

NEWSLETTER

Informing Nova Scotia dairy producers on matters affecting their industry.

Vol. 22, No. 5 - January 2022

As you are now all aware, Doug Thompson, the long-standing GM for DFPEI, has now taken on the GM's position for DFNS as an additional tasking. This is a trial run to look at the long-term future for more cooperation between the Maritime Provinces' DF organizations. Chairman Gerrit Damsteegt will be speaking to this initiative so I will not get into any detail here, but it is an example of what the future may hold. Doug has nearly 20 years' experience in the dairy industry in PEI. He will be bringing this extensive experience to your organization, creating strong leadership and stability for DFNS.

As a result of the above I will be helping with the transition period over the remaining few weeks of January and carrying out a few tasks for DFNS, such as coordination of the strategic planning process and completion of the directives issue. I realize that this may sound a lot like a second goodbye, but it has been my pleasure to reconnect with many of you and the industry which continues to grow in complexity.

There are several issues on the go at the moment and the hiring of two new staff positions is at the top of the list. These positions are being put in place to reduce workload on existing staff and aid in future succession. We will be hiring an accountant to work under Esben Arnfast as we transition to the PLQ's milk recording and payment system.

While the rollout of this system has been slower than anticipated, we are moving forward to enter the first phase, which will be the implementation of the new handheld (HH) system. We have the new HH units now and as soon as the software has been completely tested, they will be put to work. We hope this testing will be completed prior to April. IT system support for the old HH system will be withdrawn by end of February and we are pushing hard to get the new system in place by that time, so that we do not have to request an extension of support for the old system.

The second position to be filled is for a dedicated policy person. Both DFPEI and DFNB have this policy position defined and in place now. These policy people are very positive assets for their respective organizations. Doug Thompson will be training our new person in the complexities of the policy issues.

DFNS is in the process of switching data storage firms from Proserve IT to Carbon 60. Proserve IT has been with DFNS for several years. They started originally with the initiative to develop a new MMS system with DFO and other Provinces. We have been in the process of reevaluating our needs in the area of data storage and cyber-security required to avoid another malware attack, similar to what was experienced in July 2021. In addition, DFNS was facing the replacement of our server capacity. With Carbon 60, DFNS will have no requirement for any server capacity. Carbon 60 is the provider of data storage for DFNB and came highly recommended.

In the near future, the Intersol Group, will be organizing focus groups with producers to discuss the results of the strategic planning survey. We wish to thank all the producers who participated in the survey and will be looking for your participation in the focus groups to be organized for February.

Your Board continues to give thought to ways to improve the sampling system now in place. One of the greatest concerns is the lack of accountability along the chain of custody from farm to laboratory. We are looking for ways to reduce the number of players involved in the delivery chain and to increase the accountability of each.

The Board has recently heard from the Department of Agriculture on a number of milk quality issues. We will be working closely with the Department to develop new procedures to insure that reporting from Agriculture is acted on in a reasonable time frame and in an effective manner. Milk quality is the foundation of your business and a key marketing tool for your milk.

Best Regards ... Greg Cox

UPCOMING EVENTS & DEADLINES:

February 11.....	Quota Exchange Noon Deadline
February 21.....	Heritage Day Holiday
February 22.....	Quota Lease Deadline
March 11.....	Quota Exchange Noon Deadline
March 25.....	Quota Lease Deadline
April 13.....	Quota Exchange Noon Deadline
April 15.....	Good Friday
April 18.....	Easter Monday

The January Quota Exchange was Cancelled as there was no quota for sale

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

Leased Quota

The total amount of quota leased in December 2021 was 727.33

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.

Lab Results December 2021

Average IBC: 38,606

Average Somatic Cell Count (SCC): 160,328

Adulteration: (Tankers) 3

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

Phil Parlee
(southern regions 4, 5, & 6)
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Call: 506-432-4330 Ext. 104

2021 proAction Progress Report Now Available



Dairy Farmers of Canada (DFC)'s 2021 proAction® Progress Report is now available, highlighting the achievements and actions Canada's dairy farmers have taken over the past year to ensure 100% Canadian milk is always safe, nutritious and high-quality.

Highlights include: the launch of proAction's Environment module, new Animal Care and Traceability requirements, and an ongoing commitment to the values of proAction demonstrated by farmers and industry partners during the COVID-19 pandemic.

DFC would like to thank Canadian dairy farmers for their invaluable support and contributions to proAction, which ensures it continues to be a collaborative national success story. In the spirit of continuous improvement, we look forward to building on this momentum in 2022 and beyond.

Download the full 2021 proAction Progress Report here: dairyfarmersofcanada.ca/en/proaction-progress-report

Dear fellow producers,

A new calendar year has started and there are a fair number of different topics I would like to mention.

All of you should have received an email with the announcement that DFNS and DFPEI are sharing a General Manager, Doug Thompson, who served for almost 20 years as GM for PEI. To get to this point many hours of discussion have taken place between the executives and boards with the inclusion of Doug Thompson and Greg Cox. This structure is in place for one year. Over this time frame we will be reviewing how everything works out from an organizational and a board perspective. With the knowledge and experience that Doug brings to both organizations we are also setting things up regarding succession planning as you can read in Greg's report. Any change is going to take effort from all sides, staff, directors and grass root producers and I'm asking for all of your support.

You also received many different emails on the Code of Practice for the Care and Handling of Dairy Cattle. Dairy Farmers of Canada has given you the opportunity to participate in a number of sessions to go through the changes; DFNS also held a session on Tuesday January 18th. I would like to thank those that have participated. Our pro-Action program is based on the Code and for that reason there will be a few changes coming. For those that have not looked at the Code, I would like to encourage you to do so and for all of you to send in your comments on any topics addressed in the Code by January 27th. Your input is very important for the Code committee to finalize this work. [Click here](#) for information on the code and [click here](#) to submit your comments. Thank you.

As we are all aware, over 2 years ago a new transportation regulation on movement of cattle came out with a maximum time of transport for certain age groups of animals. For young calves it was a maximum of 12 hours which was problematic for bob calves from NS to Quebec. Since government became aware of this, they have extended the timeline to Feb 2022. There was also a research program put in place to study this issue further. Since the pandemic, all of this work has slowed down, and government has decided to delay it by another year.

All of you should have received information from the CDC regarding compensation for CETA and CPTPP. Please fill out the document and send back to the CDC to receive your compensation. Deadline for this is March 31st.

As a board we are meeting mostly virtually but are trying to also meet in person. At the beginning of February, we will have our yearly national lobby day with MP's which will be held virtually again this year. After this DFC, will have their annual Policy Conference where many different topics will be discussed.

With all of this, I would like all of you to set aside a bit of time to participate in the items mentioned above and I want to thank you for doing your part to keep this industry strong.

Sincerely,
Gerrit Damsteegt

Dairy Focus Atlantic

Please note that Dairy Focus Atlantic, originally scheduled for March 22—24, has been cancelled

Valacta Calendars

Eligible producers should have received their Valacta calendars by the end of January. If you do not have your calendar by this time please contact us at dfns@dfns.ca

Blue Cross

We are happy to announce an opportunity to join the Health Benefit program with Medavie Blue Cross! If you apply within the month of February, there is no medical underwriting for you or your eligible dependents. This offer is also extended to your employees. For more information, including enrolment forms please see Member Resources on the DFNS website—click [here](#).

Letter of Introduction—Doug Thompson



I can only assume that many of Nova Scotia's dairy farmers were surprised by the announcement last week that I have been appointed to the position of General Manager for DFNS. The reactions from across Canada have reflected surprise in other provinces and the industry's national organizations. However, those surprised responses were tempered by many comments stating that this is an excellent way to move ahead, and this kind of cooperation is needed for the future of the industry.

There was a considerable amount of work needed for the Boards to come to agreement and determine the mandate for the shared position. I am very pleased to have the assistance and support of the staff as I assume responsibilities at DFNS. They have worked successfully through uncertain times. I am sure they will all be helpful to me as I try to absorb the policy and operating differences between the two provinces.

DFNS and DFPEI agreed to form a joint management committee to facilitate this evolution. It will be comprised of Greg Cox, Kimberly Harrison, DFPEI Policy and Operations Officer Sarah Stanley, and myself. The committee will make recommendations to the Boards on the priorities and activities staff will need to focus on to make this new structure a success.

The first assurance I want to make to dairy farmers in Nova Scotia is that I am not coming to you with revolutionary ideas to throw out existing business practices and bring in new ones. I am confident that you already have an excellent staff at DFNS, and my goal is to support them as we work together toward a successful future. There will be changes, but I am a big believer in evolution, not revolution. My goal is to ensure all the good things happening now continue, while working with the staff and Board to make improvements when they are needed.

One immediate, significant change will be the addition of two new employees. The DFNS Board determined before negotiations for GM sharing started that at least one more employee was needed for administrative functions at DFNS. Then, during the sharing negotiations, the Board recognized that DFNS's future needs included a policy analyst to focus on Nova Scotia specific issues. You will see advertising for these positions soon.

There are lots of things to do and I expect the next year to be very busy with transition. I will make myself available as much as possible, recognizing the limitations the COVID 19 pandemic is placing on all our activities.

A little bit about me.... I grew up in Eastern PEI and graduated from UPEI in 1982 with a degree in business administration. I have had a varied and interesting career. Five of six years with RBC were split between Elmsdale, Halifax and Barrington Passage, NS. My secondary career for 23 years was the Army Reserve, including a two-year posting with the Navy in the Halifax Dockyard. I started working for DFPEI in 2002 and assumed the role of General Manager in 2003. I wanted to tell you this to give you some assurance that I am not a total stranger to Nova Scotia. My son was born in Halifax, and I can honestly say some of my best years were spent in this beautiful province. I look forward to working with all of you to ensure the industry's success.

Doug Thompson,
General Manager

Milk Production and Pricing

Esben Arnfast, Chief Financial Officer

Raw milk production increased slightly during December to 560,000 litres/day however that represents a 3.1% drop in volume since last December. On a butterfat basis that difference is closer to a 2% decline since the butterfat content has remained higher than last year at 4.24 kgs per hl.

The average Nova Scotia farm underproduction credits have dropped a half a day of quota to -4.6 days of quota. This is a change in direction for the credits since steadily increasing after drawing quite close to zero last May.

The NS transportation rate decreased to \$2.83/hl in December as a result of pooling higher November costs paid to NS transporters.

The Nova Scotia average producer raw milk price for in-quota, below market SNF/BF for December declined from the high levels in October and November to \$84.14/hl or \$19.12/kg b.f. for milk of average composition.

One main difference causing the difference was that December's milk price was supported by a large repayment to producers of the DFNS operating surplus and the CDC surplus for the prior dairy year. During December the value of milk sales to processors did not change significantly from November. Just over 1 million litres of raw milk were received from NL and approximately 4.5 million litres of raw milk was delivered to other provinces. There was not any skimmed milk that could not be marketed.

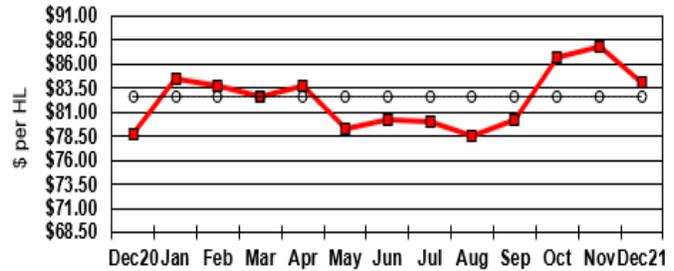
The SNF pricing model graph shows the dollars (expressed per total hl shipped) lost by producers due to production of protein and other solids above the market (>2.0) SNF butterfat ratio. The overall amount lost has narrowed in December with a smaller difference between the floating 4(a) market price and the regular in-quota component prices.

Milk Marketing Report December

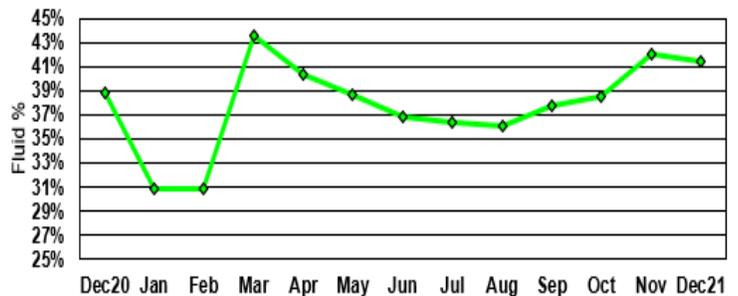
PRODUCTION	2021	2020
Average Liters/Day	560,050	578,016
Average kg Butterfat/Day	23,761	24,231
Average Composition, kg/hl		
Butterfat	4.2426	4.1922
Protein	3.3228	3.2827
Other Solids	5.8929	5.9246
Bulk Haulage (\$/hl)	2.83	2.86

PRODUCER PRICES	BF (\$ per kg)	Protein (\$ per kg)	LOS (\$ per kg)	Avg. per HL
Dec in-Quota, Below Market	11.0705	9.5921	0.9000	84.14
Dec Market SNF Rate (4/kg) SNF/BF = 2.00-2.30	0.000	3.4412	3.4412	
Dec Over-Quota (Penalty)	-2.7327	-1.9107	-0.3917	-20.00
Jan Over-Quota (Penalty)	-2.7327	-1.9107	-0.3917	-20.00

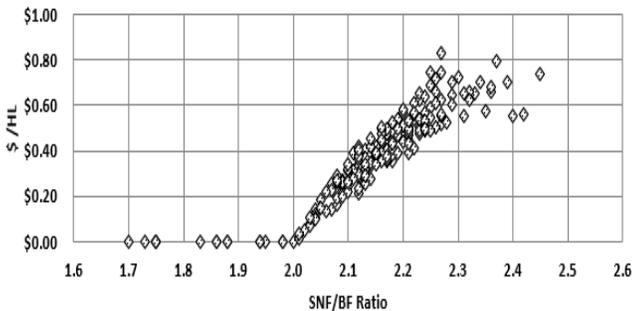
NS Average In-Quota Below Market SNF/BF Producer Price Per HL basis



Fluid Utilization Percentage



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



Total Licensed Producers in December: 200



Benefits Bulletin

January 2022

The Atlantic Federation of Agriculture (AFA) provides a comprehensive, cost-effective group insurance plan for the benefit of producers and their families.

As we return to normal levels of travel since the start of the COVID-19 pandemic, it is important to know what travel insurance and coverage is provided under your group insurance program.

The AFA's travel plan with Medavie Blue Cross will cover eligible emergency hospital and medical expenses related to COVID-19, under the circumstance that before departing, members are symptom free, have not tested positive and have not been in contact with anyone who tested positive in the last 14 days.

This plan **will not cover**:

- x the costs of COVID-19 tests,
- x any costs related to delays caused by these testing requirements
- x any costs related to quarantines
- x any costs related to cancelling a trip due to the COVID-19 pandemic.

A COVID-19 test can be eligible for reimbursement through a Health Spending account, only if it is prescribed by a medical practitioner.

Please note that receiving any COVID-19 vaccines will not have any effect on the ability to obtain coverage or benefits for this insurance.

Remember to pack your Medavie Blue Cross ID Cards!

Employees and dependents should take their Medavie Blue Cross ID card with them while travelling (or have access to their card via the mobile app). The Worldwide Travel Assistance number is listed on the card, and take note that it is different than the Canadian customer service centre number.



For more information:

In our current environment, it is important to review your coverage before travelling to better understand limits and exclusions. Please contact Medavie Blue Cross at 1-888-873-9200 or visit <https://www.medaviebc.ca/en/covid19>

If you would like to review national guidance on travelling, please visit <https://travel.gc.ca/> Be sure to check with local authorities on what insurance coverage you may need to have in place before arriving.

DFNS Health Plan Update



LIMITED TIME OFFER

The Dairy Farmers of Nova Scotia (DFNS) will be offering you the opportunity to join the Health Benefit program with Medavie Blue Cross!

What is the Health Benefit program?

The program is part of the Atlantic Federation of Agriculture and covers producers, their families, and their staff across the Atlantic Provinces. This is a comprehensive program that is designed to meet the needs of our members.

What does the plan provide?

- Life and Accident insurance at competitive rates
- Robust health plan that provides coverage for prescription drugs, programs and services to manage your chronic conditions, mental health practitioners and medical services and supplies such as hearing aids, diabetic equipment and more.
- Comprehensive dental program that covers routine dental visits all the way to orthodontics.

Who can I offer this coverage to?

This plan covers you, your family, and it can be offered to your farm employees!

When is this happening?

This offer will only be available for the month of February 2022 (February 1st to February 28th).

Will I need medical underwriting in order to join the program?

You and your dependents will be able to enroll in the group benefits program with NO medical underwriting requirements. Should you and your dependents decide to enroll after this date, you will be considered a late applicant to the plan and will be subject to medical underwriting.

What's next?

1. A Benefits Guide outlining the program and costs will be sent to you in January.
2. A Medavie Blue Cross Welcome Guide will also be provided outlining products, services and tools available to you and your eligible dependents.
3. Should you wish to enroll, complete the enrolment form and banking information for you and/your eligible dependents.
4. Return the completed information by February 28th.
5. Your group benefits would start April 1st 2022!