

# NEWSLETTER

### Vol. 16, No. 7 - February 2016

#### Lobby Facts

Here are some of the facts and figures used at the recent Federal Lobby Day in Ottawa:

- **91**% of Canadians want their milk to be produced in Canada.
- 85% of Canadians want the government to protect our dairy industry in free trade agreements.
- **215,000** full-time equivalent jobs in Canadian dairy sector.
- 7/10 provinces have dairy in top two agricultural sectors, #1 in NS.
- **\$18.9 billion** contributed to Canada's gross domestic product by dairy sector.
- **\$3.6 billion** paid in federal, provincial, and municipal taxes by dairy sector.
- **\$450 million** committed by previous federal government toward processor infrastructure.

#### **Spring Regional Meeting Dates**

Wednesday, **April 6** 9:45 to 3:00—Claymore Inn, Antigonish

Thursday, **April 7** 9:45 to 3:00—Old Orchard Inn, Wolfville

Friday, **April 8** 9:45 to 3:00—Best Western Glengarry, Truro

Lunch Included

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

March 11, 2016	Quota Exchange Deadline
	.Western Canadian Dairy Seminar
March 25, 2016	Quota Lease Deadline
March 30-31, 2016	Dairy Focus—Halifax

#### Chair's Message

The board traveled to Ottawa for Lobby Day February 2, 2016. We had three successful meetings. In the morning, we met with thirteen members of the Liberal caucus, several Conservative Senators in the afternoon. Gerrit Damsteegt and Bryon Lamb also created an opportunity to meet with Scott Brison.

The three key messages we delivered to the parliamentarians were diafiltered milk, the duty deferral program, and infrastructure investment. We also mentioned proAction and our "Fueling Women's Champions" program.

Diafiltered milk is important for us because it is used in some cheese vats as milk, not as an ingredient, bypassing the cheese standards. We asked for the government to move the responsibility from CFIA to the CDC to audit and enforce the cheese standards. We felt the government was receptive to this idea. Federal Agriculture Minister Lawrence MacAulay spoke at the lunch during policy conference. He indicated that the cheese standards are rules and need to be enforced.

We explained that the "Import for Re-Export" is the preferred program for dairy products to come into the country for our processors to use. The duty deferral program is designed for manufactured goods, not agricultural products. We understand there is some abuse of the program.

The infrastructure investment sparked some discussion at our meeting on Parliament Hill as well. This discussion continued during the DFC reception that evening. We were encouraged that government supports the renewal of our aging processing plants. It was a good team building exercise for our board. The directors represented our province well at the national meetings. We were hoping for a conclusion of the ingredient strategy, but we just heard that talks are continuing. Stay tuned.

Andrew McCurdy, DFNS Chair

#### **DFNB Newsletter**

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

Phone: (902) 893-MILK

Fax: (902) 897-9768

#### Results of the February 2016 Quota Exchange

Iteration (all buyers): 0.2 kgs Prorated for buyers: 1.63%

Kilogram	Proc	ducers	
	Buying Quota	81	
Purchased (actual)	31.47	Offering to Buy	81
Offered to Purchase	952.11	Selling Quota	8
Offered to Sell	31.47	Offering to Sell	8

Price		ers to (kgs)	Cumulative Sales	Difference	Cumulative Buys	Offers to Buy (kgs)
\$24,000		31.47	31.47	-920.64	952.11	952.11
•	uota Exchange Payment Deadline Due Date		P5 QUOTA EXCHANGE MCP			
March 11, 20	16	March 29, 2016		11		\$22,000 \$24,000
April 13, 20	13, 2016 April 27, 2016		11		\$24,000 \$24,000	
May 13, 201	16	Ma	y 27, 2016	Quebec	<b></b>	\$24,000

Dairy Services Lab Results January 2016						
Bactoscan Individual Bacteria Count (IBC)           Count         Samples         Percent           <35,000         171         75.33           35-121,000         47         20.70           >121,000         9         3.96           TOTAL         227         99.99           96.03% meet provincial standard         Avg. IBC - 37,203						
Somatic Cell Count (SCC)  Average SCC – 194,731						
Lab Pasteurized (LP) Count Sa <750 >750	N/A amples	Percent				
Adulteration (added water and/or antibiotics) Water (Farm Tanks) 0						

#### CQM/proAction Follow-Up:

Beginning February 29, 2016, please send your Self Declarations or corrections to:

Nancy Douglas (northern regions 1, 2, & 3)

Ashley Baskin (southern regions 4, 5, & 6)

Antibiotics (Tankers)

email ndouglas@dfpei.pe.ca fax to 902-566-2755 call 902-394-1657 email ashley@nbmilk.org fax to 506-432-4333 call 506-435-0077 or 1-866-432-6455

#### P5 Additional Production Day Use

In the last ten months, the P5 boards have issued producers 24 Additional Production Days for conventional milk production. The table below shows the percent uptake of these incentive days by each province since March 2015. It is interesting to note that, despite having incentive days issued each fall since 2009, or further back for some provinces, the average uptake in that period is approximately 8% less than the spring/summer days of 2015. Fall incentive days are also announced well in advance, while the spring/summer days in 2015 were relatively short notice. These points highlight that there is still seasonality to milk production, despite a marked levelling off over the last number of years.

The single incentive day issued for each of December and January saw the highest uptake with close to two-thirds of New Brunswick and Ontario days being used. Quebec producers filled the lowest percent of days for each period, while Ontario was the highest each time. Overall, the P5 uptake is close to what was expected. One day remains for February, and then no other days are announced until the ten days this coming fall.

	# days	PEI	NS	NB	Québec	Ontario	P5
March to July 2015	12	40.0%	39.9%	38.2%	36,8%	44.4%	40.3%
Aug. to Nov. 2015	10	31.4%	32.5%	32.1%	26,4%	41.0%	32.1%
Dec. 2015	I	44.8%	46.4%	52.7%	44,0%	56.5%	48.8%
Jan. 2016	I	47.7%	51.0%	62.5%	50,0%	64.3%	56.4%



#### **DFNS Excellence Award Criteria – Start August 2016** Current Revised all monthly individual bacteria count (IBC) of less all monthly individual bacteria count (IBC) of less than 30,000/ml for the dairy year; than 30,000/ml for the dairy year; an average of monthly somatic cell count an average of monthly somatic cell count averages, less than or equal to 150,000/ml for the averages, less than or equal to 150,000/ml for dairy year; the dairy year; a farm inspection score from the NSDA of 94 or a farm inspection score from the NSDA of 94 or higher; higher; an appearance score on the farm inspection an appearance score on the farm inspection report of five or higher; report of five or higher; no freezing point or antibiotic infraction during the no freezing point or antibiotic infraction during the dairy year; and dairy year; and be registered with the CQM Program each month be registered with the CQM/proAction Program

#### **Dairy Focus 2016**

Dairy Focus will be here before you know it! We hope you're planning to join us in Halifax on March 30-31 for this great event. There are still some spots available in both of the pre-conference workshops in Bible Hill on March 29th as well. Here are a couple of important deadlines:

- February 22, 2016, is the deadline for the negotiated hotel rate.
- March 16, 2016, is the registration deadline.

of the dairy year.

For more details and registration forms, see the conference booklet that you received with the January newsletter or online at <a href="https://www.dairyfocus.org">www.dairyfocus.org</a>. Register soon if you want to attend one of the pre-conference workshops! Dairy Focus organizers and the Atlantic dairy industry associations are seeking feedback from members and industry stakeholders on future dairy conferences in the region. The survey takes less than five minutes, yet the results will be extremely valuable. If you can complete the survey at <a href="https://www.surveymonkey.com/r/dairyconference">https://www.surveymonkey.com/r/dairyconference</a> by February 26th, your input would be greatly appreciated.

#### **Maritime Beef Conference**

The Maritime Beef Council is hosting the 2<sup>nd</sup> Annual Maritime Beef Conference on March 18-19, 2016, at the Four Points by Sheraton, Moncton, NB. There is an exciting line up of speakers and presentations on topics ranging from New Entrant opportunities, overview on regional and national research, feed efficiency research and its impact on farmers' financials, and managing the farm business. Visit the conference website (www.maritimebeef.ca) for more information and to register.





each month of for the entire dairy year.





# DEADLINE FOR OFFERS IS LAST BUSINESS DAY BEFORE THE 1 $4^{\rm th}$ OF EACH MONTH.

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

## Quota Exchange Offer to PURCHASE \_

		(Exchange Month)
Regis	tered Producer Name:	
DFNS	Registration Number:	Phone:
<b>Offers</b> kilogra produc	ım (two decimal places). Prices must be for a whole	<b>epted</b> . Quantities offered may be in hundredths of a
Offer	to Purchase kgs of TPC	Q per day @ \$per kg.
(for co	•	ethod below <b>on or before the <u>third last business</u></b> 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	r (\$15 + \$2.25 HST) Reg No. 107788523
	event of a cancelled exchange, service fees are returned at offer forms cannot be held for future exchanges.	to the producer (or not collected in the case of PAD). Please
designat deadline associat	ted signing officer(s). It is the producer's responsibility to confirm , or the buyer's payment is dishonoured, the quota purchased by	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	which are contained in the TPQ Regulations. The DFNS Producer rocedures, or you may contact office staff for assistance.
	FOR DFNS OFF	ICE USE ONLY
Service	e Fee: □ cash □ cheque □ PAD	Offer Received/Verified By:





# **TPQ Lease Agreement**

THIS LEASE made \_\_\_\_\_\_\_day of \_\_\_\_\_\_\_\_, A.D., 20\_\_\_\_\_

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

www.dfns.ca

E	BETWEEN:		_DFNS Reg. # <u>2</u> _
	hereinafter called the	'LESSOR" (Lender of th	e quota)
		- and -	
			_DFNS Reg. # 2
	hereinafter called the	'LESSEE" (Borrower of	the quota)
	AGREEMENT		IMPORTANT
	ACKELMENT		IMPORTANT NOTES
Th	e Lessor and the Lessee agree that:		
	The Lessor shall lease to the LesseeProduction Quota (TPQ)		Leases will be for a one-month duration and will expire at the end of the month, so any adjustments to provincial TPQ do not apply to leases.
2.	The lease term shall commence on the <u>first</u> day a day of (mor		Quota may be leased in denominations
3.	The Lessee shall pay to the Lessor \$per kil	ogram per day for milk	of tenths of a kilogram.
	quota leased, payable as described below:		A producer can lease in or out up to a maximum of 25% of the sum of current owned and non-saleable TPQ holdings.
			A producer cannot be both a lessor and a lessee during the same month.
	This lease is not assignable.	tratara and augocopara	Only leases applying to the current month will be accepted.
5.	This lease shall bind the heirs, executors, adminis of each of the parties.  Signature of LESSOR	Date	DFNS is not responsible for receipt of lease forms mailed or faxed to our office. IT IS THE PRODUCER'S RESPONSIBLITY TO CONFIRM RECEIPT.
	Ü		REGEIFT.
	Signature of LESSEE	Date	DEADLINES
	JTHORIZED BY	-	Completed lease forms must be delivered to the DFNS office no later than 4:30 p.m. on the fifth (5th) last business day of the month in which the lease will be effective.
On	behalf of Dairy Farmers of Nova Scotia this day o	, 2U	Lease Month January January February  March March  Deadline January 25, 2016 February 23, 2016 March March 25, 2016

April

April 25, 2016



DEADLINE FOR OFFERS IS LAST BUSINESS DAY BEFORE THE 14 $^{\rm th}$  OF EACH MONTH.

4060 Highway 236 Lower Truro NS B6L 1J9 Phone: (902) 893-6455 Fax: NOT ACCEPTED www.dfns.ca

Quo	ta Exchange Off	fer to SELL		
	<b>C</b>		(Exchange Month)	
Registered Prod	ucer Name:			
DFNS Registration	on Number:		Phone:	
Offer to Sell	kgs of T	PQ per day @ \$	per kg.	
hundredths of a kilog	gram (two decimal places per exchange. Each partio	). Prices must be for a wh	ed. Quantities offered for sale mole kilogram. Offers are limited be notified in writing of whethe	to one buy
month following th			iness day before the 10 <sup>th</sup> day lender, cheques will be jointl	
QUOTA CURRENTL	Y ASSIGNED:			
kgs	Name of Lending	Institution(s)		
Seller's Service	Fee must accompan	y offer as per schedu	le below (HST Reg No. 107	788523)
	_		E	
_	ning officer(s) of a partne		be signed by all partners of a past the producer's responsibility to	
Date		Signature(s)		
-			tained in the TPQ Regulations. The DF , or you may contact office staff for as	
	FO	R DFNS OFFICE USE ON	LY	
Service Fee Received	l: □ cash □ cheque	Offer Received/V	erified By:	
				07/12



# Maritime Quality Milk www.milkquality.ca

#### Maximizing Calf Health - Best Practices for Colostrum Management

By Dr. Marguerite Cameron, Maritime Quality Milk, and Dr. Luke Heider, AVC Farm Service, University of Prince Edward Island (milk@upei.ca)

#### **Part 1: Optimizing Colostrum Quality**

The single most important management factor that determines the survival and health of a calf is the feeding of a sufficient volume of high quality colostrum in early life. Recent studies conducted by Maritime Quality Milk in all four Atlantic Provinces suggest that there is an opportunity to improve colostrum management practices in our region. This article is the first of a two-part series focusing on best practices for colostrum management. Part 1 will focus on the cow and the steps that should be taken to ensure that she is producing the best quality colostrum; Part 2 will focus on the collection and delivery of colostrum to ensure adequate transfer of immunity.

Calves are born with virtually no antibodies in their blood making them extremely susceptible to infection as soon as they enter the world. Colostrum is nature's way of providing calves with protection against infection in the first two to four weeks of life. Colostrum or "first milk" is a superfood packed with infection-fighting antibodies (also known as immunoglobulins), nutrients, white blood cells, and growth factors. High quality colostrum contains greater than 50g/L of the antibody IgG, but there is a lot of variation in the quality of each cow's colostrum.

So how can you help your cows to produce the best quality colostrum?

- 1. Vaccinate cows at 3 to 6 weeks pre-calving against pathogens that cause calfhood diseases vaccinate >8 weeks pre-calving and antibody levels will drop before colostrum is produced; vaccinate <3 weeks pre-calving and the cow's immune system won't have enough time to produce antibodies;
- 2. **Allow for a dry period of at least 3 to 4 weeks** production of colostrum begins several weeks prior to calving, therefore ensuring that all cows get an appropriate dry period is critical;
- 3. **Feed a balanced dry cow ration** although not directly linked to colostrum quality, ensuring proper pre-calving nutrition with adequate levels of selenium and vitamin E will help optimize your cows' immune function.

Other factors that determine colostrum quality include: 1) breed – Holsteins tend to have lower IgG concentrations that Ayrshires or Jerseys; 2) age – generally, as cows get older, they produce higher quality colostrum; 3) season – heat stress in the summer months can contribute to a reduction in colostrum quality.

**Next month**: Colostrum harvesting and delivery to ensure adequate transfer of immunity to your calves.



**Did you know?** The DFNS group insurance program provides emergency travel benefits to participating producers in the plan. If you are enrolled in the Medavie Blue Cross health and dental plan, you and your dependents are eligible for this coverage. The travel benefit is designed to give you peace of mind when traveling, whether you are across the country or across the ocean...

Coverage is limited to expenses incurred as a result of sudden illness or accident, which occurs outside your province of residence. It is important to note that pre-existing health conditions are covered provided your condition is stable for at least **90 days prior** to travel and medical attention is not anticipated during the travel period. Please contact Medavie Blue Cross for further information regarding Travel and Pre-existing conditions at 1-800-667-4511. Please note, when you call Medavie Blue Cross, ask to speak to a representative specifically about your travel coverage. Members and dependents should have their Medavie Blue Cross card with them while travelling (or have access to their card via mobile app). The Medavie Blue Cross Worldwide Travel Assistance contact information is located on the back of your ID card.

Medavie Blue Cross has also launched a website that provides helpful "travel tips:"

#### http://web-beta.medavie.bluecross.ca/en/linked/travel-tips.

If you would like more information about the DFNS Benefits Plan with Medavie Blue Cross or to enroll, please contact: Angele Aucoine at 902-429-8013 or 1-800-667-6328, or aaucoin@morneaushepell.com.



#### Milk Production and Pricing

Esben Arnfast, Finance and Systems Administrator

Daily NS production continued to increase to 20,713 kgs of butterfat per day, which exceeds the provincial quota allocation by 1.8%. It is a normal trend for this time of the year with production 3.1% higher than last year, and quota 3.8% higher than allocated last January. The raw milk butterfat composition slipped to 4.09 kgs/hl from 4.11 kgs/hl last January. The average producer utilized tolerance continued to increase another 0.4 days, as was the case in December, and now stands at -13.2 days.

The equalized pool transportation rate for January remained relatively unchanged from December at \$2.57/hl. January's average in-quota price for raw milk declined \$0.50/hl to \$76.34/hl. The decline could be explained by a lower pooling credit from December of \$664,000, versus November's credit of \$751,000. Another factor affecting the raw milk price was the utilization of close to half of the provincial SNF produced during the month for low-valued animal feed products. This was necessary, despite NS shipping raw milk to other provinces for normal milk movement obligations and cream separation.

In NS, as in other provinces, some cream separation also occurred with 800,000 litres of skim milk requiring dumping. As explained last month, the financial effect compared to 4(m) animal feed processing is minimal and the costs are pooled. The combined effect of all of these factors decreased the effective value of milk products made and declared by processors during the month of January. A significant advance of approximately \$2 million was available and received from the pool, based on the very low utilization value.

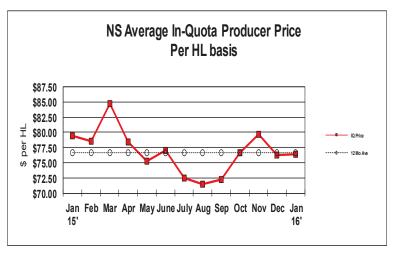
The processor billing prices set to increase by just over 2% February 1 will have a positive effect on producer returns. This will be offset by the negative financial impact of excess SNF production, in order to meet butterfat market demands, which will continue to weigh down average raw milk prices across the country.

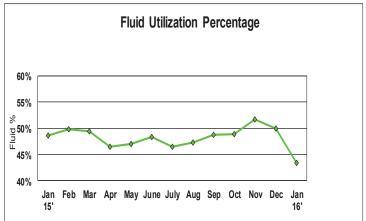
#### **Continuous Quota Positions**

As of the end of December 2015, figures are expressed as a percent of each province's annual quota. A retroactive recalculation of the figures dramatically changed each provinces's pool position. This adjustment reflected the need to increase the national growth allowance from 2% to 5% for the rest of the dairy year. This more accurately reflects the amount of quota which should have been allocated to provinces after unforeseen market requirements were quantified. The P5 over-quota penalty from October and November was also reversed. The P5 moved from a collective position of +0.61% to -0.31% while the WMP moved from -0.32% to -1.4%. The continued strong market for BF and a consumer shift toward higher fat products continues to complicate the rebuilding of CDC butter stocks. Skim drying capacity may remain a concern until late summer.

Milk Marketing Report January 2016						
PRODUCTION		2016	20	15		
Average Litres/Day Average kg Butterfat/Day Average Composition, kg/hl Butterfat Protein Other Solids Bulk Haulage (\$/hl)		506,913 20,713 4.0860 3.3371 5.7256 2.57	20, 4.1 3.3 5.7	,564 087 115 474 235 67		
PRODUCER PRICES	Butter- fat (\$ per kg)	Protein (\$ per kg)	LOS (\$ per kg)	Avg. per HL		
January In-Quota January Butterfat Premium (\$/kg) SNF/BF<2.35	10.0933 0.0238	7.8151	1.5760	76.34		
January Over-Quota February Over-Quota Penalty	0.0000 0.0000	0.0000 0.0000	0.0000	0.00		

**Total Active Producers: 221** 





Alta1.59%	Sask1.46%	Ont. +0.95%	NS -1.38%	PEI -4.02%	<b>P5</b> -0.31%
BC -0.64%	Man2.56%	Que1.13%	NB -2.15%	NL -11.70%	<b>WMP</b> -1.40%

