

# NEWSLETTER

Informing Nova Scotia dairy producers on matters affecting their industry.

**Vol. 22, No. 4 - December 2021**

The last 50 days have gone by in a blur as all the staff attempted to keep pace with DFNS business. There is little question that getting organized for an AGM tends to dominate the landscape especially for Kim and Stephanie. Another major time commitment has been made toward the upcoming NPMC Panel, which is a major undertaking, not only from a time perspective, but also a large expense. Legal costs run high, which most of you took note of in the 2022 budget. The time required to review the lengthy "Affidavits" on both sides of the issue and the "Pre-Hearing Briefs" (that are anything but brief) is significant. This is a critical challenge for DFNS and will have lasting impact on the organization whichever way the decision goes.

We have also had issues that arose from sampling problems that have rolled along from the summer and the transition surrounding bulk milk transportation. As you are all aware potential penalties for milk quality is based on a rolling three-month average and require a minimum of 2 bacterial samples per month. DFNS has had to deal with issues where missing samples have created short circuits in the system. We are looking very closely at the entire "chain of custody" especially along pick up routes that arrive at the processor late in the day or deliveries to out of Province processing plants. We are also looking for more modern technology in coolers to help maintain temperature control over these samples and any other method(s)/procedure(s) that can help us maintain the integrity of the samples.

The Strategic Planning process is moving along and many of you had the opportunity to hear the presentation from Jeremy Latta of Intersol at the AGM. Most of the Directors have now been interviewed and a survey has been forwarded to you via email. This is **your** planning process, the more thought **you** give to your industry while answering the survey questions, the higher the quality of the result. Remember that this is an industry wide initiative and not just about your farm. (about us, not just about you). There will be follow up focus groups via Zoom and it is important that if you wish to participate to let staff know or if you are asked to participate, please respond positively.

Link to the survey:

<https://www.surveymonkey.com/r/DFNSProducerSurvey>

Fisher Transport are experiencing pump motor failures on their new tankers as a result of plugging into 20 amp power plugs at a number of farms. The pump motors are designed for 30 amps and are burning out with higher frequency than anticipated due to this lower amperage. This can cause obvious issues on any given route. We will be addressing this in January 2022 with the 48 producers identified as having 20 amp plugs in their milk rooms.

I want to thank all the members of DFNS who participated in the AGM, both virtually and in person. We believe that it was a great opportunity to exchange views on industry topics that impact producers' daily lives. There are certainly a host of issues in the mix. Your Board and Staff are working on clarification, understanding and resolutions in every situation and appreciate the support that the membership give each of us.

Merry Christmas ... Greg

## *Happy Holidays!*

Our staff will be working on reduced hours over the holiday period (December 24<sup>th</sup> until January 3<sup>rd</sup>). You may see longer than usual response times to your requests. Thank you in advance for your patience while our team takes a well-deserved break!

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

January 1.....	New Years Day
January 13.....	Quota Exchange <b>Noon Deadline</b>
January 25.....	Quota Lease Deadline
February 11.....	Quota Exchange <b>Noon Deadline</b>
February 21.....	Heritage Day Holiday
February 22.....	Quota Lease Deadline
March 11.....	Quota Exchange <b>Noon Deadline</b>
March 25.....	Quota Lease Deadline

## The December Quota Exchange was Cancelled as there was no quota for sale

Quota Exchange Deadline	Payment Due Date
January 13, 2022	January 27, 2022
February 11, 2022	February 24, 2022
March 11, 2022	March 29, 2022

### Leased Quota

The total amount of quota leased in October 2021 was 566.13 Kgs.

The total amount of quota leased in November 2021 was 349.43 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](mailto:dfns@dfns.ca)

### DFNB Newsletter

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

### Lab Results November 2021

Average IBC: 34,148

Average Somatic Cell Count (SCC): 172,560

Adulteration: (Tankers) 3

Send your **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

Phil Parlee  
(southern regions 4, 5, & 6)  
Email: [proAction@nbmilk.org](mailto:proAction@nbmilk.org)  
Fax: 506-432-4333  
Call: 506-432-4330 Ext. 104

## proAction Report

It's been a busy fall for the proAction team, which includes you as producers implementing the program. The Environment module was added to the validations. All producers are now required to report traceability events to the Dairy Trace portal. The Dairy Code of Practice is currently in the public comment period. Comments are able to be submitted until January 27, 2022. We will be sending out more information on this after the holidays.

At this time, on behalf of my colleagues Lindy Brown and Philip Parlee (Lindy's maternity leave replacement) and myself, we would like to extend our season greetings to each of you. We hope that you get to find a few moments of down time to enjoy the holidays. Fingers crossed that nothing breaks, there's no sick cows or hard calvings Christmas morning. Merry Christmas and happy new year to you all.

## FCC Drive Away Hunger Campaign

DFNS is proud to announce that we will be donating \$8000 to the FCC Drive Away Hunger campaign for the purchase of dairy products. Our donation will be directed to Feed Nova Scotia in support of food banks across the province. Drive Away Hunger engages the agriculture and food industry to help create food security for Canadians in need. The agriculture and food industry is resilient. Together we can serve our industry, our communities, and our planet.

This year, FCC's goal is to collect 20 million meals for Canadian food banks and feeding programs by January 31, 2022. Drive Away Hunger results will be announced on Canada's Agriculture Day: February 22, 2022.

Dear Fellow Producers

With our AGM behind us and being in the middle of December, I would like to look back at 2021 and forwards to 2022. I want to thank those that participated in our AGM either virtually or in person. It takes quite a bit to organize a simultaneous virtual and face to face meeting, but with the help of our staff and the technician, Art, we were able to make it work. I certainly, appreciated all the comments and feedback received during those two days.

When we look back over this past year, we see the challenges that were brought on by Covid 19 still being around and trying to predict milk supply and the requirements for retail and RHI. Within the region we had a tremendous growing season, and most producers had an abundance of feed supplies. This was not the case for some parts of Ontario and the western provinces with severe dry weather conditions which caused a shortage of feed. We all have seen the many forest fires in BC followed by extreme rainfall with floods forcing people from the homes and farmers from their farms. When you see all of this, we need to be very thankful for how this year has treated us. We also need to be thankful for our Supply Management System that allows us to share some of the losses occurred in all of this by individual farmers.

From an operational perspective, as far as DFNS was concerned, 2021 was a challenge. I will not go into detail because you are all aware of the things that have occurred, but I do wish to thank **ALL** of our staff, including our interim GM for the work they have done.

After our AGM, we welcomed two new directors, RJ Dillman and Robbie MacGregor to the board. The board selected the new executive for this year with me as Chair, Greg Archibald as Vice chair and Tony Versteeg as third member. We also appointed directors to the many different committees of the board.

Looking forward to 2022, it is going to be another busy year for the board. The strategic planning process is now being rolled out to you. With the participation of **all** of you, we can achieve a clearer understanding of which direction the dairy industry is headed, both provincially and nationally.

I would like to wish all of you and your families a Merry Christmas and the very best wishes for 2022.

Sincerely,  
Gerrit Damsteegt

### **Reminder: Overproduction and Underproduction Credits Permitted**

Matching P5 milk production with variable markets has been an increasing challenge in recent years. Some producers are accumulating underproduction credits, which create milk shortages, and then use these credits when there is already enough milk in the system. This explains, in part, quota increases and decreases, as well as the credit limitation policy observed in recent years. As such, farm underproduction credits have become a significant issue when trying to fill provincial or P5 markets.

P5 boards reviewed the overproduction and underproduction credits permitted and approved an adjustment which will take effect by August 1, 2022. Currently all P5 producers are permitted to borrow a maximum of 10 overproduction credit days (10 x daily quota) and can accumulate a maximum of 30 underproduction credit days (30 x daily quota). This policy is in place to help producers manage their quota during milk production variations, while providing enough milk to meet yearly P5 demand. Current overproduction and underproduction credits permitted have been harmonized across P5 provinces since 2009.

- As of August 1, 2022 the maximum number of underproduction credits permitted will change from -30 to -15 days;
- Overproduction credits permitted will remain at + 10 days for 25 total credit days instead of 40.

Producers are reminded of the changes and are free to adjust their credit day position at their own pace, as long as they are within the revised underproduction credit limit by the effective date.

Any underproduction credits below the revised limit by the effective date of August 1, 2022, will be lost.

*With permission of DFO*

## Milk Production and Pricing

Esben Arnfast, Chief Financial Officer

November raw milk production in Nova Scotia declined during October and November to 558,000 litres/day which is 1.5% less than November 2020. The provincial butterfat content of raw milk mirrored last October and November now at 4.24 kgs per hl. The trend towards lower production levels observed in September has continued in response to P5 quota committee signals reducing previously announced additional production days. The Nova Scotia farm average underproduction credits has climbed -0.7 days per month in October and November to -5.1 days of quota.

The NS transportation rate increased to \$2.93/hl in November up from October's rate of \$2.91/hl and from September's \$2.78/hl. NS transportation costs paid to transporters increased November 1, but the change was minimal and will be pooled with other P5 provinces.

The Nova Scotia average producer raw milk price for in-quota, below market SNF/BF for November was \$87.77/hl or \$19.95/kg b.f. compared to October's price of \$86.78/hl or \$19.96/kg b.f.

The raw milk price increases represent large increases over September's price of \$80.20/hl and the average price during the past 12 months of \$81.60/hl.

Normally fall prices are among the highest during the year as fluid milk sales increase across the P5 while production typically is increasing from the summer but not yet reached maximum levels. The P5 average price increased with September pooling so the advance calculated for October's producer price was substantially higher. November's price was also positively influenced by a return of the operating surplus as of July 31, 2021 which exceeded the cap amount by \$204,463. Also added was \$72,555 which was NS's share of the CDC surplus for the year.

Also producers will have noticed the second consecutive month of a promotion dues holiday to offset some unspent funds due to reduced promotional activities during the pandemic.

The new SNF pricing model graph shows the dollars (expressed per total hl shipped) lost by producers due to production of protein and other solids above the market (>2.0) SNF butterfat ratio.

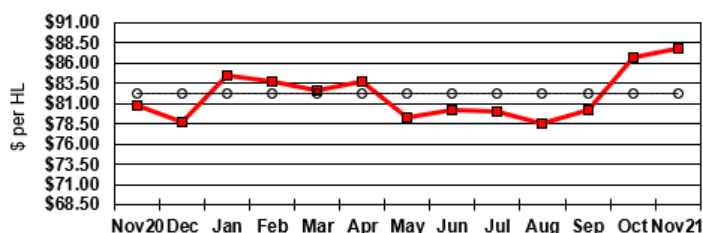
**Total Licensed Producers in November: 200**

## Milk Marketing Report November

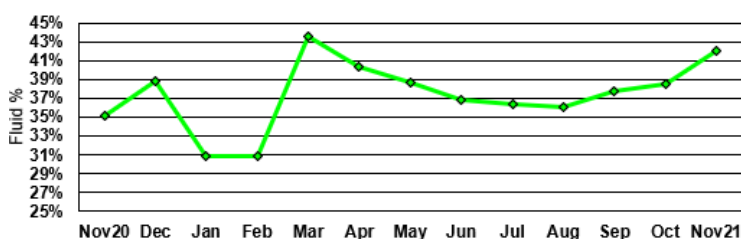
PRODUCTION	2021	2020
Average Liters/Day	557,583	566,837
Average kg Butterfat/Day	23,638	24,012
Average Composition, kg/hl		
Butterfat	4.2394	4.2362
Protein	3.3224	3.3240
Other Solids	5.8843	5.9176
Bulk Haulage (\$/hl)	2.93	2.62

PRODUCER PRICES	BF (\$ per kg)	Protein (\$ per kg)	LOS (\$ per kg)	Avg. per HL
Nov in-Quota	11.4350	10.2337	0.9000	87.77
Nov BF Premium ratio 2-2.30	0.000	3.1705	3.1705	
Nov Over-Quota	-2.7327	-1.9107	-0.3917	-20.00
Dec Over-Quota Penalty	-2.7327	-1.9107	-0.3917	-20.00

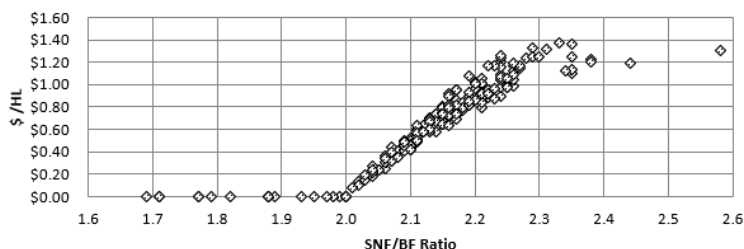
**NS Average In-Quota Below Market SNF/BF Producer Price Per HL basis**



**Fluid Utilization Percentage**



**Nov 21 In-Quota Raw Milk Price \$/HL Market Price Loss at SNF Ratios**





# Have your say on the future of dairy farming in Canada



*The Code of Practice for the Care and Handling of Dairy Cattle* is undergoing important updates and farmers' input is needed. Your feedback will help the organizations behind the Code better understand how the proposed changes will affect farmers, and since the Code forms the basis for proAction's Animal Care module, any updates to the Code have a direct impact on all dairy farm operations in Canada.

## The public comment period is now open

This is your chance to speak up and help shape the future of dairy farming in Canada! Farmers can submit their comments on the Code as part of the public comment period, which is open for 60 days from **November 29, 2021 to January 27, 2022**. Both individuals and organizations can provide submissions, but duplicate or "template" submissions (i.e. multiple submissions that are substantially similar or come from the same IP address) will be treated as one submission.

If you're short on time, you can make a single comment that applies to the whole Code or comment on just one or two requirements. But if you don't comment, your voice will not be heard on these important upcoming changes.

A *Step-by-Step Guide to Participating in the Public Comment Period* is available at [www.nfacc.ca/codes-of-practice/dairy-cattle](http://www.nfacc.ca/codes-of-practice/dairy-cattle).

## DFC sponsors new podcast for dairy, by dairy

DFC is excited to announce its sponsorship of "The Canadian Podcow," a new podcast made by Canadian dairy farmers for dairy producers, as well as the broader dairy community and their friends. Hosts Sarah Sache and Andrew Campbell explore issues and provide analysis, offering their perspectives about dairy farming and the dairy value-chain both here at home and internationally. A French version of the podcast called «Entre deux traites» is hosted by Sabrina Caron and Jean-François Janelle.

## Learn more about the Code of Practice

In January, a special episode of *The Canadian Podcow* focused on the Code of Practice. It is available for download here: <https://rss.com/podcasts/canadianpodcow/>

# DAIRY DIRECT PAYMENT PROGRAM

To receive a payment, your farm must register for the Dairy Direct Payment Program. Eligible producers must register every year of the Program to receive a payment.

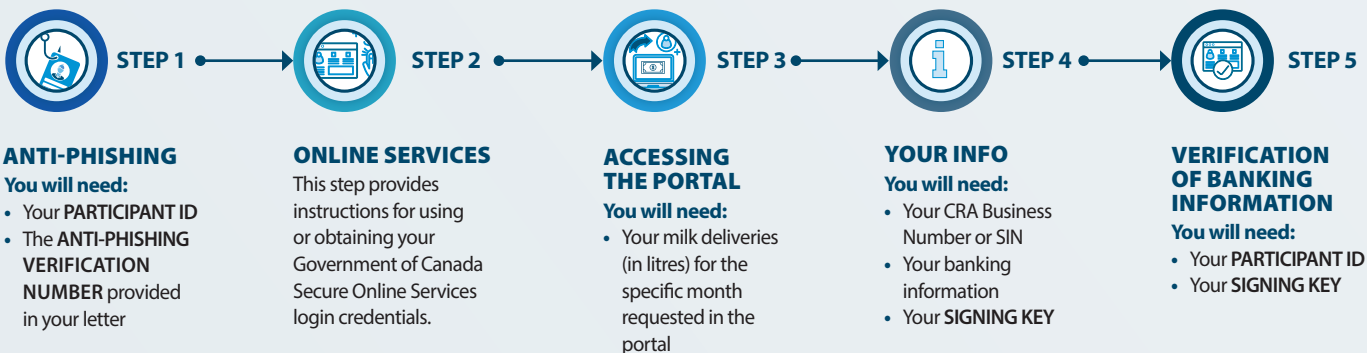
This pamphlet details the steps needed to register [online](#).

All the steps can be done on a smart phone, tablet or computer. If you do not have access to a computer with an internet connection, you can still register to receive your payment. Call the Contact Centre by phone at 1-877-246-4682/TTY 613-773-2600 for instructions on how to proceed. You will need your **PARTICIPANT ID** at the time of the call.



**Registrations must be signed using your SIGNING KEY  
and received no later than March 31, 2022.**

## RECEIVING YOUR PAYMENT





## STEP 1: ANTI-PHISHING CONTROLS

1. Visit the DDPP portal <https://application.cdc-ccl.gc.ca/ddpp-ppdpl/>
2. Enter the 9-character **PARTICIPANT ID** provided in the accompanying letter.
3. The system will generate a 5-digit **ANTI-PHISHING VERIFICATION NUMBER**. The **ANTI-PHISHING VERIFICATION NUMBER** lets you know that you are on the DDPP secure web site and that the information that you enter will not be used to steal your identity.

The number generated by the system must match the one provided in the accompanying letter. If it matches, click on the **Submit** button. You will then be re-directed to the Government of Canada Secure Online Services page. Continue to **STEP 2**.

If the **ANTI-PHISHING VERIFICATION NUMBER** does not match the one provided in the accompanying letter, STOP and call the Contact Centre at 1-877-246-4682 / TTY 613-773-2600 to report that your **ANTI-PHISHING VERIFICATION NUMBER** does not match what is on screen.



**IMPORTANT:** You must complete the anti-phishing step every time you access the portal. Please make sure to keep your letter with the codes in a safe place.



## STEP 2: GOVERNMENT OF CANADA SECURE ONLINE SERVICES – GCAccounts (GCKey OR SIGN-IN PARTNER)

Once you have completed **STEP 1**, you will be directed to the Government of Canada Secure Online Services page. This step requires you to log in to your GCAccount using a GCKey username and password or through one of the Sign-In Partners.

A GCAccount (GCKey or Sign-in Partner) lets you securely access the Government of Canada's online services. If you already have a GCAccount, other than a Canada Revenue Agency account, you can use your username and password to sign into the program portal. If you have not already registered for a GCAccount, follow the steps below.

### CHOOSING A METHOD TO SIGN-IN

You must sign in using one of the following:

- A Sign-In Partner;
- A GCKey that has already been created; or
- By creating a GCKey specifically for this purpose. Each person who will need access to the DDPP portal must have their own GCKey.

Here is some basic information on each method.

- **Sign-In Partner:** Sign-In Partners are usually banks, and each will have its own method for providing you with sign-in information. You must have an online banking account with one of the financial institutions listed on the registration page to use this option.
- **GCKey:** A GCKey includes a username and a password chosen by you and recognized by the Government of Canada. When you create a GCKey, you also create security questions. This keeps your data secure and lets you recover your account.



## INSTRUCTIONAL VIDEO ON REGISTERING FOR A GCKEY

GCKeys are provided through an online process. Visit the following link for an instructional video on how to register: <https://cutt.ly/GCKeKeyTutorial>



## STEP 3: ACCESSING THE PROGRAM PORTAL

Once you have successfully logged into the Government of Canada Secure Online Services, you will be taken back to the DDPP portal where

you must complete Step 3 of the registration process by entering your milk deliveries (in litres) for the specific month requested in the portal.



## STEP 4: PROVIDING AND VERIFYING YOUR INFORMATION IN THE PROGRAM PORTAL

Only a duly authorized representative of the farm can proceed with the following steps.

1. For tax purpose, enter your 9-digit Canada Revenue Agency Business Number. If you do not have one, you will be asked to provide your Social Insurance Number.
2. You then must confirm the information (farm name and address) provided by your provincial board\*. These will be used to mail tax slips and payments requested by cheque. You must also certify that you are authorized to register on behalf of the farm.
3. Provide your bank account information if you choose to receive your payment by direct deposit or check off that you want to receive your payment by cheque.

### Cheque Option

If you choose the cheque option, you will need to agree to the **Terms and Conditions** of the program and click the **Next** button. You will then be asked to enter the **SIGNING KEY**, as provided in the accompanying letter, in the space provided and click the **Next** button. This concludes the registration process for the cheque option.

### Direct Deposit Option

If you choose to receive your payment by direct deposit, you will be asked to enter the **SIGNING KEY**, as provided in the accompanying letter, in the space provided. You will then need to agree to the **Terms and Conditions** of the Program and click the **Next** button. You will move on to **STEP 5**.

**\*An error in the company name or the email address may create issues with the administration of the payment. If any of the profile details are not correct, contact your provincial milk marketing board to have your information updated. Note that this will interrupt your registration process. Once the board has updated your information, you will need to log in again using your PARTICIPANT ID to finish the registration process.**





## STEP 5: VERIFICATION OF BANKING INFORMATION

**STEP 5** only applies to payments made by direct deposit.

If you received a payment last year and are using the same bank account information, the CDC will proceed directly to the payment. Your registration is complete.

If you did not receive a payment last year, or if you are using a different bank account number, the CDC will validate this new account by doing a test payment to make sure that your payment is deposited into the correct account. Within approximately 15 days of registering using the DDPP portal, you will receive a small deposit (under \$3) in the bank account that you provided. You will receive an email notification a few days before the deposit is made.

This step is to verify the banking information that you provided and ensures that the payment will be made in the right bank account.

Once you have received the deposit from the Government of Canada:

1. Log in to the DDPP portal with the **PARTICIPANT ID** provided in the accompanying letter and your GCKey username and password or a Sign-in Partner.
2. Enter the amount that you received to confirm receipt of payment, confirm it by entering your **SIGNING KEY** provided in the accompanying letter, and click the **Next** button.
3. The CDC will then proceed with depositing the balance of your payment.

This concludes the registration process for the direct deposit option.



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**IMPORTANT :** The direct deposit of your DDPP payment can only be done after **STEP 5** has been completed.

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## QUESTIONS?

**Toll-free:** 1-877-246-4682

**TTY:** 613-773-2600

**Email:** [info.direct.p@cdc-ccl.gc.ca](mailto:info.direct.p@cdc-ccl.gc.ca)

**Hours of service:** 8 am to 5 pm (CST)  
Monday to Friday

