

NEWSLETTER

Vol. 18, No. 1 - August 2017

Board Nominations – Two Positions

DFNS opens nominations for two Board Director positions, held by John Vissers and Dustin Swinkels. Dustin is re-offering, while John has decided to not reoffer.

The nomination period starts September 1, 2017. Any producer wishing to stand for election needs to complete the nomination form, agree with and sign the DFNS Code of Conduct (available from the office) and obtain signatures from five other DFNS members.

Nomination forms are included in this newsletter and, along with the signed Code of Conduct document, must be returned to DFNS by 4:30 pm by Thursday, September 21, 2017. Nominees will be posted on our website.

Once nominations close, there is a seven-day "cooling off period" when all nominees are notified who the other nominees are, and they can decide to continue or withdraw. If three or more nominees continue to let their names stand, an election will be held this fall.

The top two vote-getters will be elected to three-year terms, joining the Board following our January 2018 AGM. If two or fewer candidates stand for election, they will be acclaimed to the positions.

Board members find the experience rewarding but challenging as they address complex issues, at the provincial, pool and national levels, while keeping in mind what is best for the industry as a whole.

Directors also need a good support team at home to free up the time required for Board commitments. Please feel free to talk with a sitting Board member to learn more about their roles and responsibilities.

UPCOMING EVENTS & DEADLINES:

September 1-21, 2017.....Election Nomination Period September 4, 2017.....Labour Day—Office Closed September 13, 2017.....Quota Exchange Deadline September 25, 2017.....Quota Lease Deadline

NS Seafood Alliance Supports Supply Management



Nova Scotia's Seafood **NOVA SCOTIA** Alliance organization sent SEAFOOD ALLIANCE a letter to the federal government outlining their

position on the NAFTA negotiations. Seafood is an export-oriented industry and the Alliance represents approximately seventy seafood buyers and processors in Nova Scotia. Leo Muise, the Alliance's Executive Director, wrote they "feel NAFTA has been good for the seafood sector in both Canada and the United States. Relationships with U.S. importers are long established and the U.S. remains our number one export destination. The U.S. imports almost 90% of its seafood while 64% of Canada's seafood exports goes to the U.S. Canadian seafood is managed on the principle of sustainability, supported by sound science and a strong regulatory regime. Our products are reliable, safe, and of the highest quality. It is in both countries' interests to maintain a strong and free trading relationship."

As for supply management, their submission to the federal government noted, "I would like to express our support for supply management in Canadian agriculture. In Nova Scotia, supply management brings economic stability to many rural communities. Robust rural communities are good for all of us, including seafood companies in search of goods and services. We share many of the values of supply management, such as ensuring local high-quality products are available to our citizens at a fair rate of return for producers and processors. Perhaps the supply management model does not fit everyone's idea of how the economy should be structured, but it works for the Canadian farming sector and should be maintained."

DFNS thanks the NS Seafood Alliance for including supply management in their stated positions on NAFTA. It is through these kinds of benefits to Nova Scotians that the outcome of any new NAFTA deal should be measured.

DFNB Newsletter

Visit www.nbmilk.org/en/ and click on the "Milk Matters" link to read their monthly newsletter.

Results of the August 2017 Quota Exchang Iteration (all buyers): 0.85 kgs Prorated for buyers: 6.13%				ge	Dairy Services Lab Results July 2017	
Purchased Offered to F Offered to S	Purchase	ns 64.2 552.9 64.2	20 Off 99 S	P uying Quota ering to Buy elling Quota ering to Sell	roducers 38 38 10 10	Bactoscan Individual Bacteria Count (IBC) Count Samples Percent <35,000 183 82.1 35,001-121,000 32 14.3 >121,000 8 3.6 TOTAL 223 100.0 96.4% meet provincial standard 34
Price	Offers to Sell (kgs)	Cumulati Sales	^{ve} Difference	Cumulative Buys	Offers to Buy (kgs)	Average IBC – July 2017: 28,269
\$23,000	4.00	4.(-548.99	552.99	0.00	Average Somatic Cell Count (SCC): 213,763
\$24,000	60.20	64.2	20 -488.79	552.99	552.99	Adulteration (added water and/or antibiotics) Water (Farm Tanks) 2
	Quota Excha Deadline	-	Paym Due D			Antibiotics (Tankers) 0
	August 11, 2017 August 29, 2017 September 13, 2017 September 27, 2017		9, 2017		P5 QUOTA EXCHANGE MCP	
Se			September	27, 2017		PEI\$24,000
October 13, 2017 October 27, 2017			New Brunswick \$20,000 Ontario \$24,000 Quebec \$24,000			
		•	-		New Brunswick \$20,000 Ontario \$24,000	

Nancy Douglas (northern regions 1, 2, & 3) Email: ndouglas@dfpei.pe.ca Fax: 902-566-2755 Call: 902-394-1657 Ashley Baskin (southern regions 4, 5, & 6) Email: ashley@nbmilk.org Fax: 506-432-4333 Call: 506-435-0077 or 1-866-432-6455

proAction®: Traceability Update

Within the Traceability module of proAction®, farmers are required to record and report data related to animal births, move-ins, and on-farm disposals and exports (tag retirements). Currently, farmers outside of Quebec can report data to the Canadian Livestock Tracking System (CLTS) only via the internet or electronic means (i.e., MOBO app, directly in a web-based account, or via uploading a document to a web-based account).

For various reasons, not every farmer in Canada uses the internet. Therefore, DFC has decided to temporarily adjust the validation of reporting requirements for all farmers until alternative means of reporting are available. Farmers are still strongly encouraged to report traceability data. ProAction® validators will still ask farmers if they are reporting data and, if they are, how they are doing it. Farmers who are reporting properly, will receive a compliant score for these requirements.

Farmers who are either not reporting properly or at all will receive a not applicable score and will still be able to achieve proAction® registration.

Please note that this is a temporary situation. DFC and provincial associations will inform farmers when the situation changes and the reporting requirements become mandatory. Please visit the websites below for more information:

CLTS Website (for reporting): www.clia.livestockid.ca.

National Livestock Identification for Dairy (tag orders): www.nlid.org.

proAction® website: www.dairyfarmers.ca/proaction.



Policy Session Round-Up

The Board hosted Milk Committee Members from across the province as well as out-of-province P5 guest producers for our annual Policy Session August 2-3. As with our AGM, having P5 producer representatives at our Policy Session for the second year brings a broader perspective as policies are discussed and debated. This year, presentations on a number of subjects were given, including updates on 10-Year Policy Vision & Forecasted Changes, Trade, Milk Production & Market; VALACTA services, and the beef processing plant on PEI. Discussions yielded valuable feedback for the Board in considering future policies for our sector. The looming NAFTA renegotiations and changes working against dairy in Canada's Food Guide were the two lightening rod issues. Ample breaks and an evening together provided lots of opportunity for informal exchanges of ideas among the participants. The overall mood was positive among producers from NS and beyond.

New Entrant Deadline

September 29, 2017, is the deadline for New Entrant applications. There were two successful applicants last year and one position is available this year. Starting in 2018, a successful applicant can purchase up to 16 kg of quota in priority on the exchange, or acquire a dairy farm with up to 24 kg, then receive a matching quota loan for ten years up to 16 kg. Application forms are available in the Forms and Publications section of the DFNS website www.dfns.ca.

Scholarship Opportunity

The CTEAM program, which inspires and encourages farm management excellence across Canada, is offering the "Robert L. Ross Memorial Scholarship" to two deserving farmers who emulate and demonstrate their passion and devotion to excellence in farm business management. The award encourages existing or relatively new farmers who have increasing or major responsibilities in their operations to enroll in the CTEAM program. Applicants should demonstrate a desire for managerial excellence in their current and future responsibilities. Applications are due by September 15, 2017.

Contact by <u>heather@agrifoodtraining.com</u> for more information, or visit http://www.agrifoodtraining.com/bob-ross-memorial-scholarship1.

Licensing Regulations Approved

The revised *Milk Producer Licensing Regulations* have been approved by Natural Products Marketing Council and will be effective September 1, 2017. The regulation revisions cover several areas including implementing the P5 milk quality measurement and penalty rules, the transition from current milk quality rules to the P5 rules, making proAction compliance a requirement of licensing, and the consequences of poor milk quality or proAction non-compliance.

CETA Cheese Import Schedule

Coincident with the federal government's announcement of the \$250 million Dairy Farm Investment Program, they also released the CETA cheese Tariff Rate Quota (TRQ) import schedule. TRQs define quantities of goods which can be imported tariff-free into a country. For example, before CETA Canada needed to import 20,400 metric tonne (MT) of cheese per year which represented 5% of domestic consumption when it was negotiated under the WTO. Once fully implemented, the CETA deal will see new imports of 17,700 MT bringing the total imports to approximately 7.5% of current domestic cheese consumption.

The table below is an excerpt from a P5 Quota Committee report. It shows each calendar year and the growing volume of new cheese imports (MT) in both the fine cheese and industrial cheese categories from the European Union. The 824 MT of new imports for 2017 is less due to the starting point being part way into the year. This table also calculates the total MT of butterfat contained in the imported cheese and the resulting impact on the Total Requirements (TR) as calculated this June. Said another way, by 2022 when the full import volumes are reached, that cheese will represent almost 1.5% of the total butterfat needed to serve the Canadian market for fluid milk and all dairy products. CETA cheese imports will be tracked to more closely determine their growing impact on TR and the level of quota issuance to producers.

	Fine Cheese / Fromages fins	Industrial Cheese / Fromage industriels	Total	Total BF/MG	Impact TR/BT (June/Juin 2017)
2017	745	79	824	247	0.07%
2018	5,333	567	5,900	1,770	0.49%
2019	8,000	850	8,850	2,655	0.73%
2020	10,667	1,133	11,800	3,540	0.98%
2021	13,333	1,417	14,750	4,425	1.22%
2022	16,000	١,700	17,700	5,310	1.47%

keepcanadianshealthy.ca

Dairy Farmers of Canada has created a website to allow Canadians to send a letter to their MP regarding concerns over Health Canada changing the Food Guide to discourage Canadians from consuming dairy and meat products. Canadians deserve a Food Guide that reflects our best nutritional knowledge, one that promotes a healthy and balanced diet, helps our kids grow, keeps seniors strong, and powers our athletes and Olympians. Help keep dairy an essential part of our Food Guide and keep Canadians healthy for generations to come. Go to: keepcanadianshealthy.ca and send a letter to your MP today!





DEADLINE FOR OFFERS IS LAST BUSINESS DAY BEFORE THE 1 4th 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:
kilogram (two decimal places). Price	1,000 will not be accepted . Quantities offered may be in hundredths of a s must be for a whole kilogram. Offers must not exceed 10% of the

producer's total quota (exception for assisted new producers). Offers are limited to one buy or sell per producer per exchange.

Offer to Purchase ______. kgs of TPQ per day @ \$______per kg.

C Email address: _____

(for confirmation of receipt of offer, if requested)

Payment for quota must be made via the selected method below **on or before the** <u>third last business</u> <u>day</u> of the month</u>. Producers choosing option 2 must have completed a PAD agreement (available on the DFNS website or from the office) and a void cheque.

1. Cheque Payment 🔘	2. Pre-Authorized Debit 🔘
Producer will provide a cheque to DFNS by the	DFNS will withdraw required funds for quota
payment due date. Delivery method may be by	from producer's bank account on payment due
mail, XpressPost, courier, or hand delivery.	date; service fees will be processed within five
It is the producer's responsibility to ensure	business days of the exchange. Authorization
payment arrival and accuracy.	provided by producer will be used.

\$17.25 Service Fee must accompany offer (\$15 + \$2.25 HST) Reg No. 107788523

In the event of a cancelled exchange, service fees are returned to the producer (or not collected in the case of PAD). Please 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 partnership or corporate quota holder, the offer must be signed by designated signing officer(s). It is the producer's responsibility to confirm receipt of offers by DFNS. If the buyer does not pay by the payment deadline, or the buyer's payment is dishonoured, the quota purchased by the buyer will return to DFNS, the producer is liable for all costs associated with non-payment, the producer is not eligible to purchase on the exchange for a period of 12 months, and the producer may only purchase TPQ on a future exchange using a bank draft, direct deposit, or wire transfer for a period of five years.

Date

Signature(s)

The information on this form is a summary of the applicable rules, which are contained in the TPQ Regulations. The DFNS Producer Manual on our website contains the current policies and procedures, or you may contact office staff for assistance.

FOR DFNS OFFICE USE ONLY

Service Fee: \Box cash \Box cheque \Box PAD

Offer Received/Verified By: _____

10/16





TPQ Lease Agreement

100-4060 Highway 236 Lower Truro, NS B6L 1J9 Phone: (902) 893-6455 Fax: (902) 897-9768 www.dfns.ca

THIS LEASE made	day of	,	A.D., 20
BETWEEN:	reinafter called the "LESSOR" (Lender of	DFNS Reg. # the quota)	2_
	- and -		
he	reinafter called the "LESSEE" (Borrower	DFNS Reg. # of the quota)	<u>2</u> _
AGREEMENT		IMPORTAN NOTES	NT
The Lessor and the Lessee	agree that:		
Production Quota (TPQ)	the Lesseekilograms of daily Total	Leases will be for a one-m and will expire at the end of so any adjustments to pri- do not apply to leases.	of the month,
	(month).	Quota may be leased in c of tenths of a kilogram.	denominations
 The Lessee shall pay to the Lessor \$per kilogram per day for m quota leased, payable as described below: 		A producer can lease in c maximum of 25% of the s owned and non-saleable T	um of current
		A producer cannot be both a lessee during the same n	n a lessor and
4. This lease is not assigna		Only leases applying to month will be accepted.	the current
of each of the parties.	heirs, executors, administrators and successors	DFNS is not responsible lease forms mailed or office. IT IS THE P RESPONSIBLITY TO	faxed to our PRODUCER'S
Signature of LESSOR	Date	RECEIPT.	
Signature of LESSEE	Date	DEADLINE	S
AUTHORIZED BY		Completed lease forms mu delivered to the DFNS offic than 4:30 p.m. on the fifth (business day of the month lease will be effective.	e no later 5th) last
on behalf of Dairy Farmers of No	ova Scotia this day of, 20	Lease Month Dead July July 25, August August 2 September Septeml	2017

October

October 25, 2017



OPENING SOON – FALL 2017 KINGS CREEK FARM GRAIN CENTER CENTRAL N.S. 6218 – HWY. 215 NOEL SHORE N.S.	
DRYING – SMALL GRAINS / SOYBEANS / CORN	
CORN SORTING – BASED ON TEST WEIGHTS	
There will be some storage available closer to end of sease Please contact: Dave Densmore to book your crops in! (pre-booking is	
CELL: 902-890-0011 House: 902-369-2471	
MORNEAU	





Setting the Record Straight

On August 17th, 2017, the Montreal Economic Institute released yet another misleading paper in their ideologically fuelled quest to rid Canada of supply management. The paper itself, titled "*Does Agricultural Prosperity Require Supply Management?*" offers little, if any, evidence to back up that claim.

The paper's central premise is that while production in export-focused commodities often drastically outstrips domestic demand - production under supply management is typically in line with domestic demand. Given that one of the stated objectives of supply management is to match supply with domestic demand, this should not come as a surprise to anyone, and hardly required a two-page report.

In Canada, supply managed commodities have chosen to focus on serving our domestic market, for a variety of reasons. When it comes to dairy, the Canadian domestic market is growing, with national demand up 13% between 2013 and 2016. The truth is, dairy is not a major export commodity; less than 10% of all global milk production is exported, and the global export market is already saturated with milk.

Looked at from another angle, the Montreal Economic Institute seems to be advocating for over production; over production is the exact reason why the global dairy market continues to be in crisis. When too much milk is produced, prices crash. The end result is job loss, loss of income for farmers, and, in some cases, farmers being forced to shut down their operations. The impacts of over production during the current global dairy crisis on non-supply managed jurisdictions have been stark. In 2016, Australia announced a \$579 million (AUS) support package for dairy farmers.

Between September 2015 and June 2016, the European Union offered a combined €1B in bailouts to their dairy farmers – including €150M to entice farmers to voluntarily reduce their production. In 2016, the U.S government purchased upwards of \$40M (USD) in cheese to help cut down on their massive surplus and help raise milk prices for producers. By contrast, as noted in the report, supply management ensures overproduction is largely avoided, and the system significantly reduces the impact of devastating market fluctuations, which have negatively impacted milk prices in other countries.

With little evidence, and a report that says nothing about dairy that you couldn't discover by Googling "supply management definition," one can only come to the conclusion that the Montreal Economic Institute is willing to take any pretext to stay in the spotlight and continue its vendetta against supply management. Fortunately for Canadian supply managed farmers, the Prime Minister of Canada supports supply management, the Canadian government supports supply management, and a poll conducted by Campaign Research in May showed that 75% of Canadians support supply management. It may be polarizing for some, but the fact is – Canadians overwhelmingly support it, and it works.

Large Dairy Herd Management (3rd Edition)

Large Dairy Herd Management (3rd Edition, e-book) is now available for purchase from the American Dairy Science Association® (ADSA®). Past editions have been among the most widely used dairy information resources in the world. This edition brings peer-reviewed dairy science and management information to users in a readily accessible, easy-to-use format. The e-book includes 97 chapters in 15 sections. Detailed information about the e-book is available at http://ldhm.adsa.org/. This new edition include numerous color figures and videos in separate metric and imperial versions. The book is available in both PDF and fixed-layout ePub formats. With purchase of the e-book, both metric and imperial versions in both file formats may be downloaded. To purchase the book now visit: https://secure.fass.org/ prod ADSA LDHM eBook.asp. For more information, contact: Dr. Ken Olson, American Dairy Science Association E-mail: keolson@prodigy.net.

mycanadianmilk.ca



Dairy Farmers of Canada has established a new website called My Canadian Milk. It arose out of a call for public support for the Canadian dairy sector as the Trans-Pacific Partnership trade talks gained momentum in 2015. Building on the success of the original movement, My Canadian Milk now includes many new issues that supporters of Canadian dairy should be aware of. If you aren't already a member of the My Canadian Milk movement, please join us by becoming a supporter today!

Milk Production and Pricing

Esben Arnfast, Finance and Systems Administrator

Daily production continued to decline slightly below 22,000 kgs of butterfat per day with the normal summer dip in the raw milk butterfat composition to 3.92 kgs/hl. Interestingly, that decline occurred a month earlier in 2016. Overall, the production trend continues to show double-digit increases over last year at 11.4%.

On an individual farm basis, with slightly lower production levels and a 5% quota increase effective July 1, the utilization of the one Additional Production Day dropped to 18%. Also, the average utilized tolerance dropped from -10.3 days to -11.6 days.

The equalized pool transportation rate for July increased to \$2.56/hl, up five cents from June due to increases in the transportation costs pooled by other provinces.

The July raw milk average in-quota price decreased from \$81.92/hl in June to \$74.68/hl. The decline could be attributed to a minimal pooling adjustment resulting from June's utilization. That means that the NS utilization value in June was quite close to that of the average of other provinces in the P5 pool.

Each month, DFNS pays NS producers for milk shipped out of the province to meet Milk Movement Obligations plus any milk surplus to the processing capacity in Nova Scotia. The amount paid to producers is recovered during the pooling settlement process about three weeks later.

In July, 4.7 million litres of raw milk was delivered to other provinces. The value paid to producers was close to \$4 million using the 4(a) price as a proxy for the pool average. The value works out to approximately \$82/hl using the July components, so greater than the average price paid to producers in most months.



Continuous Quota Positions

As of the end of June 2017, figures are expressed as a percent of each province's annual quota. The P5 provinces all moved up since April resulting in the pool average surpassing +3%. The western provinces all moved down, moving their pool average down. The WMP anticipates moving up during the fall. In balance, the national position moved down slightly from +1.03% to +0.97%. Note the CMSMC approved extending the suspension of provincial over quota and unrecoverable limits until the end of July 2018. The 5% national growth allowance was extended until that same date, with 2% of the 5% being permanent. Butterfat demand is closer to being balanced with supply, so it is expected the CDC will slow down importing supplemental butter to sell to further processors. Milk order shortfalls in both Ontario and Quebec highlight the lag in having milk production fill issued quota.

Alta4.37%	Sask4.46%	Ont. +5.51%	NS +3.22%	PEI +3.23%	P5 +3.09%
BC -1.33%	Man12.45%	Que. +1.04%	NB +1.76%	NL -22.17%	WMP 4.70%

Milk Marketing Report July 2017

PRODUCTION		2017	20	016
Average Liters/Day		556,059	50	1,984
Average kg Butterfat/Day		21,813	19	,582
Average Composition, kg/hl				
Butterfat		3.9228	• • •	9010
Protein		3.2398	• · ·	2317
Other Solids		5.7148		7363
Bulk Haulage (\$/hl)		2.56	2	51
				_
PRODUCER PRICES	BF (\$ per kg)	Protein (\$ per kg)	LOS (\$ per kg)	Avg. per HL
July In-Quota July Butterfat Premium	10.5681	7.6026	1.5028	74.68
(\$/kg) SNF/BF<2.35	0.0458			
July Over-Quota	0.0000	0.0000	0.0000	0.00
August Over-Quota Penalty	0.0000	0.0000	0.0000	0.00





NOMINATION FORM

We hereby nominate _____

as a candidate

(please print)

for election as a Director on the Dairy Farmers of Nova Scotia Board of Directors.

NOTE: In order to be valid, the nomination requires the signature of five DFNS members (i.e., five separate producers).

	Name (please print)	Signature	Date
1			
2			
3			
4			
5			

COMPLETED NOMINATION FORMS MUST BE RECEIVED BY DFNS BY September 21, 2017.

Full Name of Nominee	Farm Name	
Address		
Phone	Cell	
email		

As indicated by my signature below, I hereby accept this nomination as a candidate for election as a Director on the Dairy Farmers of Nova Scotia Board of Directors. Pursuant to Section 19(1)(d) of the DFNS By-laws attached is a signed <u>Code of Conduct</u>.

Date

A copy of the DFNS Code of Conduct and by-laws may be obtained from the DFNS office upon request.



August 2017

PIERRE LAMPRON ELECTED NEW DFC PRESIDENT

Pierre Lampron, a dairy farmer from St. Boniface, Quebec, was elected President of Dairy Farmers of Canada (DFC) at the AGM, July 18-19 in Edmonton, Alberta.

Pierre has been a member of the DFC Board of Directors since 2007, and was elected to the board of the Producteurs de lait du Quebec in 2000. He is also Chair of the proAction[®] committee on animal CARE as well as being a member of DFC's promotion committee.

Read the complete news release here.

MY CANADIAN MILK

DFC has launched *My Canadian Milk* to encourage Canadians to show their pride in, and advocate on behalf of, milk produced by and for Canadians. A new logo and website represent a fresh take on the *Canadian Milk Matters* initiative, originally launched in 2016 during the final stages of the Trans-Pacific Partnership (TPP) negotiations.

My Canadian Milk provides Canadians with information on a number of pressing issues that will impact Canada's dairy sector—including the upcoming re-negotiation of the North America Free Trade Agreement (NAFTA) between the United States, Mexico and Canada. The talks are scheduled to begin in mid-August. Although not directly referenced in their official priorities for the re-negotiations, released in July, it is expected that the US will seek increased access to Canada's dairy market at the expense of Canadian dairy farmers and the safe, high-quality milk they produce. However, representatives of the Canadian government, including the Prime Minister, Ministers of Agriculture, Foreign Affairs, and Finance, as well as the Canadian Ambassador to the US have all been publicly supportive of supply management and dairy.



MyCanadianMilk.ca provides Canadians with a rallying point around which to mobilize in support of Canadian dairy. The advocacy initiative also addresses other issues impacting Canada's dairy sector. These include Health Canada's on-going *Food Guide* consultations, the proposed Front-of-Pack Labelling and Healthy Eating Strategy.

Take a stand on behalf of Canadian milk—add your name to the growing number of Canadians who support *My Canadian Milk*.

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 Tobin who will happily add your name to the mailing list.

