

NEWSLETTER

Informing Nova Scotia dairy producers on matters affecting their industry.

Vol. 21, No. 9 - May 2021

I would like to introduce myself as the new GM of Dairy Farmers of Nova Scotia.

I am thrilled to be here, and I'm excited about many of the things we will be working on into the future. Over the past three years as a GM of a farm supply and service co-operative in Ontario we commonly addressed issues facing a multitude of producers from crop farming to poultry, beef, small ruminant, and dairy operations. The experience assisting producers facing a multitude of challenges I feel will lend well to this opportunity. When making my decision to join the DFNS team some key attributes stood out the most:

- The organization's focus to support producers facing a multitude of changes on Macro and Micro economic environment. From international trade issues, to consumer demand changes and how those challenges impact back to the farm level. Addressing Supply Management challenges and representing the province at the national level.
- The strong team at DFNS having a seasoned team that has capability to handle bumps in the road is a real plus. We have several challenges ahead in upgrading our IT payment system to a more modern solution to better serve producer needs.
- Location, being able to be back in the Maritimes and to be a pivotal aspect of the agriculture industry within the province is very rewarding in itself.

I am excited to build upon the existing great team here at DFNS. I am excited to assist in serving your needs today and into the future. I hope to meet all of you personally in the post COVID future.

Sincerely, S. Jake Vancuren, EMBA General Manager

UPCOMING EVENTS & DEADLINES:

June 11	Quota Exchange Noon Deadline Quota Lease Deadline
July 1	Canada Day, Holiday
	Quota Exchange Noon Deadline
	Quota Lease Deadline
August 2	Civic Holiday
August 25	Quota Exchange Noon Deadline Quota Lease Deadline

Succession Planning for your Farm

Bill C-208, An Act to Amend the Income Tax Act:

This Bill intends to allow small businesses, family farms and fishing corporations the same tax rate when selling their operations to their family member as they would selling it to a third party. Currently, when a farmer sells his or her business to a family member, the difference between the sale price and the original purchase price is deemed to be a dividend. However, if this business is sold to a non-family member, it is considered a capital gain, which is taxed at a lower rate and allows the seller to use his or her lifetime capital gains exemption.

The Bill will now move to the Senate floor. It is important to keep in mind that the Bill will need to complete the full legislative process in the Senate prior to an election in order to come into force. We will continue to keep an eye on this important legislation as it is being addressed.

Atlantic Agricultural Hall of Fame

This is a quick reminder that the June 1st deadline for Atlantic Agricultural Hall of Fame nominations is approaching. Members are invited to nominate an individual for induction. Nominations must include a biographical summary of the nominee, including education and work history, leadership and community involvement, and a summary of contributions to agriculture in their home province and beyond, if applicable.

Nomination Form

All nominations must be completed in full and submitted by June 1st to:

Atlantic Agricultural Hall of Fame PO Box 550 Truro, NS B2N 5E3

You can also email your completed nomination or direct questions to jenna.forsyth@dal.ca.



Save the Date!

DFC Annual General
Meeting
Virtual Format
July 13th-14th, 2021
More details coming soon!

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

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

Quota Exchange Deadline	Payment Due Date		
June 11, 2021	June 28, 2021		
July 13, 2021	July 28, 2021		
August 13, 2021	August 27, 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 April 2021

Average IBC: 30,735

Average Somatic Cell Count (SCC): 169,734

Adulteration: (Tankers) 0

Leased Quota

The total amount of quota leased in April 2021 was 498.17 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.

Dear fellow producers,

First, I would like to mention that our new GM, Jake Vancuren has been working for us since the beginning of May. For the most part, Jake has been working virtually with our staff and connecting with many individuals in the industry across the province and nationally. He is becoming familiar with both provincial and national committees. As all of you are aware, there is lots to learn, some issues are extremely complicated in the context of provincial regulations, P-5 and P-10 levels. Feel free to reach out to Jake or myself with any questions.

Production has been strong this winter. Many of us are moving up in our days within our flexibility. Our markets have been strong despite the pandemic. We saw as of April 1st a 1% quota increase and for June 1st, we will see another 1.5% increase. Considering that we do not know the exact impact of the trade deals, all of this is a positive sign. On the opposite side we have seen a lot of our inputs going up in price, such as feed costs, fertilizer, fuel and so on. For that reason, there are discussions going on at the national level regarding COP and exceptional circumstances to see if any change is needed.

Another topic I would like to raise is the revision of the transportation regulations. As it stands right now, in February 2022 the new regulations will come into force. Because of the pandemic some of the research we were waiting for regarding the transportation of bull calves and the maximum allowable time of 12 hours of transport is not yet completed. Our hope is to find some solutions and maybe some flexibility within this time frame. Nevertheless, we are not sure where all of this is going to go. For that reason, please consider your own options of cows that are being bred from here on. Options for Holstein bull calves for veal might become fewer, where cross breeds with beef are finding more local markets. All these decisions are different from farm to farm, so please give it some attention.

Lastly, we had a few farms this month exposed to Covid-19. I would like to ask each one of you to do everything within your abilities to encourage your families, employees, and service providers to stick to the rules and to be transparent in case of any exposure.

Wishing all of you a great planting and harvesting season and please stay safe, Gerrit Damsteegt Chair





Calling all dairy farmers! Help us celebrate World Milk Day 2021

On behalf of Dairy Farmers of Canada, I am writing to request your participation in our upcoming 2021 World Milk Day celebration by submitting a photo to be featured in our campaign.

World Milk Day highlights your important contributions in providing safe and nutritious food for Canadians and highlights your sustainable, responsible and caring practices. This year DFC will be featuring those practices to show the world how we care for the environment while producing our high-quality Canadian milk. Here is how you can participate:

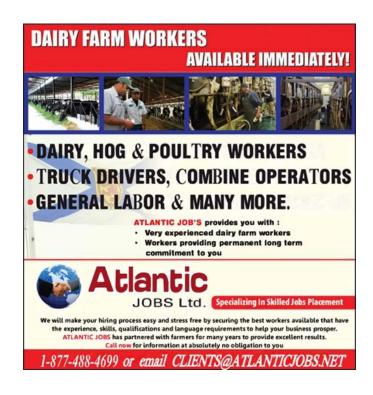
- 1. Take a picture of yourself or your family employing sustainable practices, enjoying the outdoors, caring for your land, visiting cows in pasture, planting crops or trees, or any other activity that showcases your passion for caring for our planet.
- 2. Share the photo with us by emailing communications@dfc-plc.ca and be sure to let us know which province you are from. Please share your photos by **May 24th, 2021.**
- 3. On June 1st, visit us on Twitter, Facebook and Instagram social media where we will be posting the photos. Please like, share and comment!
- 4. Keep your eye out for more World Milk Day information coming soon.

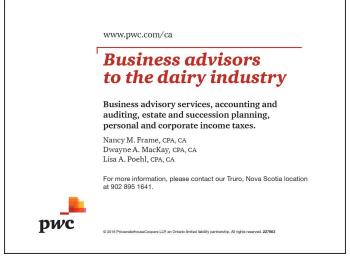
World Milk Day provides an excellent opportunity to demonstrate the benefits of dairy products and the contributions of Canadian dairy farmers. I hope we can count on your participation!

Sincerely, Pierre Lampron President, Dairy Farmers of Canada









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 plannina
- personal and corporate tax planning, and
- · financial and business advice.

Let's start the conversation.

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RULES OF THUMB FOR TRANSPORT

1. TRULY FIT FOR TRANSPORT

ULTIMATE GOAL: Load or transport (or have someone load or transport) animals that are FIT for transport and unload them (or have them unloaded) using all necessary measures to avoid any unnecessary suffering, injury, or death.

EACH ANIMAL MUST BE ASSESSED BEFORE BEING TRANSPORTED

Three possibilities may arise:

- 1. Animal fit for transport: the animal can be transported
- 2. Compromised animal: Can be transported under CERTAIN CONDITIONS
- Unfit animal: cannot be transported unless a veterinarian recommends that the animal be transported to receive veterinary care.
 THIS DOES NOT INCLUDE TRANSPORT TO THE SLAUGHTERHOUSE



Anyone who loads or transports an animal in (or unloads an animal from) a vehicle shall have the necessary knowledge and skills to perform these activities (laws, regulations, animal welfare, handling, risk factors).

3. SHARED RESPONSIBILITY

Animal transport: A responsibility shared by ALL stakeholders who take part in any decision-making process or activities involved in animal transport.

4. RISK ASSESSMENT

You are legally responsible for assessing the animal's capacity to withstand transport without any unnecessary suffering, injury or death. When: Evaluate BEFORE the start of process and monitor DURING the process at appropriate frequencies.

5. DOCUMENT YOUR ACTIONS

Make sure your records contain all the information you need to justify your risk assessment, your planning, your decisions, and any modifications/corrective actions. COMPROMISED ANIMALS
CONDITIONS TO BE MET

- a) Must be individually isolated;
- Must be individually loaded and unloaded without having to negotiate any ramps inside the vehicle;
- All necessary measures must be taken to prevent animals' unnecessary suffering, injury, or death during loading, transport and unloading;
- Must be transported directly to the nearest place, other than an assembly point, where it can receive care or be humanely killed.

Example: A compromised cow cannot pass through an auction or any assembly point.

Nearest place = slauahterhouse, vet clinic or another farm/producer, etc.

> Local approved slaughterhouse = OK Remote slaughterhouse or USA = NO

February 23, 2021 Stéphane Beaudoin, P. Ag. | Gestbeau Inc. | www.gestbeau.com



Milk Production and Pricing

Esben Arnfast, Chief Financial Officer

Daily provincial milk production levels compared to the previous year returned to the winter rates after the dip noticed in March. Nova Scotia raw milk production exceeded last year's production by 5.7% and the butterfat composition declined to 4.17 kgs/hl. As was the case in March, the butterfat composition remained higher not dropping off quite as quickly as in prior years.

Individual producer under-production credits continued to decline and represented approximately -0.7 days of quota. Although production declined during April and quota was adjusted upward 1%, production, on a butterfat basis, remained at 104% of quota.

The NS transportation rate for April increased to \$2.89/hl from \$2.77/hl in March. This increase was expected as higher costs are pooled in the spring months by Quebec for spring weight restrictions.

The Nova Scotia average producer raw milk price for March was \$83.81/hl or \$20.03/kg of butterfat at average provincial composition which is slight increase from March and comparable to February's price.

Since the implementation of changes in the advance calculation, prices have stabilized for the 4 past months and remained just above or below the \$83/hl dollar range. The average P5 price has been roughly hovering around the \$85/hl range. Nova Scotia milk composition is a bit less than the average for the P5 which accounts for the difference in prices expressed on a per hectolitre basis.

Nova Scotia shipped approximately 5 million litres mostly to Quebec in April and received 1.4 million litres from NL. During April NS was required to dispose of 134,000 litres of fresh skimmed milk with no further processing options.

With a new SNF pricing model planned for all provinces before or by August 1, 2021, pooling had been suspended in February and it has been decided that DFNS will instead calculate a NS butterfat premium based on provincial zero-pay SNF for the interim period. The rate based on March and paid in April was \$0.03040 per kg of butterfat.

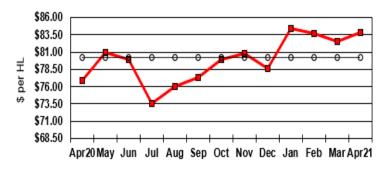
Total Licensed Producers in April: 200

Milk Marketing Report April

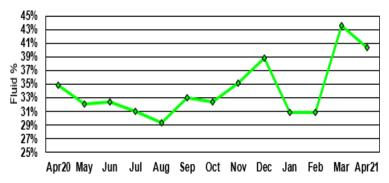
PRODUCTION	2021	2020
Average Liters/Day	575,551	544,440
Average kg Butterfat/Day	24,047	22,567
Average Composition, kg/hl		
Butterfat	4.1781	4.1450
Protein	3.2555	3.2706
Other Solids	5.9446	5.9224
Bulk Haulage (\$/hl)	2.89	2.99

PRODUCER PRICES	BF (\$ per kg)	Protein (\$ per kg)	LOS (\$ per kg)	Avg. per HL
Apr In-Quota	10.6739	9.0360	1.6480	83.81
Apr BF Premium ratio<2.30	0.0304			
Apr Over-Quota	0	0	0	0
May Over-Quota Penalty	0	0	0	0

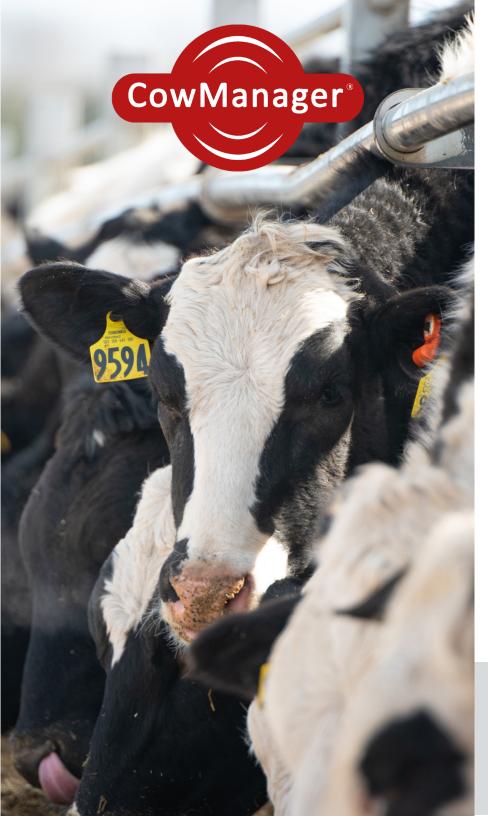
NS Average In-Quota Producer Price Per HL basis



Fluid Utilization Percentage







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Fertility

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Nutrition

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Date to be determined

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Brian Masters 902-890-8712 bmasters@selectgen.com www.cowmanager.com/virtualmeetingcanada



