

NEWSLETTER

Vol. 21, No. 6 - February 2021

Producers,

We were very happy to have all (100%) of your responses to the Board's request for quota ownership information. We realize that none of you need extra paperwork and the requirement to have your Certificates of Interest certified by a lawyer was an extra inconvenience. It will take time for a confidential analysis of this information to take place. Your Board will be considering options to relieve some of the pressure and stress created by the TPQ transfer freeze as soon as possible.

We continue to work closely with our regulator, the Natural Products Marketing Board, to achieve compliance regarding the eight Directives issued 12 months ago. The information gathered from your Certificates of Interest will help us meet the first two Directives. Significant progress has already been made to satisfy the other six Directives.

Lobby Day occurred on February 9th this year and your Board of Directors met with several Nova Scotia MP's and Senators. These meetings were conducted virtually via Zoom and provided an opportunity for several Nova Scotia MP's and Senators to hear from your Directors. This communication is important as many are not aware of the critical nature of the Dairy Industry to the Provincial economy and rural community stability. The same sort of meetings took place in each of the 10 milk producing Provinces across Canada. DFC help organize and execute this very large effort each year.

The Board are reviewing a "Request for Proposals" (RFP) for a Strategic Planning process that they have had under discussion for some time. The planning process will provide a road map for the development and sustainability of the Dairy Industry in Nova Scotia over the next several years. This will be your opportunity to have input and consideration of your viewpoint on several critical issues such as: licensing; quota transfers, farm mergers, farm sizes, quota value caps, Maritime processing capacity, on farm processing and niche marketing.

The selection committee of DFNS will be interviewing potential candidates for the position of General Manager of DFNS during the last half of the month. This is just another of the many tasks that your Directors perform on your behalf.

The Dairy Direct Payment Plan (DDPP), which is money paid directly to you as compensation for the loss of market access negotiated away in several recent trade deals, will be available in 2021. You must register your farm by March 31, 2021 to receive this. *Do not miss the deadline*!

All the Best ... Greg

Farmers are invited to participate in a study being conducted by researchers at Dalhousie University. The study explores the production methods, labour recruitment practices and marketing strategies of farmers in Nova Scotia. The survey also addresses the current COVID-19 pandemic.

Participation in this study includes the completion of an online survey. The survey will take approximately 20-30 minutes to complete. The link to which can be found below. If one prefers to do the survey by phone, please email Jason Ellsworth at Jason.ellsworth@dal.ca.

For those wishing to participate in the survey, please click <u>https://surveys.dal.ca/opinio/s?s=55952</u>.

UPCOMING EVENTS & DEADLINES:

March 12	Quota Exchange Noon Deadline Quota Lease Deadline Good Friday, Holiday Easter Monday, Holiday
March 25	Quota Lease Deadline
April 2	Good Friday, Holiday
Ápril 5	Easter Monday, Holiday
April 13	Quota Exchange Noon Deadline
Ápril 26	Quota Lease Deadline
May 13	,,Quota Exchange Noon Deadline
May 24	Victoria Day, Holiday
May 25	Quota Exchange Nonday, Holiday. Quota Exchange Noon DeadlineQuota Lease DeadlineQuota Exchange Noon DeadlineVictoria Day, Holiday Quota Lease DeadlineQuota Lease Deadline

DFNB Newsletter

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

Fellow producers,

Another month has gone by and so far, the winter has been good to us. The days are getting longer, and the sun is getting stronger. As far as the milk production within the province I believe it is fair to say it is very strong.

At DFNS we are still working on the search for a new GM. Working with KBRS from Halifax we have had several people show interest; the selection committee is working to narrow in on the best candidates.

As you are aware, we had asked for the quota ownership information of every producer and I want to thank all of you for sending your information in. This information will be reviewed by legal council and at the same time the board is having discussions regarding the temporary prohibition that was put in place the first of September. Many more questions are arising around policy and we are in the process of determining the best method to get your input on this.

On February 9, all the provincial boards across the country met virtual with their provincial MP's and Senators which was organized by DFC to lobby on your behalf on many current issues. We thanked them for the announcement of compensation for CETA and CPTTP over the next 3 years, but also reminded them that discussions on CUSMA are needed. Knowing that the focus of government is on the pandemic, it is tricky to find the right balance. Further to that we discussed improved border control and greater funding for CBSA (Canadian Border Service Agency) in resources and technology to determine exactly what is coming across the border. Another item for government to consider is a Code of Conduct for the retail sector.

On February 10 and 11 DFC held the annual policy conference where we heard of a fair number of presenters. To name a few: our Prime Minister Justin Trudeau, Federal Minister of Innovation and Minster of Agriculture, former governor of the State of Vermont, former PM Stephen Harper with each one of them having their say about overall politics, our industry and trade. Some of the time was spent on the delegates answering questions about the industry and having a vote on where people stood on these issues.

Lastly, as some of you are aware, earlier this month there were signs posted in some Shopper Drug Mart stores which stated that there was a shortage of milk in Nova Scotia. We contacted our processors to make them aware of this. The media also took an interest and our message to them was that there was plenty of milk produced in the province and that somewhere between the farms and the shelves in the store - be it processors, distribution or retailers - a communications link was missing. All to say, none of us need this kind of attention.

On behalf of the board, Gerrit Damsteegt

Walter Graves Memorial Scholarship

A memorial scholarship for Walter Graves has been established with the Nova Scotia Community College which will be awarded to Heavy Duty Mechanics specializing in agriculture. Walter was a naturally gifted mechanic with no formal initial training in this trade, as well as a strong community leader, serving the agriculture communities of Annapolis, Kings, Digby and Lunenburg Counties for over 60 years! Walter worked on large complex tractors, grain combines, harvesters and anything else that come in from local farms that needed repair. His expertise became very well known in the Annapolis Valley and beyond while working for Twin Cities. Nova Scotia Agriculture has lost a good friend and valued colleague.

The funds raised in his memory will create an annual award to be offered to a future candidate of NSCC who demonstrates a strong interest in Agricultural maintenance; and who has the potential to develop into a strong community leader.

For more information on the scholarship or to make a donation to the scholarship fund, click here.



The February 2021 Quota Exchange was cancelled. There was no quota offered for sale.

Quota Exchange Deadline	Payment Due Date	
March 12, 2021	March 29, 2021	
April 13, 2021	April 28, 2021	
May 13, 2021	May 27, 2021	

Lab Results January 2021

Average IBC: 33,829

Average Somatic Cell Count (SCC): 173,357

Adulteration: (Tankers) 0

proAction updates and reminders

Dairy Trace update: The national traceability database Dairy Trace went live in October 2020. Since then, 47% of Nova Scotia dairy producers have activated their accounts. As of February 3, 2021, NS had the second highest percentage of all provinces!! Way to go! Please encourage your fellow producers to get it set up and start using it. Now is the time to do it before you get busy in the fields.

- Reporting to Dairy Trace is mandatory as of September 1, 2021.
- Dairy Trace customer service can be reached at 1-866-558-7223 or info@dairytrace.ca

Single White RFID button tags: The dairy industry is moving to a single white button RFID tag for any animal destined for the beef industry but born on a dairy farm. These tags will be mandatory September 1, 2023 but are available now for purchase. You can use any yellow button tag inventory that you have. The white button tags are available for purchase through NLID at \$3.25 + tax (shipping included).

Benefits of the white button tag include: One stop tag ordering (NLID), One stop tag reporting (Dairy Trace), White button tag inventory will be included in your Dairy Trace account, Financial support for the Dairy Trace system

Animal Care:

Beginning March 2021, changes to the Animal Health Assessment that is completed by Holstein Canada will be effective. What will you see:

- The peer report zones will be moved to fixed percentages rather than percentiles.
- A temporary dark red zone will be added to address those with percentages of less than 60%. This dark zone will be rolled into the red zone in 2023.

Producers falling into a dark red zone will require a written corrective action plan completed in consultation with an industry professional. Both parties will have to sign this. The farms will also have to undergo another animal assessment in 12 months rather than 24 months and will have more animals scored. If a farm remains in the dark red/red zone for 3 consecutive assessments, they risk losing their proAction registration if they fail to show improvement.

Moving to set percentages may affect a number of producers. Those who had scores in the green may see them show in the yellow. This would apply to all color zones. Using percentiles, (top 25%, middle 50% and bottom 25%) would always have producers in the bottom 25%. The percentiles were used while the benchmarking of scores was gathered. It was always the intent to move to set percentages as was indicated in the producer training materials.

**Notice of Change documents for both Traceability and Animal Care information had been circulated last fall. They can be found on the proAction page on the DFNS website. **

Environment: As a reminder, farms must have a valid environmental farm plan (EFP) for any on-farm validation after September 1, 2021. Please contact the Federation of Agriculture for your EFP.

Environmental Module Training: We will soon be finalizing details around producer training. We hope to deliver this information in March. Dates and details will be circulated.

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



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Milk Production and Pricing

Esben Arnfast, Chief Financial Officer

Milk production, as observed in December, remained approximately 5% higher than last January. The raw milk butterfat composition gap noticed in Dec, compared to a year ago, narrowed and was 4.20 kgs/hl in January.

During January, production exceeded quota by a whopping 108% and we witnessed a 2 day increase in the average utilized tolerance from -7.1 days to -5.0 days.

Of course, as additional production days stopped in December, that is a factor as well. January is typically one of the highest production months so additional production is expected.

The NS equalized pool transportation rate for January declined to \$2.57/hl benefitting from a past adjustment that was pooled for Nova Scotia.

The average producer raw milk price for December increased from \$78.68/hl to \$84.42/hl or \$20.07/kg of butterfat at average provincial composition.

The higher price reflects the combination of the new advance calculation discussed in January's newsletter column along with pooling of some lower -valued products amongst the P10 provinces.

With the methodology changes, we are expecting that the monthly producer payment price for raw milk should more closely match the P5 average producer prices each month. That could smooth out some of the monthly highs and lows that were previously experienced in the NS price however it should be noted that the P5 average price can fluctuate as well from month-to-month. Also, there remains a one-month lag for the submission of pooling information by provinces and for the equalization payments to be paid or received.

Nova Scotia shipped over 6 million litres to New Brunswick and Quebec, further displacing milk to where it was needed in Ontario during January. That represents over one-third of the milk production of 18 million litres. Roughly speaking, 1 million of those litres could be considered to have originated in NL. Despite the high levels of production, there was only 1 load of milk that was skimmed and dumped but no dumping of raw milk was required.

Total Licensed Producers in December: 200

Milk Marketing Report January

PRODUCTION		2021	20	20
Average Liters/Day		589,273	560	,729
Average kg Butterfat/Day Average Composition, kg/hl		24,733	23,	676
Butterfat		4.1972	4.2	223
Protein		3.2741	3.2	814
Other Solids		5.9414	5.8	955
Bulk Haulage (\$/hl)		2.57	2.	76
PRODUCER PRICES	BF (\$ per kg)	Protein (\$ per kg)	LOS (\$ per kg)	Avg. per HL
Jan In-Quota	10.8064	8.9440	1.6455	84.42
Jan BF Premium ratio<2.30	0.0249			
Jan Over-Quota	0	0	0	0
Feb Over-Quota Penalty	0	0	0	0

NS Average In-Quota Producer Price Per HL basis





Fluid Utilization Percentage

Benefits Bulletin 2021 Renewal Update

The Dairy Farmers of Nova Scotia benefits plan with Atlantic Federation of Agriculture (AFA)* provides a comprehensive, cost effective group insurance plan for the benefit of producers and families. Premium rates for the benefits are reviewed annually and below you will find a summary of the new monthly rates effective January 1, 2021.

GROUP INSURANCE PREMIUMS – EFFECTIVE JANUARY 1, 2021

Coverage	Current Monthly Rates	Renewal Monthly Rates	% change
Life Insurance (\$25,000)	\$8.10	\$7.45	(8%)
Dependent Life (per family)	\$2.34	\$2.15	(8%)
Accidental Death & Dismemberment (AD&D) (\$25,000)	\$1.13	\$1.13	0%
Health Care	\$79.97/single \$238.08/family	\$79.97/single \$238.08/family	0%
Dental Care	\$55.45/single \$108.20/family	\$52.68/single \$100.89/family	(5%)

Please note Health rates above include travel. For those who have optional life benefits, the rates have not changed and applicable rates are based on the age band of the insured person.

For more information on the group insurance plan including coverage and claims inquiries, please contact Medavie Blue Cross at 1-800-687-4511 or to apply for coverage, please contact Morneau Shepell, Client Service Centre, at 1-886-432-8427.

*participating Atlantic Federation of Agriculture organizations include NSFA, DFNS, PEIFA and NLFA





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2

