren Davidson
David Anderson
Lindsay Greenough
Phillip Vroegh

REGION 3

Director Assigned: Robert J. Dillman

Lauchie MacEachern
Nick van Vulpen
Vincent Kouwenberg
Vacancy

REGION 6

Director Assigned: Geoff Bishop

Brian Smit
James Kinsman
Niels Langelaan
Vacancy

--><---- handy reference for milkhouse wall ----><--

Bulk Milk Transport



DFNS Transportation Manager
Brett Purdy
902-324-2472

Burghardt Transport Ltd.
Darren Burghardt
902-670-5341

Fisher Transport Ltd.
Alison McDonald
902-478-5223