

NEWSLETTER

Vol. 18, No. 9 - April 2018

New proAction Coordinator



Lindy Brown is our new proAction Coordinator for the southern region of Nova Scotia. She replaces Ashley Baskin, who took another position with Dairy Farmers of New Brunswick. Lindy is from Sherbrooke, NS, but has lived in Sussex, NB, for the past eight years. After graduating from the NSAC in 2010, Lindy moved to Sussex to attend the University of New Brunswick, where she graduated with a

Bachelor's Degree in Health Science and worked in this field for four years. While working full time, Lindy enrolled at Crandall University and recently graduated with her Master's Degree in Organization Management. During her academic and professional careers, Lindy and her husband, Scott, bought a farm in Portage Vale, NB. During the past six years, they worked to establish a cowcalf beef herd of purebred Salers. Recently, they were accepted into the NB New Entrant Program, and look forward to starting their dairy operation in the fall of 2018. Welcome Lindy, and thank you Ashley!

New Member of Council

Jim Burrows was recently appointed to the Natural Products Marketing Council for a three year term. Jim holds a Bachelor of Arts Degree from Mount Allison University, and in 1980 he and his brother split the home farm and Jim started what is today Clover Crest Farm Limited, a dairy farm in Colchester County. Currently, he and his wife Leslie are transitioning the farm's ownership to their son and a farm employee.

Throughout his career, Jim held leadership positions in many community and farm organizations and cooperatives at the local, provincial, regional, and national levels. Jim's broad industry experience will serve Council well. He joins Chair, Ian Blenkharn, and members Carol Versteeg, Ann Landers, Lorenda Ebbett, and Laurie Hennigar on Council. Welcome Jim!

UPCOMING EVENTS & DEADLINES:

May 11, 2018	Quota Exchange Deadline
May 25, 2018	Quota Lease Deadline
August 1-2, 2018	Policy Session—Hampton Inn

Spring Regional Meetings

Just over one hundred farms participated in our Spring Regional Meetings and heard updates on Trade, Healthy Eating Strategy, proAction, and Milk Production/Markets. While Trans Pacific Partnership (TPP) dairy access was pegged at 3.1% of 2017 milk production, additional access from NAFTA or MERCUSOR (four South American countries) is unknown.

Producers were encouraged to voice their concerns with the federal government's Healthy Eating Strategy, which, if unchanged, will include warning labels for salt, sugar, or fat on 87% of dairy products, and eliminate the dairy and alternatives section of Canada's Food Guide. Watch for new email "Calls to Action" on these issues.

Milk Committee Members elected: William Cox (Region 1); Derek MacNeil and Jason Vander Linden (Region 2); Lauchie MacEachern (Region 3); Jeff Scothorn and Murray Holman (Region 4); Phillip Vroegh (Region 5); and Geoff Bishop (Region 6). Thanks to outgoing member Mark Dykstra.

DairyTrace

Dairy Farmers of Canada (DFC) and the Canadian Dairy Network (CDN) are very pleased with significant progress in achieving the dairy cattle industry's goal of a national traceability system called DairyTrace.

Dairy farmers want to reassure consumers that we have very high standards in Canada for dairy cattle traceability, to better understand where their food comes from. DairyTrace tracks animal movements and speeds up reactions during animal health emergencies.

In September 2017, the Canadian Food Inspection Agency (CFIA) confirmed the CDN meets the qualification criteria to become a Responsible Administrator, as defined under federal regulations. Funding has been approved to bring DairyTrace one step closer to reality.

DFC President Pierre Lampron said, "We look forward to being able to tell dairy farmers that DairyTrace is open for business within the year, and in maintaining this important working relationship with CDN, Agri-Traçabilité Québec, and the federal government in years to come."

Phone: (902) 893-MILK

Fax: (902) 897-9768

Results of the April 2018 Quota Exchange

Iteration (all buyers): 0.03 kgs Prorated for buyers: 0.19%

Kilograms Producers

		Buying Quota	41
Purchased (actual)	2.43	Offering to Buy	41
Offered to Purchase	629.77	Selling Quota	3
Offered to Sell	2.43	Offering to Sell	3

Price	Offers to Sell (kgs)	Cumulative Sales	Difference	Cumulative Buys	Offers to Buy (kgs)
\$23,999	0.68	0.68	-629.09	629.77	0.00
\$24,000 MCP	1.75	2.43	-627.34	629.77	629.77

Quota Exchange Deadline	Payment Due Date
April 13, 2018	April 26, 2018
May 11, 2018	May 29, 2018
June 13, 2018	June 27, 2018

Produce more profits

It takes long hours and careful management to run a successful dairy farm. Success is also built on the decisions you make about succession, herd size, barn expansion and auotas.

Grant Thornton LLP advisors are here to help. Our experienced, reliable and friendly advisors have been serving farmers and business owners in Nova Scotia for decades. We care about your family business, because we're part of your community.

Our team can help you with:

- · year-end accounting and tax
- · cash flow and financing plans for expansion
- · family succession and estate planning
- personal and corporate tax planning, and
- · financial and business advice.

Let's start the conversation.

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Laura MacLaughlin T + 902 896 2542 T +1 902 752 7053 E Peter.Murray@ca.gt.com

T+19026902012 E Ryan.Power@ca.gt.com

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Lab Results March 2018

Average IBC: 32,317

Average Somatic Cell Count (SCC): 184,293

Adulteration: Antibiotics (Tankers) 1

Send your **CQM/proAction** Self Declarations

or corrections to:

Nancy Douglas (northern regions 1, 2, & 3) Email: ndouglas@dfpei.pe.ca Fax: 902-566-2755

Call: 902-394-1657

Lindy Brown (southern regions 4, 5, & 6) Email: lindy.brown@nbmilk.org Fax: 506-432-4333

Call: 506-435-2117



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For more information, please contact our Truro, Nova Scotia location at 902 895 1641.







DEADLINE FOR OFFERS IS LAST BUSINESS DAY BEFORE THE 14th OF EACH MONTH.

4060 Highway 236 Lower Truro NS B6L 1J9 Phone: (902) 893-6455 Fax: (902) 897-9768 www.dfns.ca

Email: dfns@dfns.ca

Quota Exchange Bid to BUY	(Exchange Month)
Registered Producer Name:	
DFNS Registration Number:	Phone:
Offers above the MCP Cap of \$24,000 will not be acc kilogram (two decimal places). Prices must be for a whole producer's total quota (exception for assisted new produce per exchange.	kilogram. Offers must not exceed 10% of the
Offer to Purchase kgs of TPC	Q per day @ \$per kg.
Email address:	t have completed a PAD agreement (available on
1. Cheque Payment	2. Pre-Authorized Debit
Producer will provide a cheque to DFNS by the payment due date. Delivery method may be by mail, XpressPost, courier, or hand delivery. It is the producer's responsibility to ensure payment arrival and accuracy.	DFNS will withdraw required funds for quota from producer's bank account on payment due date; service fees will be processed within five business days of the exchange. Authorization provided by producer will be used.
\$17.25 Service Fee must accompany offe	er (\$15 + \$2.25 HST) Reg No. 107788523
In the event of a cancelled exchange, service fees are returned note that offer forms cannot be held for future exchanges. All offers must be signed by the registered quota holder. In the case of a ladesignated signing officer(s). It is the producer's responsibility to confirm deadline, or the buyer's payment is dishonoured, the quota purchased by associated with non-payment, the producer is not eligible to purchase on purchase TPQ on a future exchange using a bank draft, direct deposit, or	partnership or corporate quota holder, the offer must be signed by receipt of offers by DFNS. If the buyer does not pay by the payment the buyer will return to DFNS, the producer is liable for all costs the exchange for a period of 12 months, and the producer may only
Date Sign	ature(s)
The information on this form is a summary of the applicable rules, Manual on our website contains the current policies and p	
FOR DFNS OFF	ICE USE ONLY
Service Fee: □ cash □ cheque □ PAD	Offer Received/Verified By:



Milk Production and Pricing

Esben Arnfast, Finance and Systems Administrator

Provincial raw milk production exceeded 18 million litres, which is the highest volume for a single month on record. The butterfat rate has slipped to 4.15 kgs/hl from 4.19 kgs/hl in February. There is very little production recognized as over-quota, but the quota utilization rate remains at 104%, so producers on average have moved higher in their utilized tolerance to -14.4 days. The final Additional Production Day available to producers this dairy year was well utilized at a rate of 54.3%.

The equalized pool transportation rate increased to \$2.95/hl, and included a significant financial adjustment for out of province milk transportation costs. Some accumulated costs had been paid by DFNS and pooled, but not withheld from the pooling adjustment to the calculated rate. The adjustment will continue to affect April and May's calculated transportation rates.

Also, higher costs associated with more, smaller loads for spring weight restrictions will continue to affect transportation rates. This continues one month beyond the lifting of the restrictions due to the lag between reporting costs to the pool, and making the pooling adjustment to the rates.

The March raw milk average in-quota price increased from \$74.73/hl to \$75.57/hl. As in previous months, there is stability both in the NS utilization value of milk and the other provinces. Skimmed milk dumping in NS and the other P5 provinces, after separating the required butterfat, affects the in-quota prices paid to producers. There continues to be a rather minimal monthly pooling adjustment, reflecting relative consistency between NS and other provinces in the per hl utilization value of milk processing.

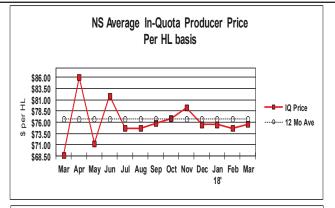
Another continuing trend with high production volumes is large volumes of raw milk transported to NB and Quebec for processing. As with recent months, the monthly volume is approaching 6 million litres, with milk movement obligations included.

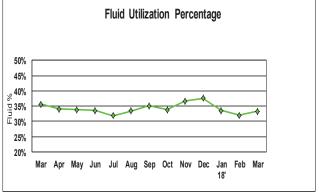
Total Licensed Producers in March: 212

Milk Marketing Report March 2018

PRODUCTION	2018	2017
Average Liters/Day	586,254	558,689
Average kg Butterfat/Day	24,323	23,118
Average Composition, kg/hl		
Butterfat	4.1489	4.1380
Protein	3.3566	3.3289
Other Solids	5.7290	5.7445
Bulk Haulage (\$/hl)	2.95	2.50

PRODUCER PRICES	BF (\$ per kg)	Protein (\$ per kg)	LOS (\$ per kg)	Avg. per HL
March In-Quota March Butterfat Premium	10.5609	6.9686	1.4602	75.57
(\$/kg) SNF/BF<2.35	0.0150			
March Over-Quota	0.0000	0.0000	0.0000	0.00
April Over-Quota Penalty	0.0000	0.0000	0.0000	0.00





Continuous Quota Positions

As of the end of February 2018, figures are expressed as a percent of each province's annual quota. All provinces except NL saw large increases in their positions in January as a result of increased milk production and fluid market reductions, compared to December. The national position jumped from +0.84% to +1.48%. The provincial over quota/unrecoverable thresholds are likely to be re-evaluated and reinstated August 1, 2018. Skimming continues in both pools with skim milk supply exceeding the collective drying capacity. Market growth continues, but at a slower rate than forecasted in the fall. Several new processing investments are expected as early as 2019. All provinces have recently sent moderating signals to their producers to slow down production increases.

Alta5.46%	Sask6.59%	Ont. +7.45%	NS +4.96%	PEI +5.94%	P5 +4.10%
BC -0.63%	Man13.85%	Que. +1.11%	NB +3.40%	NL -33.76%	WMP -5.32%



April 2018

IMPORTING CATTLE FROM THE US: WHAT YOU NEED TO KNOW

The federal government recently increased identification requirements for cattle being imported into Canada from the US. If you are bringing imported cattle to your farm, there are some important points pertaining to traceability and biosecurity that you should keep in mind.

Tagging and Identification

Since February 1st, dairy cattle entering Canada from the US must be identified with the US National Animal Identification System (NAIS) compliant radio frequency ear tag, which begins with the numbers 840 (USA country code). (Prior to February 1st, cattle have been allowed entry without this tag).

What if a cow is entering Canada and is identified with an "840" electronic ear tag?

- Her tag is equivalent to an official Canadian tag. Canadian ear tags do not need to be applied.
- DO NOT cut her '840' tag. It is an approved tag.
- You may need to take action in order to meet your herdbook registration and proAction® requirements for double tagging. If the imported animal is only identified with the official US "840" electronic button tag instead of with a dual tag set, a new tag cannot be reprinted in Canada. You will then need to affix a blank tag* with same number written on it (e.g. by using a marker).

A full fact sheet on the Identification of cattle Imported from the US is available on the traceability resources section of the proAction website.

Recording and Reporting

Information about animals imported from out-of-country needs to be reported to the national database. This is required when they arrive onsite at their first point of entry in Canada, and at all points between there and the farm of destination. Notification of receiving an animal on-farm is a proAction requirement, and should be sent to CCIA (CLTS database) or ATQ (SimpliTrace database - in Quebec).

Regarding animals arriving on farm from within Canada, the following information must be recorded and reported:

- The animal's identification number (15 digits found on RFID ear tag)
- The date of the animal's arrival to your farm/site
- The premises ID number of the location the animal is arriving at (i.e. your farm)
- The location from which the animal departed (country, state, address, etc.)
- The license plate number of the vehicle (single unit) or the trailer (tandem unit)

As imported animals will not come from a property with a recognized premises ID, the address of the animal's original departure has to be recorded and reported. This must be done within the first seven days of the animal's arrival on your premises or before the animal leaves, whichever comes first.

A FRIENDLY REMINDER: STAY INFORMED WITH THE DAIRY EXPRESS!

You are a dairy farmer? Sign up now for the *Dairy Express*, the bi-monthly e-newsletter published by Dairy Farmers of Canada. To do so, simply send an email to **Emilie Jadot** who will happily add your name to the mailing list.

ABOUT DAIRY FARMERS OF CANADA

Founded in 1934, Dairy Farmers of Canada (DFC) is the national organization which defends the interests of Canadian dairy farmers and strives to create favourable conditions for the Canadian dairy industry. Working in accordance with supply management principles, DFC promotes safe, high quality, sustainable, and nutritious Canadian dairy products made from 100% Canadian milk through various marketing, nutrition, policy, and lobbying initiatives. Driven by a strong sense of community and pride, DFC and Canadian dairy farmers actively support a number of local and national initiatives. Visit dairyfarmers.ca for more information.

