

# NEWSLETTER

**Vol. 18, No. 3 - October 2017**

## **Dairy Transition Program Reviewed**

Dairy Farmers of Canada and provincial representatives met with Agriculture and Agri-Food Canada to review round one of the Dairy Transition Program.

There were many questions about the short application window and how AAFC will handle the 3,060 applications received across the country. In total, almost \$270 million in projects were applied for.

NS had the highest ratio of application amounts compared to our provincial share (2.17%) of the \$129 million available in the round. Our province's ratio was almost \$3 applied for every \$1 available. Overall, about 75% of the funds fell into the large scale project category.

AAFC is planning a second round next April, although details are still being finalized. All projects not accepted during the first round due to a lack of available funding must be resubmitted for consideration during the second round.

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

November 10, 2017.....Quota Exchange Deadline  
November 13, 2017.....Remembrance Day—Office Closed  
November 24, 2017.....Quota Lease Deadline  
January 24-25, 2018.....AGM—Best Western Glengarry

### **DFNB Newsletter**

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

## **NIS Fluid Table Approved**

The July P5 and national meetings approved a table of harmonized billing ratios for all fluid milk and beverages. This decision compliments the approved ratios for all industrial milk products last winter. Together these ratios fully define the scope of products impacted by the National Ingredients Strategy (NIS).

The Board approved including the new fluid table in our NIS Implementation Policy, starting in 2018. Operational guidelines will be developed for the application of these ratios to clearly define declaration, billing, and audit aspects of each sub-category.

Full implementation of the NIS continues to be realized with several producer:processor working groups being formed to cover off enhancements and adjustments. Further development of the administrative and audit requirements for the NIS are taking place nationally, and in each province.

Natural Products Marketing Council is responsible for processor milk utilization auditing, and it has expanded the role of the Canadian Dairy Commission auditors to encompass the NIS. That step, followed by formalizing the pricing elements of NIS into regulations, should complete the regulatory aspects of NIS implementation.

### **FALL REGIONAL MEETING DATES**

|            |                |                                   |
|------------|----------------|-----------------------------------|
| November 7 | 1:00 – 3:00 pm | Fire Hall, Lawrencetown           |
| November 7 | 7:30 – 9:30 pm | Super 8 Motel, Windsor            |
| November 8 | 1:00 – 3:00 pm | Skye Glen Community Hall, Mabou   |
| November 8 | 7:30 – 9:30 pm | Gram's Place Café, Stellarton     |
| November 9 | 1:00 – 3:00 pm | Debert Hospitality Centre, Debert |
| November 9 | 7:30 – 9:30 pm | St. Bridget's Hall, Shubenacadie  |

## Results of the October 2017 Quota Exchange

Iteration (all buyers): 0.47 kgs  
Prorated for buyers: 3.94%

### Kilograms

Purchased (**actual**) 34.10  
Offered to Purchase 441.50  
Offered to Sell 34.10

### Producers

Buying Quota 37  
Offering to Buy 37  
Selling Quota 10  
Offering to Sell 10

| Price    | Offers to Sell (kgs) | Cumulative Sales | Difference | Cumulative Buys | Offers to Buy (kgs) |
|----------|----------------------|------------------|------------|-----------------|---------------------|
| \$23,000 | 3.50                 | 3.50             | -438.00    | 441.50          | 0.00                |
| \$23,999 | 0.50                 | 4.00             | -437.50    | 441.50          | 0.00                |
| \$24,000 | 30.10                | 34.10            | -407.40    | 441.50          | 441.50              |

| Quota Exchange Deadline | Payment Due Date  |
|-------------------------|-------------------|
| October 13, 2017        | October 27, 2017  |
| November 13, 2017       | November 28, 2017 |
| December 13, 2017       | December 27, 2017 |

## Lab Results September 2017

Average IBC – September 2017: 30,083

Average Somatic Cell Count (SCC): 214,145

Adulteration: Antibiotics (Tankers) 1

### P5 QUOTA EXCHANGE MCP

PEI .....\$23,500  
New Brunswick.....\$20,000  
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](mailto:ndouglas@dfpei.pe.ca)  
Fax: 902-566-2755  
Call: 902-394-1657

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



Morneau Shepell has partnered with DFNS for over 10 years to provide comprehensive group benefits

Group benefits at preferred rates are available for producers, their employees, and their families. Coverage includes life insurance, health, prescription drugs, disability, dental and more.

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

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## November Quota Increase

The P5 Quota Committee recommended, and all P5 boards approved, a 1% saleable quota increase for November 1. The decision also included one non-cumulative Additional Production Day per month for November 2017 to March 2018.

This decision is intended to ensure P5 milk production continues to fill all current demand, as butter stocks have not reached their target level of 35,000 tonnes. Demand for dairy products and P5 processing capacity continues to increase and will be closely monitored.

## No New Entrant Application

DFNS did not receive an application for our 2017 New Entrant Program. The program provides a 16 kg matching quota loan to a qualified new entrant for 10 years before it is returned to the board at 1 kg each year.

Last year, the board approved two new entrants because one opening was carried forward from 2015, when we also did not receive any applications.

Anyone interested in applying for the program next year should review the program guidelines on our website and ask staff any questions which arise. We will be able to approve up to two applicants in 2018 because there was no new entrant this year. This is a great opportunity to start a dairy career with all six new entrant farms continuing to operate since the program started in 2009.

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

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to the dairy industry**

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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.



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## Revised Quality Award

The DFNS Milk Quality Award criteria has been adjusted by the Board. This award is given to farms which have high milk quality and farm inspection scores for the entire dairy year. Starting with 2017/18, the criteria now includes a reference to both proAction and CQM. Qualifying farms must maintain their CQM or proAction registration throughout the year.

- *all individual bacteria count (IBC) results less than 30,000/ml for the dairy year;*
- *all somatic cell count results less than or equal to 150,000/ml for the dairy year;*
- *a farm inspection score from the NSDA of 94 or higher;*
- *an appearance score on the farm inspection report of five or higher;*
- *no freezing point or antibiotic infractions during the dairy year; and*
- *maintain CQM /proAction registration for the entire dairy year.*



**Bluenose  
Financial**

**Ruth Scothorn - Insurance & Financial Advisor**

|                                                                  |                                     |
|------------------------------------------------------------------|-------------------------------------|
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| C: 902-324-1969                                                  | Health Plans - Group & Individual   |
| F: 902-236-2444                                                  | Mortgage Loan Insurance             |
| <a href="mailto:rscothorn@eastlink.ca">rscothorn@eastlink.ca</a> | RRSPs, RESPs, & TSFAs               |
|                                                                  | RRIFs & Annuities                   |

### Farm Safety Nova Scotia "Connection"

Visit the link below for this informative newsletter and stay tuned for more issues.

<http://www.farmsafetyns.ca/connection/>



DEADLINE FOR OFFERS IS LAST BUSINESS DAY  
BEFORE THE 14<sup>th</sup> OF EACH MONTH.

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

## Quota Exchange Bid to BUY \_\_\_\_\_

(Exchange Month)

Registered Producer Name: \_\_\_\_\_

DFNS Registration Number: \_\_\_\_\_ Phone: \_\_\_\_\_

**Offers above the MCP Cap of \$24,000 will not be accepted.** Quantities offered may be in hundredths of a kilogram (two decimal places). Prices must be for a whole kilogram. Offers must not exceed 10% of the producer's total quota (exception for assisted new producers). Offers are limited to one buy or sell per producer per exchange.

Offer to Purchase \_\_\_\_\_ kgs of TPQ per day @ \$\_\_\_\_\_ per kg.

☐ Email address: \_\_\_\_\_  
(for confirmation of receipt of offer, if requested)

Payment for quota must be made via the selected method below **on or before the third last business day of the month**. Producers choosing option 2 must have completed a PAD agreement (available on the DFNS website or from the office) and a void cheque.

### 1. Cheque Payment ☐

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.

### 2. Pre-Authorized Debit ☐

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 offer (\$15 + \$2.25 HST) Reg No. 107788523**

In the event of a cancelled exchange, service fees are returned to the producer (or not collected in the case of PAD). Please note that offer forms cannot be held for future exchanges.

*All offers must be signed by the registered quota holder. In the case of a partnership or corporate quota holder, the offer must be signed by designated signing officer(s). It is the producer's responsibility to confirm receipt of offers by DFNS. If the buyer does not pay by the payment deadline, or the buyer's payment is dishonoured, the quota purchased by the buyer will return to DFNS, the producer is liable for all costs associated with non-payment, the producer is not eligible to purchase on the exchange for a period of 12 months, and the producer may only purchase TPQ on a future exchange using a bank draft, direct deposit, or wire transfer for a period of five years.*

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature(s)

*The information on this form is a summary of the applicable rules, which are contained in the TPQ Regulations. The DFNS Producer Manual on our website contains the current policies and procedures, or you may contact office staff for assistance.*

### FOR DFNS OFFICE USE ONLY

Service Fee: ☐ cash ☐ cheque ☐ PAD

Offer Received/Verified By: \_\_\_\_\_

10/16

## **proAction® - Holstein Canada Assessments**

*Submitted by Ashley Baskin & Nancy Douglas, proAction® Coordinators*

### **Producers who have already had their assessment completed**

If you have already had your cattle assessment completed by Holstein Canada, please ensure that you have a copy of both your assessment report and your peer report on hand at the time of validation. Producers who were assessed early on were only left with a copy of the assessment report at the time of assessment.

Once enough farms were assessed, Holstein Canada created and distributed your peer report either by mail or email. If you do not have your peer report and do not recall receiving it, please contact Ashley at 506-435-0077, or Nancy at 902-394-1657 as soon as possible.

### **Producers who have not had their assessment completed**

Holstein Canada will be contacting all producers to set up a time to come in to do the cattle assessment. This assessment is a required element in the proAction® Animal Care module. During this assessment, they will be evaluating a sample of your cattle for lameness, body condition score, and injuries to the knees, hocks, and neck.

Their first point of contact to you is a survey that you will receive in the mail. It is very important that this survey be completed and returned to Holstein Canada as soon as possible. Please note this survey could be included in a classification mail out.

This survey asks for your updated contact information, details of your barn set up, and your preferred time frame to have the assessment completed. If Holstein Canada does not receive your survey, they will attempt to contact you three times. After the third failed attempt, your farm will be considered as declining Holstein Canada's assessment service. Once your survey is submitted, Holstein Canada will attempt to contact you three times to schedule a date and time for the assessment.

Once again, after three failed attempts your farm will be considered as declining Holstein Canada's assessment service. At that point, the proAction® Coordinator will be informed that your farm has declined service and been placed on the declined list, and at that point will attempt to contact you to set up your assessment. However, once your farm ends up on the declined list, you will have to pay an administration fee to be removed. You will be given a choice between the following fee options:

- a. \$150 fee and 6-month turn around to get assessment completed.
- b. \$1,450 fee with a 21-day turn around to have the assessment completed.

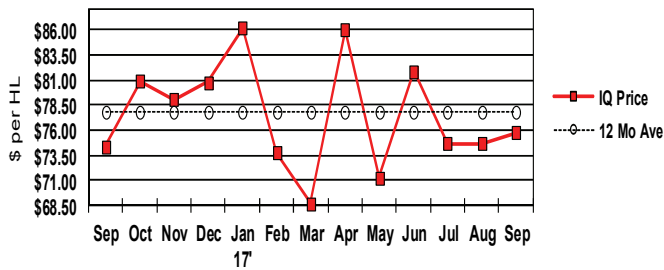
Efforts are in place to prevent producers from ending up on the list of declined herds, but there is no guarantee. If you have a full validation within the next 6 months and you have not received any communication from Holstein Canada, please contact Ashley at 506-435-0077, or Nancy at 902-394-1657 as soon as possible.

After Holstein Canada completes your animal health-based measures assessment, you will be provided with the summary report and peer report. Both documents must be available on your farm at the time of validation for you to be compliant. Any scores appearing in the red zone on the peer report will require a written corrective action plan that identifies the steps you plan to improve your score for the next assessment.

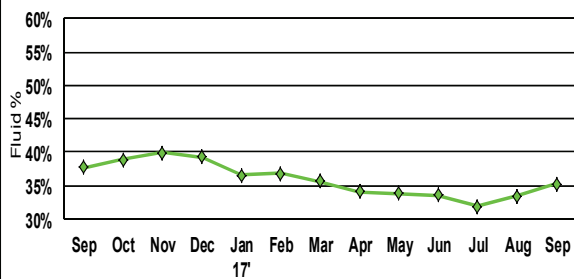


## Milk Marketing Report September 2017

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



**Fluid Utilization Percentage**



| <b>PRODUCTION</b>          | <b>2017</b> | <b>2016</b> |
|----------------------------|-------------|-------------|
| Average Liters/Day         | 549,882     | 515,854     |
| Average kg Butterfat/Day   | 21,977      | 20,333      |
| Average Composition, kg/hl |             |             |
| Butterfat                  | 3.9966      | 3.9417      |
| Protein                    | 3.2775      | 3.2615      |
| Other Solids               | 5.7031      | 5.6875      |
| Bulk Haulage (\$/hl)       | 2.61        | 2.54        |

| <b>PRODUCER PRICES</b>                       | <b>BF<br/>(\$ per kg)</b> | <b>Protein<br/>(\$ per kg)</b> | <b>LOS<br/>(\$ per kg)</b> | <b>Avg.<br/>per<br/>HL</b> |
|----------------------------------------------|---------------------------|--------------------------------|----------------------------|----------------------------|
| September In-Quota                           | 10.6213                   | 7.5267                         | 1.5123                     | 75.74                      |
| Sep Butterfat Premium<br>(\$/kg) SNF/BF<2.35 | 0.0382                    |                                |                            |                            |
| September Over-Quota                         | 0.0000                    | 0.0000                         | 0.0000                     | 0.00                       |
| October Over-Quota Penalty                   | 0.0000                    | 0.0000                         | 0.0000                     | 0.00                       |

**Total Licensed Producers  
in September:  
216**

### Continuous Quota Positions

As of the end of August 2017, figures are expressed as a percent of each province's annual quota. Both pool weighted averages slipped a small amount from July, which is expected with the market growing at a faster pace than production. The western provinces have allocated more quota and incentive days to their producers than in the past to stimulate production. In balance, the national position moved down slightly from +0.92% to +0.73%. Note the CMSMC approved extending the suspension of provincial over quota and unrecoverable limits until the end of July 2018. The 5% national growth allowance was extended until that same date, with 2% of the 5% being permanent.

Milk requests in some provinces still exceed the growing supply of milk from farms. Despite this variable imbalance, the CDC has suspended supplemental butter imports since further processors are sourcing their butter domestically.

|              |              |             |                  |            |                   |
|--------------|--------------|-------------|------------------|------------|-------------------|
| Alta. -4.96% | Sask. -5.29% | Ont. +5.56% | <b>NS +3.28%</b> | PEI +3.56% | <b>P5 +2.95%</b>  |
| BC -1.51%    | Man. -13.19% | Que. +0.71% | NB +1.56%        | NL -25.07% | <b>WMP -5.29%</b> |