

NEWSLETTER

Informing Nova Scotia dairy producers on matters affecting their industry.

Vol. 21, No. 10 - June 2021

Dear Members,

The month has been busy at DFNS, we have had four main areas of focus. They include:

- Biggest news was the addition of a production incentive day following a national level review.
- COVID-19 restrictions continue to hinder the economy, though there seems to be light at the end of the tunnel as many provinces begin to reduce safety levels. I encourage everyone to enjoy the reduced restrictions as they are implemented but also to stay safe and take precautions when you feel it is necessary.
- Our logistics team has been busy coordinating around the scheduled maintenance shutdowns and COVID outbreaks at processors throughout the region. The staff have been doing an exceptional job ensuring all the milk is utilized as effectively as possible.
- There has been a focus to work on internal improvements by the board. The coming month will spawn a number of conversations as DFNS continues policy reviews and improvement initiatives.

I also wanted to mention that the Dairy Code of Practice has been undergoing the ten-year review and update. The review is a long process which is still taking place. Upon completion one of the first phases before implementation is a public review. We encourage everyone to participate, provide feedback, your voice matters.

Regards,
S. Jake Vancuren, EMBA
General Manager

UPCOMING EVENTS & DEADLINES:

July 1.....	Canada Day, Holiday
July 13.....	Quota Exchange Noon Deadline
July 26.....	Quota Lease Deadline
August 2.....	Civic Holiday
August 13.....	Quota Exchange Noon Deadline
August 25.....	Quota Lease Deadline
September 6.....	Labour Day, Holiday
September 13.....	Quota Exchange Noon Deadline
September 24.....	Quota Lease Deadline

Milk Transportation Change

As you are aware, Agropur is exiting the bulk raw milk pickup and transportation business at the end of this month. Fisher Transport and Burghardt Transport are prepared to make this transition as smooth as possible. Your patience and understanding during this time is appreciated.

2022 New Entrant

The successful applicant for the 2022 New Entrant Program is **Leroy & Katharina Dueck** of Upper Kennetcook. Congratulations Leroy & Katharina!



REGISTER NOW!
INSCRIVEZ-VOUS MAINTENANT!

<p> VIRTUAL 2021 ANNUAL GENERAL MEETING</p> <p>July 13th-14th, 2021</p>	<p>ASSEMBLÉE GÉNÉRALE ANNUELLE VIRTUELLE 2021</p> <p>13-14 juillet 2021</p>
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Due to continued public health concerns related to COVID-19 the 2021 Annual General Meeting will be held in a virtual format.

Click on the link below to register

En raison des préoccupations persistantes de santé publique liées à la COVID-19, l'Assemblée générale annuelle se tiendra en format virtuel.

Cliquez sur le lien ci-dessous pour vous inscrire.

Join the DFC virtual Annual General Meeting on July 13-14, 2021, featuring discussions about some of the challenges facing our sector and identifying future opportunities under the theme of sustainability."

Click [here](#) for more information

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

Quota Exchange Deadline	Payment Due Date
July 13, 2021	July 28, 2021
August 13, 2021	August 27, 2021
September 13, 2021	September 28, 2021

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

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

**Lab Results
May 2021**

Average IBC: 31,020.4

Average Somatic Cell Count (SCC): 168,245

Adulteration: (Tankers) 1

Leased Quota

The total amount of quota leased in May 2021 was 529.73 kgs.

To view the Lease-In List click [here](#).

To add your farm to the list email farm name, contact name and phone number to dfns@dfns.ca

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 many of us are getting close to finishing our first cut and most crops have been planted. Overall, I believe that the quantity was plentiful, and the quality was good. All this will hopefully turn into a good production of milk in the months to come. With increases in April and June and additional production days from June till November, all of us can produce some more milk.

From a national perspective, I would like to share that the US has requested a panel to be established to review the TRQ allocations within Canada by the Canadian government regarding CUSMA. DFC and DPAC are working with the government on our defence.

Another topic regarding CUSMA is the compensation promised by government. As producers we have asked for a similar process as the previous trade deals, but the government has been also looking at programs. Within the compensation discussions we are also discussing opportunities to stimulate processing capacity of milk across the country particularly in those areas where there is a lack of processing capacity.

As a board we are having discussion about quota policies that have been in place for some time. To review the sustainability and economic opportunities for all of us to maintain our SM system for generations to come is being viewed in many ways. I encourage you to speak to a director or milk committee member with any ideas or concerns.

Within the newsletter there is information on the annual meeting of DFC. Anyone that is interested in joining this virtual event, please make sure you register before hand.

Gerrit Damsteegt
Chair

proAction Changes Effective September 1st, 2021:

Validation reports are showing that there are still a significant number of routine records not being maintained. These requirements have been a part of the proAction program for a number of years now, and it is unacceptable that they remain an issue. In an effort to better support producers and ensure these requirements are met, the following changes are effective September 1st, 2021:

- Any validation report that requires a producer to submit a routine record for 3 months following the validation, the farm will lose their self-declaration the following year and will be replaced with an on-farm validation. This would result in the farm having a minimum of 3 annual on-farm validations before a self-declaration will be offered again.

- Routine records include:
 - o Treatment Records (FS20, Record 10)
 - o Monthly Equipment Check (FS30, Record 13)
 - o Bulk Tank Temperature Records (FS28, Record 12)
 - o Deviations & Corrective Actions Record (FS43, Record 17)
 - o Disease Event Record (BIO2, Record 10)
 - o Birth Records/Reports (LT3/Record 1, LT4)
 - o Tag Retirement Records/Reports (LT5/Record 2, LT6)
 - o Move-in Records/Reports (LT7/Record 3, LT8)

Additionally, there will be similar changes made for those farms where a significant number of Animal Care observations are recorded on their validation report in the form of demerit points. The following changes will be made: Any validation report documenting more than 10 demerits for animal care will have two options to clear the CARs:

- Option 1: The farm must complete a written corrective action plan in consultation with and signed by their herd veterinarian
- Option 2: The farm must undergo a follow-up visit with a validator or coordinator to assess the issues noted on the initial validation report.
- The farm will also undergo a trigger validation within 6 months and lose their self-declaration the following year, being replaced with an on-farm validation. This would result in the farm having a minimum of 3 annual on-farm validations before a self-declaration will be offered again.

These changes are effective September 1st, 2021. The purpose of these changes is to ensure that the record keeping aspect of proAction is consistently maintained and that animal care issues are closely monitored and continuous improvement is made. These changes were brought before the Nova Scotia Board of Directors and approved in May 2021.

If you have any questions regarding these changes, please contact your proAction coordinator.

Dairy Trace Update:

As of June 4th, 2021, 130 (or 65%) of Nova Scotia farms have activated their Dairy Trace accounts. This is currently the second highest province in Canada. Good job!!!

If your Dairy Trace account has not been activated yet, you should do so soon to give yourself time to become familiar with the system. You would have received your activation information with the welcome package that was sent last fall. If you do not have this information or require further assistance you can contact Dairy Trace customer service. Hours are Monday to Friday 8am-5pm (EST).

Phone: 1-866-55-TRACE (1-866-558-7223) Email: info@DairyTrace.ca

Reminder that as of September 1, 2021, all farms outside of Quebec, are required to report all traceability events to the Dairy Trace system. Verification will be part of all validations.

Note: For Dairy Comp users, you must activate the Trace module in your software for the traceability information to be sent to Dairy Trace. Please verify within your system that this has been completed.



Dairy farmers of tomorrow: young farmers debunk myths and shine a light on the future of dairy in Canada

Dairy Farmers of Canada (DFC) has launched a vibrant new marketing campaign that highlights the next generation of Canadian dairy farmers and their work towards our shared future. *Dairy Farmers of Tomorrow* features authentic and relatable young farmers shining a light on sustainable and responsible modern farming practices.

“We’re excited to feature young dairy farmers from across the country in this campaign, as they bring to life a progressive and forward-facing industry that builds upon Canada’s tradition of producing high-quality milk under some of the world’s most stringent standards,” says Pierre Lampron, president of Dairy Farmers of Canada. “We’re reminding consumers of Canadian dairy’s progress in lowering carbon emissions, our farmers’ commitment to animal care, and the fact that our milk is produced without the use of artificial growth hormones.”


The *Dairy Farmers of Tomorrow* creative platform demonstrates that Canada’s next generation of farmers is on a mission to keep innovating and keep improving, especially in the areas of animal care and sustainability. Working with third-party social media influencers, young Canadian dairy farmers showcase their use of innovative technologies while debunking myths about dairy farming practices.

“Behind Canadian dairy stands the Blue Cow logo, an iconic symbol recognized by nine out of 10 Canadians which represents the high standards that go into every drop of 100% Canadian milk,” says Pamela Nalewajek, DFC’s vice-president of marketing. “The Blue Cow is an emblem of truth and transparency that is backed by dedicated on-farm practices Canadian dairy farmers take to produce the highest quality milk while also committing to animal care and environmental sustainability.”

The six-week-long, bilingual campaign which kicked off June 10, with social and digital components (featuring online video, influencers, web and audio), will run through July 22 nationwide. The lead creative agency on this campaign was Angry Butterfly, with media buying by Initiative.

To view the campaign, click [here](#).


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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.

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This is strictly for the information of dairy farmers.*

Milk Production and Pricing

Esben Arnfast, Chief Financial Officer

Farm deliveries of raw milk in May continued to run at levels about 5% ahead of last May. On a butterfat basis, production was 23,730 kgs per day and continued the normal spring decline from April. The butterfat composition matched last May's level of 4.15 kgs/hl.

With May NS issued quota of 23,101 kgs/day compared to 23,730 kgs/day production, average individual producer under-production credits continued to creep very close to zero at (-0.3) days of quota. It is possible that NS production has reached the reversing point in the dairy year when daily production equals or is less than daily quota. That is even more likely considering the Jun 1 quota expansion of 1.5% along with recently announced June additional production days.

The NS transportation rate for May increased again this month to \$3.00/hl from \$2.89/hl in April. This increase reflects the NS quarterly May 1 bulk haulage rate adjustment review. Those additional costs will be pooled, however rates in other provinces are subject to the same variables that led to higher transportation costs in NS. The transportation pooling adjustment used in May would still reflect relatively higher spring weight restriction costs paid by PLQ to Quebec transporters in April.

The Nova Scotia average producer raw milk price declined in May to \$79.35/hl or \$19.09/kg of butterfat at average provincial composition.

The Nova Scotia processor utilization value of milk by processors declined from a high of \$422,000 per day in March to \$390,000 per day in May. This has been driven mainly by a dip in fluid production in NS by processors. Although ice-cream production has increased, it is a product which is heavily discounted on the other solids side. Also, there was a higher amount of special class utilization in May at discounted prices to processors.

Meanwhile, the P5 average pooling values have declined from \$20.23/kg in March to \$19.78/hl in April and the NS pooling adjustment available for NS producers for May price-setting has been reduced accordingly. The pooling of the lower May NS milk utilization value could possibly result in a larger pooling adjustment to benefit June's price however that may be mitigated by similar or even greater reductions in other provinces.

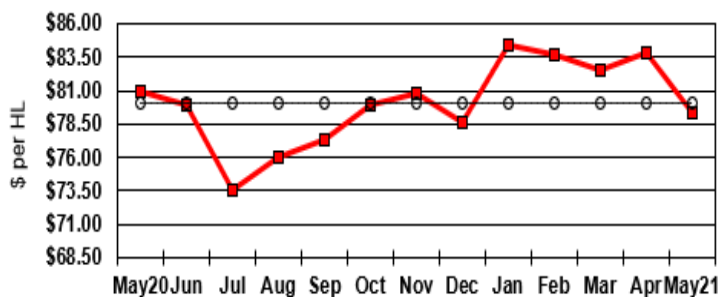
Total Licensed Producers in May: 200

Milk Marketing Report May

PRODUCTION	2021	2020
Average Liters/Day	571,980	537,580
Average kg Butterfat/Day	23,730	22,177
Average Composition, kg/hl		
Butterfat	4.1487	4.1253
Protein	3.2264	3.2519
Other Solids	5.9351	5.9174
Bulk Haulage (\$/hl)	3.00	2.74

PRODUCER PRICES	BF (\$ per kg)	Protein (\$ per kg)	LOS (\$ per kg)	Avg. per HL
May In-Quota	10.2555	8.5240	1.5664	79.35
May BF Premium ratio<2.30	0.0436			
May Over-Quota	0	0	0	0
Jun Over-Quota Penalty	0	0	0	0

NS Average In-Quota Producer Price Per HL basis



Fluid Utilization Percentage

