

NEWSLETTER

Vol. 16, No. 7 - February 2016

Lobby Facts

Here are some of the facts and figures used at the recent Federal Lobby Day in Ottawa:

- **91**% of Canadians want their milk to be produced in Canada.
- 85% of Canadians want the government to protect our dairy industry in free trade agreements.
- **215,000** full-time equivalent jobs in Canadian dairy sector.
- **7/10** provinces have dairy in top two agricultural sectors. #1 in NS.
- **\$18.9 billion** contributed to Canada's gross domestic product by dairy sector.
- **\$3.6 billion** paid in federal, provincial, and municipal taxes by dairy sector.
- **\$450 million** committed by previous federal government toward processor infrastructure.

Spring Regional Meeting Dates

Wednesday, **April 6** 9:45 to 3:00—Claymore Inn, Antigonish

Thursday, **April 7** 9:45 to 3:00—Old Orchard Inn, Wolfville

Friday, **April 8** 9:45 to 3:00—Best Western Glengarry, Truro

Lunch Included

UPCOMING EVENTS & DEADLINES:

| March 11, 2016 | Quota Exchange Deadline |
|-------------------|---------------------------------|
| | .Western Canadian Dairy Seminar |
| March 25, 2016 | Quota Lease Deadline |
| March 30-31, 2016 | Dairy Focus—Halifax |

Chair's Message

The board traveled to Ottawa for Lobby Day February 2, 2016. We had three successful meetings. In the morning, we met with thirteen members of the Liberal caucus, several Conservative Senators in the afternoon. Gerrit Damsteegt and Bryon Lamb also created an opportunity to meet with Scott Brison.

The three key messages we delivered to the parliamentarians were diafiltered milk, the duty deferral program, and infrastructure investment. We also mentioned proAction and our "Fueling Women's Champions" program.

Diafiltered milk is important for us because it is used in some cheese vats as milk, not as an ingredient, bypassing the cheese standards. We asked for the government to move the responsibility from CFIA to the CDC to audit and enforce the cheese standards. We felt the government was receptive to this idea. Federal Agriculture Minister Lawrence MacAulay spoke at the lunch during policy conference. He indicated that the cheese standards are rules and need to be enforced.

We explained that the "Import for Re-Export" is the preferred program for dairy products to come into the country for our processors to use. The duty deferral program is designed for manufactured goods, not agricultural products. We understand there is some abuse of the program.

The infrastructure investment sparked some discussion at our meeting on Parliament Hill as well. This discussion continued during the DFC reception that evening. We were encouraged that government supports the renewal of our aging processing plants. It was a good team building exercise for our board. The directors represented our province well at the national meetings. We were hoping for a conclusion of the ingredient strategy, but we just heard that talks are continuing. Stay tuned.

Andrew McCurdy, DFNS Chair

DFNB Newsletter

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

Phone: (902) 893-MILK

Fax: (902) 897-9768

Results of the February 2016 Quota Exchange

Iteration (all buyers): 0.2 kgs Prorated for buyers: 1.63%

| Kilogram | Proc | ducers | |
|---------------------|--------|------------------|----|
| | | Buying Quota | 81 |
| Purchased (actual) | 31.47 | Offering to Buy | 81 |
| Offered to Purchase | 952.11 | Selling Quota | 8 |
| Offered to Sell | 31.47 | Offering to Sell | 8 |

| Price | | ers to (kgs) | Cumulative Sales | Difference | Cumulative Buys | Offers to Buy (kgs) |
|--------------|--|-----------------|-----------------------|----------------|--------------------|------------------------|
| \$24,000 | 31.47 | | 31.47 | -920.64 | 952.11 | 952.11 |
| • | ota Exchange Payment Deadline Due Date | | P5 QUOTA EXCHANGE MCP | | | |
| March 11, 20 | rch 11, 2016 March 29, 2016 | | PEI | | \$22,000 | |
| April 13, 20 |)16 Apr | | il 27, 2016 | | unswick | \$24,000 \$24,000 |
| May 13, 201 | 16 | Ма | y 27, 2016 | 11 | | \$24,000 |

| Dairy Services Lab Results January 2016 | | | | | | |
|---|--|--|--|--|--|--|
| Bactoscan Individual Bacteria Count (IBC) Count Samples Percent <35,000 171 75.33 35-121,000 47 20.70 >121,000 9 3.96 TOTAL 227 99.99 96.03% meet provincial standard Avg. IBC - 37,203 | | | | | | |
| Somatic Cell Count (SCC) Average SCC – 194,731 | | | | | | |
| Lab Pasteurized (LP) N/A Count Samples Percent <750 >750 | | | | | | |
| Adulteration (added water and/or antibiotics) Water (Farm Tanks) 0 | | | | | | |

CQM/proAction Follow-Up:

Beginning **February 29, 2016**, please send your Self Declarations or corrections to:

Nancy Douglas (northern regions 1, 2, & 3)

email ndouglas@dfpei.pe.ca

fax to 902-566-2755 call 902-394-1657 Ashley Baskin (southern regions 4, 5, & 6)

Antibiotics (Tankers)

email ashley@nbmilk.org fax to 506-432-4333 call 506-435-0077 or 1-866-432-6455

P5 Additional Production Day Use

In the last ten months, the P5 boards have issued producers 24 Additional Production Days for conventional milk production. The table below shows the percent uptake of these incentive days by each province since March 2015. It is interesting to note that, despite having incentive days issued each fall since 2009, or further back for some provinces, the average uptake in that period is approximately 8% less than the spring/summer days of 2015. Fall incentive days are also announced well in advance, while the spring/summer days in 2015 were relatively short notice. These points highlight that there is still seasonality to milk production, despite a marked levelling off over the last number of years.

The single incentive day issued for each of December and January saw the highest uptake with close to two-thirds of New Brunswick and Ontario days being used. Quebec producers filled the lowest percent of days for each period, while Ontario was the highest each time. Overall, the P5 uptake is close to what was expected. One day remains for February, and then no other days are announced until the ten days this coming fall.

| | # days | PEI | NS | NB | Québec | Ontario | P5 |
|--------------------|--------|-------|-------|-------|--------|---------|-------|
| March to July 2015 | 12 | 40.0% | 39.9% | 38.2% | 36,8% | 44.4% | 40.3% |
| Aug. to Nov. 2015 | 10 | 31.4% | 32.5% | 32.1% | 26,4% | 41.0% | 32.1% |
| Dec. 2015 | I | 44.8% | 46.4% | 52.7% | 44,0% | 56.5% | 48.8% |
| Jan. 2016 | I | 47.7% | 51.0% | 62.5% | 50,0% | 64.3% | 56.4% |



DFNS Excellence Award Criteria – Start August 2016 Current Revised

- all monthly individual bacteria count (<u>IBC</u>) of less than <u>30,000</u>/ml for the dairy year;
- an average of monthly somatic cell count averages, 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 infraction during the dairy year; and
- be registered with the CQM Program each month of the dairy year.

- all monthly individual bacteria count (IBC) of less than 30,000/ml for the dairy year;
- an average of monthly somatic cell count averages, less than or equal to <u>150,000/ml</u> 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 infraction during the dairy year; and
- be registered with the CQM/<u>proAction</u> Program each month of for the entire dairy year.

Dairy Focus 2016

Dairy Focus will be here before you know it! We hope you're planning to join us in Halifax on March 30-31 for this great event. There are still some spots available in both of the pre-conference workshops in Bible Hill on March 29th as well. Here are a couple of important deadlines:

- February 22, 2016, is the deadline for the negotiated hotel rate.
- March 16, 2016, is the registration deadline.

For more details and registration forms, see the conference booklet that you received with the January newsletter or online at www.dairyfocus.org. Register soon if you want to attend one of the pre-conference workshops! Dairy Focus organizers and the Atlantic dairy industry associations are seeking feedback from members and industry stakeholders on future dairy conferences in the region. The survey takes less than five minutes, yet the results will be extremely valuable. If you can complete the survey at https://www.surveymonkey.com/r/dairyconference by February 26th, your input would be greatly appreciated.

Maritime Beef Conference

The Maritime Beef Council is hosting the 2nd Annual Maritime Beef Conference on March 18-19, 2016, at the Four Points by Sheraton, Moncton, NB. There is an exciting line up of speakers and presentations on topics ranging from New Entrant opportunities, overview on regional and national research, feed efficiency research and its impact on farmers' financials, and managing the farm business. Visit the conference website (www.maritimebeef.ca) for more information and to register.









DEADLINE FOR OFFERS IS LAST BUSINESS DAY BEFORE THE 1 4^{th} OF EACH MONTH.

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

Quota Exchange Offer to PURCHASE _

| | | (Exertainge month) |
|--------------------------------------|--|--|
| Regist | ered Producer Name: | |
| DFNS | Registration Number: | Phone: |
| PLEASE | NOTE: Effective February 1, 2016 | i, the MCP Cap is \$24,000. |
| Offers (kilogran | above the MCP Cap of \$24,000 will not be acce in (two decimal places). Prices must be for a whole l er's total quota (exception for assisted new produce) | epted. Quantities offered may be in hundredths of a |
| Offer | to Purchase kgs of TPC | per day @ \$per kg. |
| _ | ail address:nfirmation of receipt of offer, if requested) | |
| Payme day of | nt for quota must be made via the selected me | ethod below on or before the <u>third last business</u> thave completed a PAD agreement (available on ue. |
| | 1. Cheque Payment 🔘 | 2. Pre-Authorized Debit |
| | 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. | 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. |
| L | \$17.25 Service Fee must accompany offer | r (\$15 + \$2.25 HST) Reg No. 107788523 |
| | vent of a cancelled exchange, service fees are returned t t offer forms cannot be held for future exchanges. | to the producer (or not collected in the case of PAD). Please |
| designate deadline, associated | d signing officer(s). It is the producer's responsibility to confirm to or the buyer's payment is dishonoured, the quota purchased by t | he exchange for a period of 12 months, and the producer may only |
| Date | Signa | ature(s) |
| The in | formation on this form is a summary of the applicable rules, Manual on our website contains the current policies and pr | which are contained in the TPQ Regulations. The DFNS Producer occedures, or you may contact office staff for assistance. |
| | FOR DFNS OFFI | CE USE ONLY |



Offer Received/Verified By: _

Service Fee: \Box cash \Box cheque \Box PAD



TPQ Lease Agreement

THIS LEASE made _____day of _____

100-4060 Highway 236 Lower Truro, NS B6L 1J9 Phone: (902) 893-6455 Fax: (902) 897-9768

www.dfns.ca

_, A.D., 20____

| | BETWEEN: | | DENC Dog # 2 |
|----|---|-------------------------------------|--|
| | hereinafter | called the "LESSOR" (Lender of | DFNS Reg. # <u>2</u> the quota) |
| | | - and - | |
| | | | DFNS Reg. # <u>2</u> _ |
| | hereinafter | called the "LESSEE" (Borrower of | of the quota) |
| | | | |
| Th | AGREEMENT ne Lessor and the Lessee agree that | | IMPORTANT NOTES |
| | _ | | Leases will be for a one-month duration |
| | The Lessor shall lease to the Lessee Production Quota (TPQ) The lease term shall commence on t | | and will expire at the end of the month, so any adjustments to provincial TPQ do not apply to leases. |
| | day of The Lessee shall pay to the Lessor \$ | (month). | Quota may be leased in denominations of tenths of a kilogram. |
| | quota leased, payable as described | | 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. |
| | This lease is not assignable. This lease shall bind the heirs, execu | store administrators and successors | Only leases applying to the current month will be accepted. |
| J. | of each of the parties. Signature of LESSOR | Date | DFNS is not responsible for receipt of lease forms mailed or faxed to our office. IT IS THE PRODUCER'S RESPONSIBLITY TO CONFIRM RECEIPT. |
| | | | DEADLINES |
| | Signature of LESSEE | Date | Completed lease forms must be |
| | JTHORIZED BY | | 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. |
| on | репан от Dairy Farmers of Nova Scotia th | is, 20 | Lease Month Deadline January January 25, 2016 February February 23, 2016 March March 25, 2016 |

April

April 25, 2016



DEADLINE FOR OFFERS IS LAST BUSINESS DAY BEFORE THE 14th OF EACH MONTH.

4060 Highway 236 Lower Truro NS B6L 1J9 Phone: (902) 893-6455 Fax: NOT ACCEPTED www.dfns.ca

Quota Exchange Offer to SELL Registered Producer Name: DFNS Registration Number: _____ Phone: _____ Offer to Sell _____. ____ kgs of TPQ per day @ \$______ per kg. PLEASE NOTE: Offers above the MCP Cap of \$24,000 will not be accepted. Quantities offered for sale may be in hundredths of a kilogram (two decimal places). Prices must be for a whole kilogram. Offers are limited to one buy or sell per producer per exchange. Each participant in an exchange will be notified in writing of whether or not their offer was successful. Successful Sellers will be paid for their quota sold on the last business day before the 10th day of the month following the exchange. If the sold quota is assigned to a lender, cheques will be jointly payable to the producer and lending institution. QUOTA CURRENTLY ASSIGNED: Name of Lending Institution(s) kgs Seller's Service Fee must accompany offer as per schedule below (HST Reg No. 107788523) **SELLERS FEE SCHEDULE** Amount Offered Fee Per Offer 1 kg or less \$115 (\$100 + \$15 HST) 1.01 - 10 kg\$230 (\$200 + \$30 HST) More than 10 kg \$345 (\$300 + \$45 HST) All offers must be signed by the registered quota holder. An offer must be signed by all partners of a partnership, or the designated signing officer(s) of a partnership or corporation. It is the producer's responsibility to confirm receipt of offers by DFNS. Signature(s) Date 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 most up-to-date policies and procedures, or you may contact office staff for assistance. FOR DFNS OFFICE USE ONLY



Offer Received/Verified By:

Service Fee Received: □ cash □ cheque

Maritime Quality Milk www.milkquality.ca

Maximizing Calf Health - Best Practices for Colostrum Management

By Dr. Marguerite Cameron, Maritime Quality Milk, and Dr. Luke Heider, AVC Farm Service, University of Prince Edward Island (milk@upei.ca)

Part 1: Optimizing Colostrum Quality

The single most important management factor that determines the survival and health of a calf is the feeding of a sufficient volume of high quality colostrum in early life. Recent studies conducted by Maritime Quality Milk in all four Atlantic Provinces suggest that there is an opportunity to improve colostrum management practices in our region. This article is the first of a two-part series focusing on best practices for colostrum management. Part 1 will focus on the cow and the steps that should be taken to ensure that she is producing the best quality colostrum; Part 2 will focus on the collection and delivery of colostrum to ensure adequate transfer of immunity.

Calves are born with virtually no antibodies in their blood making them extremely susceptible to infection as soon as they enter the world. Colostrum is nature's way of providing calves with protection against infection in the first two to four weeks of life. Colostrum or "first milk" is a superfood packed with infection-fighting antibodies (also known as immunoglobulins), nutrients, white blood cells, and growth factors. High quality colostrum contains greater than 50g/L of the antibody IgG, but there is a lot of variation in the quality of each cow's colostrum.

So how can you help your cows to produce the best quality colostrum?

- 1. Vaccinate cows at 3 to 6 weeks pre-calving against pathogens that cause calfhood diseases vaccinate >8 weeks pre-calving and antibody levels will drop before colostrum is produced; vaccinate <3 weeks pre-calving and the cow's immune system won't have enough time to produce antibodies;
- 2. **Allow for a dry period of at least 3 to 4 weeks** production of colostrum begins several weeks prior to calving, therefore ensuring that all cows get an appropriate dry period is critical;
- 3. **Feed a balanced dry cow ration** although not directly linked to colostrum quality, ensuring proper pre-calving nutrition with adequate levels of selenium and vitamin E will help optimize your cows' immune function.

Other factors that determine colostrum quality include: 1) breed – Holsteins tend to have lower IgG concentrations that Ayrshires or Jerseys; 2) age – generally, as cows get older, they produce higher quality colostrum; 3) season – heat stress in the summer months can contribute to a reduction in colostrum quality.

Next month: Colostrum harvesting and delivery to ensure adequate transfer of immunity to your calves.



Did you know? The DFNS group insurance program provides emergency travel benefits to participating producers in the plan. If you are enrolled in the Medavie Blue Cross health and dental plan, you and your dependents are eligible for this coverage. The travel benefit is designed to give you peace of mind when traveling, whether you are across the country or across the ocean...

Coverage is limited to expenses incurred as a result of sudden illness or accident, which occurs outside your province of residence. It is important to note that pre-existing health conditions are covered provided your condition is stable for at least **90 days prior** to travel and medical attention is not anticipated during the travel period. Please contact Medavie Blue Cross for further information regarding Travel and Pre-existing conditions at 1-800-667-4511. Please note, when you call Medavie Blue Cross, ask to speak to a representative specifically about your travel coverage. Members and dependents should have their Medavie Blue Cross card with them while travelling (or have access to their card via mobile app). The Medavie Blue Cross Worldwide Travel Assistance contact information is located on the back of your ID card.

Medavie Blue Cross has also launched a website that provides helpful "travel tips:"

http://web-beta.medavie.bluecross.ca/en/linked/travel-tips.

If you would like more information about the DFNS Benefits Plan with Medavie Blue Cross or to enroll, please contact: Angele Aucoine at 902-429-8013 or 1-800-667-6328, or aaucoin@morneaushepell.com.



Milk Production and Pricing

Esben Arnfast, Finance and Systems Administrator

Daily NS production continued to increase to 20,713 kgs of butterfat per day, which exceeds the provincial quota allocation by 1.8%. It is a normal trend for this time of the year with production 3.1% higher than last year, and quota 3.8% higher than allocated last January. The raw milk butterfat composition slipped to 4.09 kgs/hl from 4.11 kgs/hl last January. The average producer utilized tolerance continued to increase another 0.4 days, as was the case in December, and now stands at -13.2 days.

The equalized pool transportation rate for January remained relatively unchanged from December at \$2.57/hl. January's average in-quota price for raw milk declined \$0.50/hl to \$76.34/hl. The decline could be explained by a lower pooling credit from December of \$664,000, versus November's credit of \$751,000. Another factor affecting the raw milk price was the utilization of close to half of the provincial SNF produced during the month for low-valued animal feed products. This was necessary, despite NS shipping raw milk to other provinces for normal milk movement obligations and cream separation.

In NS, as in other provinces, some cream separation also occurred with 800,000 litres of skim milk requiring dumping. As explained last month, the financial effect compared to 4(m) animal feed processing is minimal and the costs are pooled. The combined effect of all of these factors decreased the effective value of milk products made and declared by processors during the month of January. A significant advance of approximately \$2 million was available and received from the pool, based on the very low utilization value.

The processor billing prices set to increase by just over 2% February 1 will have a positive effect on producer returns. This will be offset by the negative financial impact of excess SNF production, in order to meet butterfat market demands, which will continue to weigh down average raw milk prices across the country.

Continuous Quota Positions

As of the end of December 2015, figures are expressed as a percent of each province's annual quota. A retroactive recalculation of the figures dramatically changed each provinces's pool position. This adjustment reflected the need to increase the national growth allowance from 2% to 5% for the rest of the dairy year. This more accurately reflects the amount of quota which should have been allocated to provinces after unforeseen market requirements were quantified. The P5 over-quota penalty from October and November was also reversed. The P5 moved from a collective position of +0.61% to -0.31% while the WMP moved from -0.32% to -1.4%. The continued strong market for BF and a consumer shift toward higher fat products continues to complicate the rebuilding of CDC butter stocks. Skim drying capacity may remain a concern until late summer.

| Milk Marketing Report January 2016 | | | | | | |
|--|-------------------------------|------------------------|--------------------|-------------------|--|--|
| PRODUCTION 2016 2015 | | | | | | |
| Average Litres/Day | | 506,913 | 488 | ,564 | | |
| Average kg Butterfat/Day Average Composition, kg/hl | | 20,713 | 20, | 087 | | |
| Butterfat | | 4.0860 | 4.1 | 115 | | |
| Protein | | 3.3371 | 3.3 | 474 | | |
| Other Solids | | 5.7256 | 5.7 | 235 | | |
| Bulk Haulage (\$/hl) | | 2.57 | 2. | 67 | | |
| PRODUCER PRICES | Butter- fat (\$ per kg) | Protein (\$ per kg) | LOS (\$ per kg) | Avg. per HL | | |
| January In-Quota | 10.0933 | 7.8151 | 1.5760 | 76.34 | | |
| January Butterfat Premium (\$/kg) SNF/BF<2.35 January Over-Quota | 0.0238 | 0.0000 | 0.0000 | 0.00 | | |

0.0000

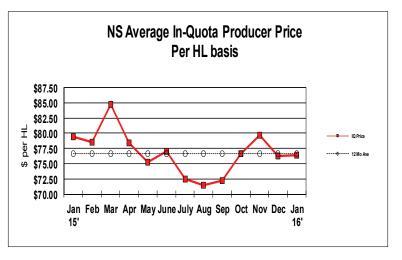
0.0000

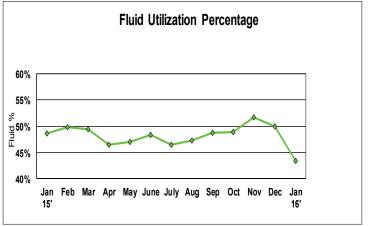
0.0000

0.00

Total Active Producers: 221

February Over-Quota Penalty





| Alta1.59% | Sask1.46% | Ont. +0.95% | NS -1.38% | PEI -4.02% | P5 -0.31% |
|-----------|-----------|-------------|-----------|------------|-------------------|
| BC -0.64% | Man2.56% | Que1.13% | NB -2.15% | NL -11.70% | WMP -1.40% |





February 2016

DAIRY FARMERS OF CANADA'S 2016 ANNUAL DAIRY POLICY CONFERENCE

From February 2-5, Ottawa's Fairmount Château Laurier played host to Dairy Farmers of Canada's (DFC) 2016 Annual Dairy Policy Conference (APC). For many years now, the APC has brought together the industry's leaders from coast to coast to discuss the issues that impact their everyday lives and livelihoods. More importantly, this well-attended gathering has also allowed for dairy farmers to come together once a year to draw up their Policy Statement.

This year, a brand new format was implemented at the request of dairy farmers who felt they needed more time to discuss critical matters which affect their day to day operations. Hence, the increased number of closed session workshops and roundtables that were organized were ideal in that they prompted open and frank exchanges amongst participants. Moreover, the event's Marketing and Nutrition Forum as well as its Dairy Research Seminar helped shed additional light on these discussions.

Attended by more than 500 industry stakeholders and government officials, not only did the ever so popular Dairy Showcase Reception provide district representatives with a golden opportunity to rub shoulders with members of the newly elected government, but it was also their chance to lay the foundations of a mutually beneficial relationship which will no doubt turn out to be of the utmost importance given the many challenges facing the dairy industry in the coming years. To that effect, a booklet summarizing the sector's issues was created as a reference tool for Lobby day. It was forwarded to Ministers MacKay and Freeland and copies were rendered available for APC attendees. Information pertaining to the proAction® Initiative, the Fuelling Women Champions movement, the Canadian Cheese Grand Prix (CCGP), and the Get Enough partnerships was also on hand. Engaging all of the guests' senses, a majestic CCGP winners table, succulent appetizers concocted from recipes appearing on dairygoodness.ca, and in DFC and les Producteurs de lait du Québec's Milk Calendars as well as a latte bar offering them high end coffee options helped raised their comprehension of the dairy sector to a whole new level!





Finally, delegates were lucky enough to hear firsthand the Honorable Lawrence MacAulay, minister of Agriculture and Agri-Food's (and former dairy farmer himself) as he reiterated his government's support in favour of the Canadian supply management system during a special luncheon organized on the APC's last day.

A FRIENDLY REMINDER: STAY INFORMED WITH THE DAIRY EXPRESS

Sign up now for the *Dairy Express*, the bi-monthly newsletter published by Dairy Farmers of Canada. To do so, simply send an email to **Chantal Marcotte** who will happily add your name to the mailing list.



