

# NEWSLETTER

**Vol. 20, No. 13 - July 2020**

## **Milkhouse Hand Washing**

As a reminder, all dairy farm milkhouses need to have a separate sink, soap and individual drying towels for Bulk Milk Grader use. This aligns with the provincial Covid-19 health restrictions and requirements of washing hands frequently. Producers are required to provide this in the Raw Milk Production and Transportation regulations. Please ensure you comply with this requirement.

## **Council Findings Update**

Producers received a copy of Council's investigation findings and directives earlier this summer. Since then, Council and the Board have continued their work to adjust our system and meet the Council directives. Progress is being made on several fronts, including a productive conversation between the Board and Council's Chair on July 8. Further information is being prepared to help producers better understand the merits of making these adjustments, including what they will involve.

## **Bill McCurdy Passes**

DFNS regrets to note the passing of lifetime dairy farmer and sustainable agriculture champion Bill McCurdy. His obituary notes "Bill was a farmer, a family man, a friend and community member and everyone who knew him will tell you that he took each of those roles very seriously." He actively served on countless boards and committees including NS Milk Producers Association, the NS Dairy Commissions and Scotsburn Co-operative Services Ltd. Bill also received many awards for his efforts, including "being inducted into the Atlantic Agricultural Hall of Fame, the Soil Conservation of Canada Hall of Fame and receiving the Nova Scotia Environmental Award for his outstanding contribution to the enhancement and preservation of Nova Scotia's environment."

### **UPCOMING EVENTS & DEADLINES:**

August 3, 2020 .....Civic Holiday  
August 13, 2020 .....Quota Exchange **Noon Deadline**  
August 25, 2020 .....Quota Lease Deadline  
September 7, 2020 .....Labour Day  
September 11, 2020 .....Quota Exchange **Noon Deadline**  
September 24, 2020 .....Quota Lease Deadline

## **P5 Tender Process**

Earlier this year the P5 Boards issued a tender document to processors seeking proposals to expand processing of skim, and sometimes whole milk, to avoid periodic imbalances between milk supply and processing demand. This process stalled for a couple of months but is back on track with a staff Tender Evaluation Committee, an Evaluation Grid and Confidentiality Agreement approaching completion. Stay tuned.

## **Maritime Dairy-Beef Production Guide**

A valuable resource is now available for farmers looking to improve their returns for dairy calves not destined to become replacement heifers. Those calves usually go for veal, which is a challenging market along with transportation restrictions. The Maritime Beef Strategy has identified capacity for an additional 10-15,000 head/year growth in the finished beef category, including these non-replacement dairy calves.

Improving the quality of these cattle can bring economic benefits to everyone involved in the beef supply chain. For many dairy herds, incorporating better beef sires into the herd's breeding plan goes hand in hand with the use of new technologies such as sexed semen and genomics to precision select the replacement female pool.

For calf rearers, growers and finishers, it is important to source cattle with quality beef genetics in order to maximize growth rates and carcass quality. Along with breeding, calves that have received adequate colostrum and are healthy will achieve greater growth rates and require less veterinary intervention.

This Production Guide supplies producers with important information needed to achieve better returns, whether they are dairy farmers wanting to grow and finish their own calves, or beef producers purchasing dairy-bred calves. The Maritime Beef Council, and associated contributors, expect more research and development to ensure regional accuracy and will consider this a Version 1 that will be modified as required.

A copy can be found on the DFNS website under [Resources & Links > Member Resources > MBC Beef on Dairy Manual](#).

**The July 2020 Quota Exchange was cancelled.  
There was no quota offered for sale.**

Quota Exchange Deadline	Payment Due Date
August 13, 2020	August 27, 2020
September 11, 2020	September 28, 2020
October 13, 2020	October 26, 2020

**P5 QUOTA EXCHANGE MCP**

New Brunswick.....\$24,000  
Ontario .....\$24,000  
Quebec .....\$24,000

**DFNB Newsletter**

Visit [www.nbmilk.org/en/](http://www.nbmilk.org/en/) and click on the "Milk Matters" link to read their monthly newsletter.

**Lab Results  
June 2020**

Average IBC: 38,589

Average Somatic Cell Count (SCC): 185,748

Adulteration: (Tankers) 3

Send your **proAction** Self Declarations or corrections to:

Nancy Douglas  
(northern regions 1, 2, & 3)  
Email: [ndouglas@dfpei.pe.ca](mailto:ndouglas@dfpei.pe.ca)  
Fax: 902-566-2755  
Call: 902-394-1657

Micha Joop  
(southern regions 4, 5, & 6)  
Email: [proAction@nbmilk.org](mailto:proAction@nbmilk.org)  
Fax: 506-432-4333  
Call: 506-432-4330 Ext. 104


**Continuous Quota at the Pool Level**

The chart below shows calculations, by pool, of the change in continuous quota positions to the end of May 2020. May's production exceeded quota by 680,174 kg of butterfat so the P10 collectively moved up from -0.36% to -0.19%. Monthly quota calculations will be impacted by consumption disruptions / recovery resulting from Covid-19 restrictions. This upward movement is seasonal and may level out in June or July as monthly production meets monthly quota.

**Table 1. Continuous Quota (BF Kg, Monthly) - May, 2020**

	NL	P5	WMP	P10
Final Positions - Previous - April, 2020 <sup>1</sup>	(498,735)	(527,504)	(376,918)	(1,403,156)
% of the Pool's 12-month Total Quota	-20.54%	-0.19%	-0.38%	-0.36%
Monthly Total Quota - May, 2020	184,824	22,983,359	7,721,619	30,889,802
Monthly Production - May, 2020 <sup>2</sup>	165,486	23,375,839	8,028,651	31,569,975
Difference	(19,339)	392,480	307,033	680,174
<b>Final Pool positions</b>	<b>(518,073)</b>	<b>(135,024)</b>	<b>(69,885)</b>	<b>(722,982)</b>
% of the Pool's 12-month Total Quota	-21.38%	-0.05%	-0.07%	-0.19%


**DAIRY FARM WORKERS**  
**AVAILABLE IMMEDIATELY!**



- **DAIRY, HOG & POULTRY WORKERS**
- **TRUCK DRIVERS, COMBINE OPERATORS**
- **GENERAL LABOR & MANY MORE.**

**ATLANTIC JOB'S** provides you with :

- Very experienced dairy farm workers
- Workers providing permanent long term commitment to you

 **Atlantic**  
**JOBS Ltd.** Specializing In Skilled Jobs Placement

We will make your hiring process easy and stress free by securing the best workers available that have the experience, skills, qualifications and language requirements to help your business prosper.  
**ATLANTIC JOBS** has partnered with farmers for many years to provide excellent results.  
Call now for information at absolutely no obligation to you

**1-877-488-4699 or email [CLIENTS@ATLANTICJOBS.NET](mailto:CLIENTS@ATLANTICJOBS.NET)**

# 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 quotas.

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 compliance,
- 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.**

**[grantthornton.ca](http://grantthornton.ca)**

**Laura MacLaughlin**  
Partner, Assurance  
T + 902 896 2542  
E [Laura.MacLaughlin@ca.gt.com](mailto:Laura.MacLaughlin@ca.gt.com)

**Peter Murray**  
Partner, Assurance  
T + 1 902 752 7053  
E [Peter.Murray@ca.gt.com](mailto:Peter.Murray@ca.gt.com)

**Ryan Power**  
Partner, Tax  
T + 1 902 690 2012  
E [Ryan.Power@ca.gt.com](mailto:Ryan.Power@ca.gt.com)



**Grant Thornton** | An instinct for growth™

Audit | Tax | Advisory

© 2018 Grant Thornton LLP. A Canadian Member of Grant Thornton International Ltd


[www.pwc.com/ca](http://www.pwc.com/ca)

## **Business advisors to the dairy industry**

Business advisory services, accounting and auditing, estate and succession planning, personal and corporate income taxes.

Nancy M. Frame, CPA, CA  
Dwayne A. MacKay, CPA, CA  
Lisa A. Poehl, CPA, CA

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

 **pwc**

© 2016 PricewaterhouseCoopers LLP, an Ontario limited liability partnership. All rights reserved. 227983



## **Bluenose Financial**

**Ruth Scothorn - Insurance & Financial Advisor**

T: 902-758-1448  
C: 902-324-1969  
F: 902-236-2444  
[rscothorn@eastlink.ca](mailto:rscothorn@eastlink.ca)

Life, Disability & Critical Illness  
Health Plans - Group & Individual  
Mortgage Loan Insurance  
RRSPs, RESPs, & TSFAs  
RRIFs & Annuities

*By displaying advertisements, DFNS is not endorsing these businesses.  
This is strictly for the information of dairy farmers.*

## Milk Production and Pricing

*Esben Arnfast, Chief Financial Officer*

June milk production increased slightly compared to May from 22,177 kgs of butterfat per day to 22,235 kgs/day. That is not typical for June especially considering the warm, humid weather for a portion of the month that usually slows milk production. The average butterfat composition was 4.07 kgs/hl compared to 4.05 a year ago.

Production exceeded quota by 2% for the month and the average producer utilized tolerance increased by 1/10 of a day to -6.0. The uptake of the one additional production day of quota was 54%. The July 1 quota increase of 3% has been issued and producer letters showing the revised issuance of farm quotas have been mailed.

The NS equalized pool transportation rate increased to \$2.93/hl with a larger than normal pooling adjustment resulting from the May rate reduction for NS transporters. There was also the final month of added spring weight restriction costs shared by the pool.

The average producer raw milk price decreased approximately \$1.00/hl to \$79.91 which actually remained unchanged at \$19.58 per kg of butterfat considering a change in average provincial composition.

June was the first month of revised reporting with the new trade agreement known as CUSMA, which comes into force July 1. Class 7 has been removed and products have been reallocated to different end-use classes. The result was a relatively similar value of processor billings as May however there was a higher beneficial pooling adjustment that applied in May.

In general milk utilization seems to have normalized with similar amounts in fluid and industrial classes and the volume of milk transported to other provinces has been restored. Only a few loads were skimmed during May and June.

The P10 is implementing a new advance calculation. For June the same advance amount was paid as paid (and repaid) for May. The new advance should capture the true value of milk sent to other provinces whereas in the past, it has been priced at 4(a) which is much higher than the P5 average value of components. This should even out the month to month fluctuations and reduce the DFNS borrowing amounts to pay producers while waiting for the pooling settlement each month. There may be a one-month price transition adjustment but the benefit will be more stability with our advance tied to the previous month's P5 prices

## Milk Marketing Report

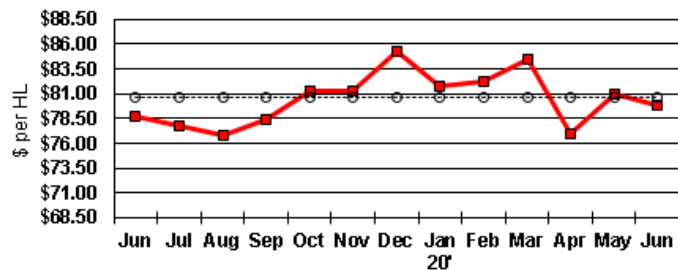
### June

PRODUCTION	2020	2019
Average Liters/Day	546,590	544,418
Average kg Butterfat/Day	22,235	22,050
Average Composition, kg/hl		
Butterfat	4.0679	4.0503
Protein	3.2002	3.1802
Other Solids	5.9184	5.9028
Bulk Haulage (\$/hl)	2.93	2.88

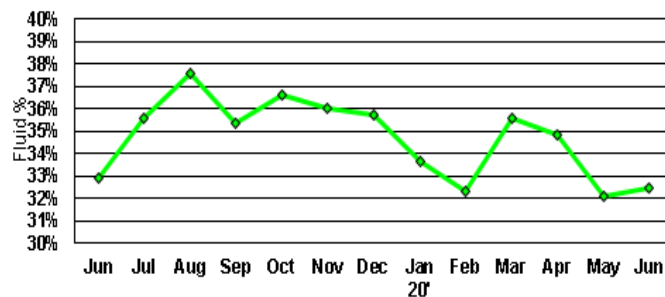
PRODUCER PRICES	BF (\$ per kg)	Protein (\$ per kg)	LOS (\$ per kg)	Avg. per HL
Jun In-Quota	10.8304	8.3634	1.5361	79.91
Jun BF Premium ratio<2.30	0.0921			
Jun Over-Quota	-2.7327	-1.9107	-0.3917	-20.00
Jul Over-Quota Penalty	0	0	0	0

For current Processor Billing prices, which changed June 1, see [June Milk Marketing Report](#)

**NS Average In-Quota Producer Price  
Per HL basis**



**Fluid Utilization Percentage**



**Total Licensed Producers in June: 199**

## Revised Advertisement Content - General Manager

---

Dairy Farmers of Nova Scotia (DFNS) is a producer-funded and elected board which provides regulatory and administrative services to Nova Scotia's dairy producers. Working in cooperation with Natural Products Marketing Council, DFNS licenses producers and milk transporters, sets the farm price for milk, and administers the production quota system, which is a cornerstone of the supply management system. DFNS Directors represent the province's producers on the Dairy Farmers of Canada board and on committees administering the National Milk Marketing Plan and two interprovincial milk pools. Together, DFNS' 203 members, located on farms from Port Morien to Yarmouth, produce over 206 million litres of high-quality milk each year and represent an economic impact, and revenue at the farm, of approximately \$165 million per year and over 600 on-farm jobs.

Now, KBRS has partnered with the Board of Directors of DFNS in seeking their next **General Manager** to lead their organization.

Reporting to the Board of Directors, as the General Manager of DFNS you will oversee the day-to-day management of the organization's activities, operational functions and business affairs that support the advancement of DFNS' strategic priorities. You will lead a team deeply committed to the mandate of the organization and externally, you will effectively represent the interests of Nova Scotia dairy producers and the broader dairy sector. You will maintain a strong working knowledge of the provincial, national and international economic policies and trade agreements that impact the dairy sector and you will provide ongoing advice to the Board in navigating the impact of policy changes for producers. By building strong relationships with producers and other key stakeholders in the industry across the country, you will advance DFNS' objectives and promote a sustainable and dynamic Nova Scotia dairy industry that provides an environment for profitable growth for all stakeholders.

As the ideal candidate, you bring proven senior leadership experience from within a complex, multi-stakeholder environment. You have a reputation for having high integrity, and for delivering on your commitments, and you are adept at building strong, trusted relationships with key stakeholders within and outside of your organization. An exceptional communicator, you are comfortable interpreting and communicating complex policies from within a regulated context. You possess the collaborative leadership skills needed to effectively lead an organization that is part of a broader network of organizations. As a leader, you are highly solutions oriented and you have talent for identifying growth and process improvement opportunities which advance the strategic objectives of your organization.

If you are interested in pursuing this exciting leadership opportunity please apply online at [www.kbrs.ca/career/13920](http://www.kbrs.ca/career/13920) . For more information, contact Andrea Forbes-Hurley [aforbeshurley@kbrs.ca](mailto:aforbeshurley@kbrs.ca) or Emma Wach at [ewach@kbrs.ca](mailto:ewach@kbrs.ca) or 902.424.1104.

*We will provide support in the recruitment processes to applicants with disabilities, including accommodation that takes into account an applicant's accessibility needs. If you require accommodation in order to participate as a candidate in the recruitment process, please contact [accommodate@kbrs.ca](mailto:accommodate@kbrs.ca) or communicate your needs to Emma Wach.*

# PRESS RELEASE

## When promises are no longer enough

**July 14, 2020 (OTTAWA)** – Following the Annual General Meeting of the Dairy Farmers of Canada (DFC), which brought together some 200 dairy farmers from across the country in a virtual format, dairy farmers expressed concern that they have waited over a year for an announcement on the balance of compensation owed for losses related to recent international trade agreements.

This issue was omnipresent during the meeting, with many producers wondering why the government has been so slow to honour its commitment towards “full and fair” compensation for the market share conceded to foreign dairy production, a commitment which dates back several years.

Canada’s trade agreement with the European Union (CETA) came into force in 2017, while the trade agreement with the Trans-Pacific countries (CPTPP) came into force in 2018. Despite the government's promises to compensate dairy farmers for these two agreements, Canadian producers are still waiting on a firm timeline to be announced for the balance owed.

The effect of these agreements has been further exacerbated by the coming-into-force of CUSMA, Canada’s new trade agreement with the United States and Mexico, on July 1, 2020. As a result of CUSMA and other trade agreements, Canada will have outsourced the equivalent of 18% of our domestic dairy production to foreign countries by 2024.

"Right before the 2019 election, the government announced a first installment on the compensation for CETA and the CPTPP, which was a fraction of the overall total farmers were promised," said Pierre Lampron, President of DFC. "What happened to the commitment towards full and fair compensation for the remaining years? What about the compensation for CUSMA?" he wondered.

"Every now and then, when dairy farmers get impatient, the government reminds us of its commitments – but the time to deliver on those promises is now, since the consequences of those agreements are already being felt on the farm," added Lampron.

This is why, following a motion that was adopted at its AGM, Dairy Farmers of Canada is calling on the government to announce the payment schedule and related amounts for the balance of compensation owed for CETA and the CPTPP, and announce a clear timeline and level of compensation for its promise on CUSMA. To be fair and equitable towards all dairy producers, this compensation must be granted in the form of direct payments.

### ABOUT DAIRY FARMERS OF CANADA

Dairy Farmers of Canada is the national policy, lobbying and promotional organization representing Canadian dairy producers. DFC strives to create stable conditions for the dairy sector in our country. It also seeks to maintain policies that promote the sustainability of Canadian dairy production and promote dairy products and their health benefits.



# LATEST NEWS

from Dairy Farmers of Canada



August  
2020



## DairyTrace Now Set for Fall Implementation Following CFIA Approval

Lactanet Canada and Dairy Farmers of Canada (DFC) have announced that DairyTrace, the much-anticipated national dairy cattle traceability program will become a reality in the fall of 2020, providing a single, common framework for dairy farmers to track animal identity and movements. The announcement follows a separate, related communication from the Canadian Food Inspection Agency (CFIA), recognizing Lactanet Canada as the national administrator responsible for dairy bovine animals under Part XV of the Health of Animals Regulations.

"Providing protection and peace of mind to consumers is vital, and when it is fully implemented, DairyTrace will provide a high-quality, national dairy cattle traceability system that takes our industry's efforts to the next level," says Gert Schrijver, dairy producer and Chairman of Lactanet's DairyTrace Advisory Committee. "The launch of DairyTrace will be a pivotal milestone for dairy producers, as it will provide the data management infrastructure needed to provide – for the first time – a true, pan-Canadian picture of the movements of dairy cattle."

DairyTrace takes advantage of existing structures, systems and solutions within the Canadian dairy cattle sector, which has the significant benefits of efficiency, cost effectiveness and timely implementation towards the targeted timeline as defined with proAction®.

Under federal regulations and/or proAction® requirements, everyone who owns or has the possession, care or control of dairy cattle must report animal identity, movement, location, and custodianship information. Lactanet and DFC have been working collaboratively since 2016 towards the common vision of a national dairy cattle traceability program. By harmonizing data under a common, national framework, DairyTrace will promote information sharing and potentially add value to research and genetics initiatives, all while aligning with the traceability module of DFC's proAction® program.

DairyTrace will be managed by Lactanet's Board of Directors, with input and collaboration from DFC. DairyTrace takes advantage of existing structures, systems and solutions within the Canadian dairy cattle sector, including partnerships with Agri-Traçabilité Québec (ATQ) and Holstein Canada, which provides benefits in terms of efficiency, cost effectiveness and timely implementation.

Lactanet and DFC acknowledge and express appreciation to CFIA, as well as for the financial support provided by Agriculture and Agri-Food Canada through the Canadian Agricultural Partnership.

For more information, visit: [dairyfarmersofcanada.ca/en/dairy-in-canada/news-releases](https://dairyfarmersofcanada.ca/en/dairy-in-canada/news-releases)

### STAY UP TO DATE WITH THE LATEST DFC NEWS!

#### DAIRY EXPRESS – DFC'S NEWSLETTER

Monthly updates straight to your inbox! To subscribe, email [communications@dfc-plc.ca](mailto:communications@dfc-plc.ca)

#### DAIRY EXPRESS+

Timely news and tools, all at your fingertips! **Download the app today on iOS or Android.**



Dairy Farmers of Canada



@dfc\_plc



[Dairyfarmersofcanada.ca](https://dairyfarmersofcanada.ca)