

NEWSLETTER

Vol. 17, No. 8 - March 2017

Regional Meetings

DFNS is again combining our Spring Regional Meetings into three locations to allow for more interaction between producers across the province. See the schedule on page four for meeting details. All members are welcome.

All but thirty-four farms participated in last fall's mandatory proAction training on the Livestock Traceability and Animal Care modules. One last opportunity is available for farms on the mornings of April 6 & 7. Any producer is welcome to attend as a refresher, but the thirty-four farms have received a special invitation.

Information will be presented during the afternoon regional meetings on trade, milk production and pricing, milk testing, and other industry news. This is a great opportunity to ask your questions and hear what others think about current issues. Milk Committee elections will also take place during the afternoon sessions. Lunch is available at noon in each location before the presentations begin, with each session concluding by 3:00 pm.

MUV Up and Running

DFNS has licensed a new computer program, called Milk Utilization and Verification, from Ontario to capture processor monthly milk utilization. Starting in February, this specialized software is being used in eight provinces for this purpose. Eventually, it will feed into the Milk Marketing Software, which is still under development.

Processor utilization reporting is an important confidential process which the CDC audits every fall after the dairy year closes. Any audit adjustments will be more easily quantified with MUV.

UPCOMING EVENTS & DEADLINES:

April 13, 2017.....Quota Exchange Deadline
April 14 & 17, 2017.....Good Friday/Easter Monday
April 24, 2017.....Quota Lease Deadline

DFNB Newsletter

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

Blend Price Changes

Nova Scotia producers experienced large swings in blend returns over the last few months, going from a summer time average in the low - to mid- \$70s to a high of \$86 in January. That was followed by a return to ~\$73 in February.

Expanding on the explanation offered on page eight, our provincial blend is influenced by a number of factors. The biggest reason for both the high January and low February prices is skim milk powder declarations, and the associated advance available to provinces. Producer returns to classes beyond fluid and domestic dairy products are pooled nationally. Because some provinces experience very low milk prices in certain months due to high processor declarations of SMP, there is an advance available to help counteract this impact.

In January, Nova Scotia was eligible for a ~\$2.5 million advance which added \$15 to our blend price, taking it from \$71 to \$86. We needed to repay that advance over twenty-eight days of milk in February, but we were only eligible for a ~\$1 million advance that month. This helped raise our calculated blend from ~\$66 to ~\$73. We expect that these swings, while difficult to manage on the farm, will again raise the idea of "smoothing" the blend price. When this was examined a few years ago, we discussed the concept of establishing a floor blend price, and holding back funds above the floor to support subsequent prices which were below the floor. Over time, the floor could be adjusted to more closely match the funds available to pay producers.

At the time, the Board received strong feedback from the membership that you wanted to be paid all the funds available each month, in spite of possible blend swings. The prospect of DFNS holding funds back one or more months, just to support lower prices in a future month, was not palatable.

While blend swings go against the farm gate price stability/predictability generally offered under supply management, DFNS is committed to examining all ways to stabilize the blend. To counteract the delay in pooling dollars within the P5, three provinces established a pre-pooling calculation and transfers among them. This is currently suspended, but remains a possibility for DFNS to join them once our processor reporting and payment timelines are adjusted.

Results of the March 2017 Quota Exchange

Iteration (all buyers): 0.46 kgs
Prorated for buyers: 4.10%

Kilograms		Producers	
		Buying Quota	45
Purchased (<i>actual</i>)	40.18	Offering to Buy	45
Offered to Purchase	503.89	Selling Quota	3
Offered to Sell	40.18	Offering to Sell	3

Price	Offers to Sell (kgs)	Cumulative Sales	Difference	Cumulative Buys	Offers to Buy (kgs)
\$24,000	40.18	40.18	-463.71	503.89	503.89

Quota Exchange Deadline	Payment Due Date
April 13, 2017	April 26, 2017
May 12, 2017	May 29, 2017
June 13, 2017	June 28, 2017

Dairy Services Lab Results February 2017

Bactoscan Individual Bacteria Count (IBC)

Count	Samples	Percent
<35,000	167	78.4
35,001-121,000	37	17.4
>121,000	9	4.2
TOTAL	213	100.0

95.8% meet provincial standard

Average IBC – January 2017: 36,505

Average Somatic Cell Count (SCC): 180,880

Adulteration (added water and/or antibiotics)

Water (Farm Tanks)	1
Antibiotics (Tankers)	0

P5 QUOTA EXCHANGE MCP

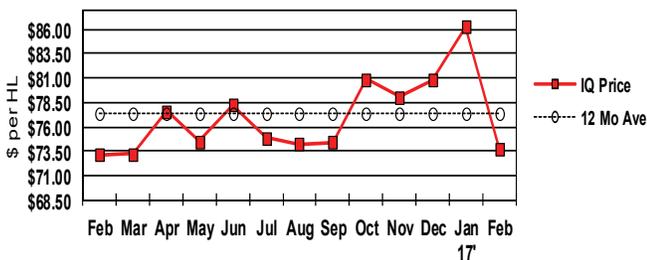
PEI	\$24,000
New Brunswick	\$20,989
Ontario	\$24,000
Quebec	\$24,000

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

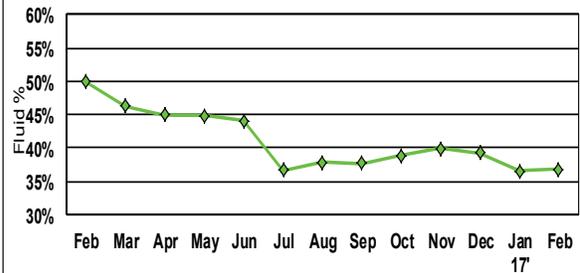
Nancy Douglas (northern regions 1, 2, & 3)
Email: ndouglas@dfpei.pe.ca
Fax: 902-566-2755
Call: 902-394-1657

Ashley Baskin (southern regions 4, 5, & 6)
Email: ashley@nbmilk.org
Fax: 506-432-4333
Call: 506-435-0077 or 1-866-432-6455

NS Average In-Quota Producer Price Per HL basis



Fluid Utilization Percentage



Continuous Quota Positions

As of the end of January 2017, figures are expressed as a percent of each province's annual quota. The P5 provinces all moved up since December resulting in the pool exceeding +1.0%. Nova Scotia joined Ontario above zero. All other provincial positions varied slightly up or down. The national position jumped from -0.88% to -0.37%. Butterfat demand continues to outstrip supply. Skim drying capacity continues to be a limitation with all BF purchased, but some skim disposal continues. Seasonal upward milk production entering the spring months will keep pressure on drying facilities and processors' ability to purchase all components in the milk.

Alta. -3.29%	Sask. -3.43%	Ont. +3.14%	NS +0.31%	PEI -0.16%	P5 +1.03%
BC -1.95%	Man. -10.65%	Que. -0.65%	NB -0.75%	NL -15.91%	WMP -4.10%

A Reminder

With recent concerns over adversarial employee hiring and general security on dairy farms, the following points serve as a reminder to all Dairy Farm Managers:

Hiring New Employees

- Confirm references and past employment/experience.
- Ensure all new employees receive proper training for the tasks they are expected to carry out. Refresh/retrain as necessary.
- Ensure you have and enforce codes of conduct with respect to animal care.
- Have and enforce probationary periods and appropriate employee performance reviews.
- Insist employees come to you when they encounter problems with their jobs or animals in their care.
- Offer employees support and a confidential reporting process in order to share concerns about questionable activity they may observe at work.

Property Farm Security

Unsolicited visits to a facility should be reported, including uninvited individuals attempting to gain employment. Ensure your facilities are locked at all times to prevent uninvited visitors from entering your premises. If you are suspicious of an individual, ensure you get as much information as possible including name, description of the person, and information you are provided (resume, etc.). Your farm is private property and you can respectfully ask any individual to leave your property.

PIDs Sent

Premises Identification (PID) numbers have been mailed to all NS dairy farms on a laminated certificate. We suggest posting the certificate in your farm office or milkhouse where staff can easily access it. The PID is site specific and is needed for recording and reporting under the Livestock Traceability portion of proAction. Each dairy farm is registered with the provincial government, which issued the PIDs last year. Producers are also encouraged to contact the provincial government to update their farm's PID information concerning the housing capacity on your farm, as well as any other livestock species kept on your farm. Adjacent or nearby properties that your animals are housed on can either be linked to your PID or be issued a new PID. PIDs are not needed for pastures.

To access your farm's PID information, either email NSPID@novascotia.ca or call Daniel Muir at 902-890-9840 to request and receive an on-line username and password. Once you access the database with your farm's information, you can review and update it. If you need assistance, Daniel can help.



2017 Atlantic Outstanding Young Farmers

Lauchie and Jolene MacEachern (Folly River Farms Limited) are the recipients of this year's Atlantic OYF award. Congratulations!

Antibiotic Test Change

Producers are reminded to carefully read the letter sent in early March regarding a change in the antibiotic test used in NS starting April 1, 2017.

Producers should also discuss this information with their herd veterinarian to ensure treatment protocols and withdrawal periods are consistent with the new tests being used.

Open House

Green Oaks Dairy Farm

April 15, 2017

10:00 am to 3:00 pm

Complimentary BBQ

All are welcome

3472 Riverside Road, Green Oaks NS



DFNS 2017 proAction Sessions & Spring Regional Meetings

proAction Sessions: 9:30 am to 12:00 pm

Spring Regional Meetings: 12:00 pm to 3:00 pm

proAction Sessions - 9:30 am to 12:00 noon (lunch provided at noon)

Thursday, April 6th Old Orchard Inn, **Wolfville**
Claymore Inn, **Antigonish**

Friday, April 7th Best Western Glengarry, **Truro**

Spring Regional Meetings - 12:00 pm to 3:00 pm (lunch provided at noon)

Wednesday, April 5th Claymore Inn, **Antigonish**

Thursday, April 6th Old Orchard Inn, **Wolfville**

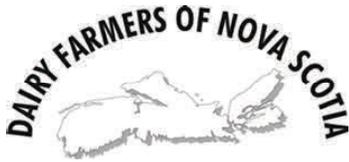
Friday, April 7th Best Western Glengarry, **Truro**

A working lunch will be provided at 12:00 for producers attending the proAction sessions in the morning and producers attending the Regional Meetings are also invited for lunch at noon.

******Producers who did not attend the November 2016 mandatory proAction producer training workshops are asked to make every effort to join Ashley and Nancy for these important workshops. This will be your last opportunity to receive training on the Animal Care and Livestock Traceability modules before the September 2017 proAction start date.***

These morning proAction training sessions are open to all producers who may want a refresher.





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: _____ DFNS Reg. # _____ 2
hereinafter called the "LESSOR" (Lender of the quota)

- and -

_____ DFNS Reg. # _____ 2
hereinafter called the "LESSEE" (Borrower of the quota)

AGREEMENT

The Lessor and the Lessee agree that:

- The Lessor shall lease to the Lessee _____ kilograms of daily Total Production Quota (TPQ)
- The lease term shall commence on the first day and terminate on the last day of _____ (month).
- The Lessee shall pay to the Lessor \$_____ per kilogram per day for milk quota leased, payable as described below:

- This lease is not assignable.
- This lease shall bind the heirs, executors, administrators and successors of each of the parties.

Signature of LESSOR

Date

Signature of LESSEE

Date

AUTHORIZED BY _____

on behalf of Dairy Farmers of Nova Scotia this _____ day of _____, 20__.

IMPORTANT NOTES

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.

Quota may be leased in denominations of tenths of a kilogram.

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.

Only leases applying to the current month will be accepted.

DFNS is not responsible for receipt of lease forms mailed or faxed to our office. **IT IS THE PRODUCER'S RESPONSIBILITY TO CONFIRM RECEIPT.**

DEADLINES

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.

Lease Month	Deadline
March	March 27, 2017
April	April 24, 2017
May	May 25, 2017
June	June 26, 2017



Agricultural Biodiversity Conservation (ABC)



In an effort to help farm owners become more aware of how their farms contribute to Nova Scotia's biodiversity and how they can continue to support this diversity, the Nova Scotia Department of Natural Resources has created the "ABC Plan" program. Landowners now have the opportunity to have an Ecological Resource Assessment completed on their property. The assessment goals are to: 1. Identify and map existing wildlife habitats on the farm; 2. Identify areas of the farm that are currently supporting biodiversity and suggest small changes that would potentially further benefit both this diversity and their farms; and 3. Document the current and potential beneficial management practices that enhance wildlife habitat to support biodiversity. Soon after the assessment is completed, landowners will receive a report that will summarize the findings, along with any suggestions for land enhancement and possible funding sources to make any of the suggested changes.

This program is free, and implementation of any of the recommendations is on a voluntary basis at the landowner's discretion. Go to farmbiodiversity.ca to see farmer-focused information on how increased biodiversity can help your farm, how you can help the species on your land, information on some species at risk found in and around agricultural lands, and methods of coping with various nuisance species. For more information please contact:

Emily Hale

Conservation Program Specialist
NSDNR – Wildlife Division

Phone: 902-679-6733; Cell: 514-616-3670; E-mail: Emily.Hale@novascotia.ca



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For more information, call 1.800.667.6328 and ask for Angèle Aucoin.

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Milk Production and Pricing

Esben Arnfast, Finance and Systems Administrator

NS milk production continues to plateau at 22,850 kgs of butterfat per day, maintaining a high raw milk butterfat composition of 4.14 kg/hl.

The rate of quota utilization is 104%, but with one Additional Production Day in place to absorb a great deal of the excess production, individual producer utilized tolerance only moved up from -12.8 to -12.2 days.

The equalized pool transportation rate for February remained unchanged at \$2.53/hl.

The February raw milk average in-quota price dropped to \$73.79/hl, which was a drop of over \$12/hl from January's high price of \$86.24/hl. Although a large decline, the price was similar to those experienced this past summer.

A new milk pricing class 7 was added in February which is a non-contingent class for solids non-fat. Processors declare skim milk powder in that class which entitles pricing of the protein and other solids at prices consistent with the new National Ingredient Strategy. That program supports the use of those ingredients in various industrial products such as yogurt, ice cream, and cheese.

NS had a large proportion of the provincial SNF declared in class 7. It will be interesting to see the effect of the program on the pooling calculations from February with provinces all probably experiencing different proportions of class 7 utilization.

The price as calculated was supported by an advance from the P5 of approximately \$1 million. The large reduction in price reflected the difference in the repaid advance for January advance, which was approximately \$2.5 million.

At DFNS, a new computer program was introduced to manage processor reporting of utilization. Known as MUV, it has been developed and used for many years in Ontario and will be a good combination with the new Milk Marketing System program currently being developed to manage the producer side of data requirements.

The approved February 1, 2017, processor billing prices are shown to the right.

Milk Marketing Report February 2017

PRODUCTION	2017	2016
Average Liters/Day	551,649	516,201
Average kg Butterfat/Day	22,850	21,107
Average Composition, kg/hl		
Butterfat	4.1422	4.0890
Protein	3.3006	3.3316
Other Solids	5.7282	5.7335
Bulk Haulage (\$/hl)	2.53	2.54

PRODUCER PRICES	BF (\$ per kg)	Protein (\$ per kg)	LOS (\$ per kg)	Avg. per HL
February In-Quota	10.6099	6.6331	1.3876	73.79
February Butterfat Premium (\$/kg) SNF/BF<2.35	0.0133			
February Over-Quota	0.0000	0.0000	0.0000	0.00
March Over-Quota Penalty	0.0000	0.0000	0.0000	0.00

Total Licensed Producers in February: 217

PROCESSOR PRICES (per kg)	Butterfat \$/kg	Protein \$/kg	Other Solids \$/kg	\$/HL SNF
Class 1 (a) Homo, 2%, 1%, 0.5%, Skim, Flavoured milks	7.6446			74.7200
Class 1 (b) Fluid Creams	7.6446			60.4900
Class 2 Ice Cream, yogurt, sour cream	8.5525	5.9359	5.9359	
Class 3 (a) Specialty cheese	8.5525	13.8584	0.8707	
Class 3 (b) Cheddar Cheese	8.5525	12.4242	0.8707	
Class 3 (c)1 Seven cheeses	8.5525	13.8584	0.8707	
Class 3 (c)2 Mozzarella plus others	8.5525	13.8584		
Class 4 (a) Butter and powders	8.5525	5.3794	5.3794	
Class 4 (b) Condensed & Evaporated milk for retail sale	8.5525	5.4880	5.4880	
Class 4(d) Inventory, shrinkage	8.5525	5.3794	5.3794	



Latest News...

Dairy Farmers of Canada

March 2017

SUPPLY MANAGEMENT A “MODEL OF STABILITY”

In 2016, Canadian milk production rose by nearly four percent and the Federal Government of Canada has taken note. The Honourable Lawrence MacAulay, Minister of Agriculture and Agri-Food, reaffirmed his support for the supply management system, referring to it as a “model of stability”, during the Dairy Farmers of Canada’s (DFC) Annual Policy Conference (APC), February 8, 2017.

Minister MacAulay assured the APC delegates that the government remains firm in its commitment to support Canadian dairy and the supply management system. It’s also a message he has reiterated in Question Period throughout February.

During his keynote speech at the APC luncheon hosted at Ottawa’s Chateau Laurier, he lauded Canadian dairy as an industry filled with promise and potential that makes important contributions to Canada’s economy. The increased collaboration between farmers and processors is a testament to that, he noted.



Wally Smith, president of Dairy Farmers of Canada presents Minister MacAulay with “Dairy Farmers – Deeply Rooted for a Strong Future” at the APC on February 8, 2017.

ABOUT DAIRY FARMERS OF CANADA

Founded in 1934, Dairy Farmers of Canada (DFC) is the national organization which defends the interests of Canadian dairy farmers and strives to create favourable conditions for the Canadian dairy industry. Working in accordance with supply management principles, DFC promotes safe, high quality, sustainable, and nutritious Canadian dairy products made from 100% Canadian milk through various marketing, nutrition, policy, and lobbying initiatives. Driven by a strong sense of community and pride, DFC and Canadian dairy farmers actively support a number of local and national initiatives. Visit dairyfarmers.ca for more information.

LOBBY DAY TRIUMPHS OVER INCLEMENT WEATHER

Plummeting temperatures and freezing rain warnings did little to dissuade farmers and MPs alike from participating in DFC's annual Lobby Day and Reception, February 7, 2017.

Farmers from across Canada participated in 140 meetings with over 160 MPs, Senators and staff to thank them for their ongoing support for Canada's dairy sector and the supply management system. The APC delegates further emphasised the importance of continued support through potential NAFTA renegotiations.

In addition, farmers addressed the issue of possible taxation on nutrient-rich beverages such as chocolate milk, kefir and drinkable yogurts—advocating these should be exempt from such a measure if the government were to adopt one.

Dairy Farmers of Canada President, Wally Smith, members of the DFC Board of Directors and representatives from Dairy Farmers of PEI, also met and discussed NAFTA with Minister MacAulay.

The day concluded with the DFC reception attended by 500 guests, including almost 100 MPs and Senators, and approximately 200 parliamentary staff. Guests nibbled on a wide array of Canadian cheeses while embarking on an interactive virtual reality tour of a dairy farm. DFC's newly published book in celebration of 150 years of Canadian dairy, "Dairy Farmers: Deeply Rooted for a Strong Future" was on hand to showcase Canadian dairy families and the contributions made by the sector to the building of a nation. Additionally, guests had the opportunity to see DFC's new Masterbrand and logo.

Fuelling Women Champions ambassador, and Olympic gold medal winner, Natalie Spooner posed for photos and autographs with guests, while Niibin, the official mascot of the 50th Canada Summer Games (in Winnipeg this summer), worked the room. Their presence at the reception reinforced DFC's ongoing sponsorship of amateur sport and served as a reminder that Canadian milk matters.



Karen Clark, On-Farm Program Manager and Sustainability Advisor, DFC, and Erin Weir, MP for Regina-Lewvan, test the interactive 3D goggles at the DFC reception, Feb. 7.

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](mailto:Emilie.Tobin@dfcplc.com) who will happily add your name to the mailing list.



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10AM-3PM

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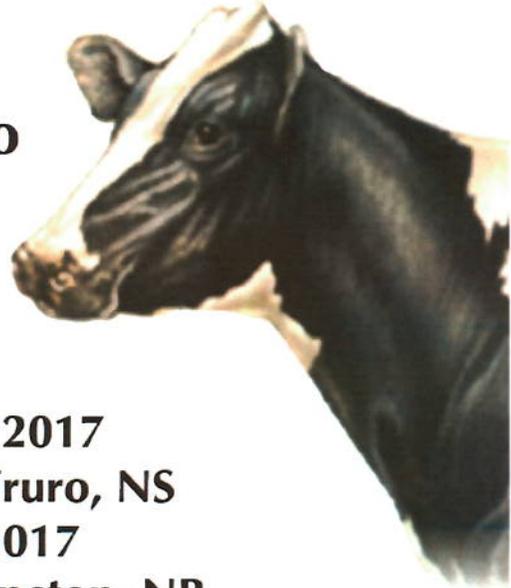
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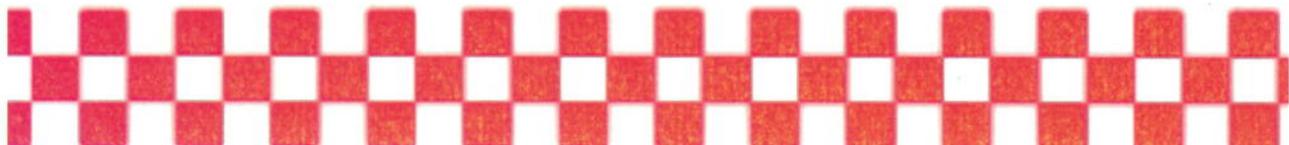
**Wednesday, April 19th 2017
Best Western Glengarry, Truro, NS
Thursday, April 20th 2017
Casino New Brunswick, Moncton, NB
registration between 9:15 and 9:45**

**“Building for the cow” and
“Options for automated feeding”**

with guest speakers:

- ★ Nico Vreeburg, DVM from Vetvice (Cow Signals®) in The Netherlands
- ★ Scott Moore, Cargill Animal Nutrition, Manitoba

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