May 2019

milking TIMES

Published monthly for dairy farmers in Alberta and our industry partners

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Chairman's Message

Source: Tom Kootstra, Chairman

Having just completed the 2019 Spring Producer Meetings, I want to provide some comments on some of the discussion and questions that took place. I enjoyed the opportunity to meet and I find the producer meetings a great opportunity to connect with a broader group of producers. I want to focus on the comments we heard relating to the impacts of the recent trade agreements and the pressures we face in the Canadian industry in meeting consumer demand and processing capacity. Information on other topics raised at the meetings will be addressed on page 2 in this issue of *MilkingTimes*.

Your frustration with the administration of the federal Dairy Farm Investment Program that was offered when the CETA was ratified is understood. The inequity of the program has been messaged by DFC and Alberta Milk to the federal government and to our MPs. We have also made it very clear this program is not considered compensation for the impacts of CETA. We believe that the message was heard as the budget was announced in March provided compensation for CPTPP and CETA. Compensation for CUSMA will only be considered once the agreement is ratified by all three countries. We trust that the Canadian government will only ratify the agreement once the US has.

The message I gave last spring that we would soon see additional processing capacity in Alberta and across the Western Milk Pool (WMP) did not materialize. This was a direct result of the new export limits within the new NAFTA (CUSMA) which changed the processors' options on the type of products they can market. So, what does that mean for Alberta and the WMP? How do we ensure that we have the processing capacity we need to meet the growing demand and to ensure that we can produce the butterfat required and sell all of the solids-non-fat? That is the question that the members of the WMP are actively and aggressively working on. I heard clearly that some are frustrated with the amount of milk that must be moved interprovincially and that you feel processors should pay for some or all of the cost to move milk to their larger, more efficient plants.

The reality is that processors are no longer going to build small plants in every province. Just like at the producer level where herds are continually getting larger so are processors. To attract processing in the west, we must work collectively. In the US, there are several examples where producers have moved their farms to be close to processing expansion. We also know that this is not the norm in Canada. Moving milk to the right place at the right time is the future. The WMP is investigating with several processors regarding options to increase processing capacity, reduce transportation costs, and utilize all the components of raw milk. I remain confident that we will find a solution.

our mission

Alberta Milk partners with industry stakeholders to support an effective supply management system in a growing, sustainable and market-focused industry.

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Spring Producer Meetings Recap

Source: Mike Southwood, General Manager

The annual Spring Producer Meetings were held April 9-12, 2019 with approximately 325 participants and 193 of the 515 farms (38 per cent) represented.

There was good discussion and clarity sought on the topics especially related to federal programs as a result of the recently signed trade agreements, processing capacity and state of production within Alberta and the Western Milk Pool, and on the new milk marketing system. Here are answers to the most common questions.

Q. What is the status of the producer and processor investment programs?

A. Clarity was sought on the two current programs offered by the federal government the Dairy Farm Investment Program (DFIP) aided at helping milk producers improve productivity and the Dairy Processing Investment Fund (DPIF) that provides funding to dairy processors for investments that will improve productivity and competitiveness to address the negative impacts of CETA. Phase 1 of the DFIP was based on a first come first serve process and was fully subscribed in minutes so left many producers with no support despite the work they did to apply. Phase 2 is based on a lottery process which also results in winners and losers. We know that for Alberta there were 214 requests of which only 119 have been selected for a full application. As of January 2019, 11 processor-based projects across Canada were approved for a total of $19.2 million. The program is still open and accepting applications until March 2021.

Q. Can Lakeland College add an internship component to their two-year dairy program?

A. Alberta Milk as a partner in the new expanded dairy barn is a member of the dairy program advisory committee. Part of the mandate of the committee is to provide input and guidance to Lakeland College on extension and training programs that will be developed and offered by the College. We are pleased to report that discussions on an internship program is already underway.

Q. What percent of our milk is shipped out of the province and why don't processors pay for inter-provincial milk movement?

A: In 2017-2018 (August to July) approximately 4.2 per cent of our milk production was moved out of the province. This compares to 8.1 per cent for the period August 2018 to December 2018. The WMP moved 2.1 per cent of the milk interprovincially in 2017/18 and 4.0 per cent for the Aug 2018 to Dec 2018.

The majority of the milk was moved to serve the agreed upon milk supply agreements that have been made between the members of the WMP and processors.

2019 Provincial Election

With the election now behind us and a new provincial government about to take over, our work to build a strong relationship with the cabinet and especially the new minister of agriculture must start. As noted as part of the messaging, we all need to get to know our MLA. This person represents you and if they don't know your position and you haven't let them know, then you can't really blame them for not doing a good job advocating for you.

June is Dairy Month

Source: Karlee Conway, Communications Specialist

It's time to celebrate! Did you know June is Dairy Month and that June 1st is World Milk Day? These are great opportunities to promote all things dairy. Here are some easy ideas to get more people talking about dairy:

- Post stories, photos or videos of life on the farm on social media. You'd be surprised how many people don't understand what you do!
- Share Alberta Milk, Dairy Farmers of Canada, any other provincial dairy board, dairy 4H club, or breed association's posts on Facebook.
- Promote or volunteer with the Breakfast on the Dairy Farm event in your area.
- Connect with your local school, church or community groups to speak about dairy farming.
- Clarify any misinformation. Remember: the comments on online stories matter! Don't be afraid to correct incorrect information there.
- Host a farm tour (and we can provide some swag!)

Breakfast on the Dairy Farm

Another great way to get involved is to promote or volunteer for Breakfast on the Dairy Farm. Once again, these three producer-run events will be hosted in all areas of the province. The event welcomes the community to a complimentary breakfast and an opportunity to learn about life on a dairy farm through tours and talking directly with farmers.

- June 8: Kings Lake Colony, Foremost
- June 22: Van den Broek Farm, Olds
- July 6: New Mars Dairy, Millet

Please contact Kelsie at 780-577-3327 for more information or visit albertamilk.com/events.

Register for Open Farm Days

Source: Karlee Conway, Communications Specialist

What is Open Farm Days?

Alberta Open Farm Days is a collaborative, province-wide, two-day event that gives Albertans an opportunity to experience the farm and understand where their food comes from. It is a behind-the-scenes access to meet the farmers behind their food, experience ag-tourism in Alberta and taste local foods direct from the farmers. This year, the event will be taking place on August 17th and 18th.

What should I Expect?

The number of visitors will vary depending on your location. If you are closer to a major centre, expect your numbers to be higher. You will be answering questions about life on the dairy farm and either giving guided tours or allowing victors to roam. Alberta Milk can provide swag for your guests by contacting the office.

Honorarium

For a second year, we will be offering $500 to the first ten farms that register to participate in Open Farm Days. We understand that a significant amount of time and money can be spent to get your farm ready for the public to visit.

How do I register?

You must confirm your attendance with Kim from Alberta Milk at 780-577-3325 or kskolarchuk@albertamilk.com, in addition to registering on the Alberta Open Farm Days website, albertafarmdays.ca, before May 31, 2019. The website also provides more information and see who else might be registered in your area.

deadlines

quota transfers
May 17, 2019, at 4:30 p.m.

credit transfers
May 24, 2019, at 4:30 p.m.

wanted

Alberta Prime Beef buying all classes of Holstein steers and cows. Willing to trade Holstein heifers for your steers. Trucking available. Picture Butte, AB. Phone
Andy Houweling **403-308-8700**
Brett Houweling **403-382-7827**
Office **403-732-5644**
Fax **403-732-4387**

Calf-Tel indoor pens. **Please phone or text 403-634-8773.**

services

Wild Rose Hoof Care Ltd. Improving hoof health of your cows is my personal goal! I am Christoph an experienced certified hoof trimmer. Give me a call today! **Phone 403-872–4106.**

Looking for used cow mats. **Phone 403-741-7243.**

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Milking Registered Heifers and Breeding Age Registered Bulls for sale all the time. Only top sires used. **Phone 780-387-5398 or 780-387-8128.**

Holstein heifers, fresh or springing. **Phone 403-330-9558.**

Breeding age Jersey bulls. Dams many generations. VG, EX + high LPI. Make Holstein heifers easy to freshen. Rochester, AB. **Phone 780-698-2267.**

Breeding age bulls available from top sires with high LPI and production. Tested for semen, Leukosis and BVD. Also, milking heifers and embryo's available **Phone 403-315-4536.**

Fresh, springing & open heifers for sale. **Phone 403-556-0842.**

Breeding age Holstein bulls from dams scored VG/EX/ME and sired by high ranking sires. Semen tested and delivery avail. **Phone 780-689-9576.**

Milking heifers, springing heifers and milking cows. **Phone 403-507-9030.**

Holstein heifer, open, springing and fresh, also Jersey springing**. Phone 403-330-9558.**

The 2019 WCDS in Review

Source: David Christensen, University of Saskatchewan

The program lived up to the theme. The phrase "knowledge is power" was coined by Francis Bacon an English philosopher and statesman about 1600. He is credited with defining and promoting the Scientific Method. This is defining a research question, collecting relevant facts and drawing fact based conclusions. The five graduate students that presented their research Thursday morning all demonstrated outstanding examples of application of the scientific method. The winning presentation was by Ali Naqvi on mastitis detection in automated milking systems. Jesse Schuster evaluated the economic value of longevity for second place and the presentation on condition of cull dairy cows before slaughter by Jane Stojkov placed third.

The presentation by Timothy Caulfield described how non-sciences is promoted by celebrities and how they use social media to promote things like cryo chambers and detox routines. He concluded his talk with the six things associated with good health. Don't smoke, get exercise, eat real foods, control body weight, avoid risk and get enough sleep.

Al Mussell provided an excellent overview of the implications of the new NAFTA agreement (CUSMA) for the Canadian dairy industry. He showed in some detail the products affected by market access including the 3.9 per cent increase in USA imports under CUSMA, 2 per cent from CETA and 3.25 per cent from CPTPP. At present the fate of Class 7 milk is uncertain, but scheduled to be eliminated after the agreement is signed. However, there may be a new milk class because the new CUSMA will allow export of non-subsidized milk products. Mussell commented that the effective constraint on the Canadian dairy industry may be skim milk powder rather than fat quota.

The theme of the economic importance of milk fat production was continued in the three dairy producer presentations. They defined how they achieved efficiency on their farms. They covered many important issues such as feed, labour, capital costs, mastitis and cow health and current information. However, all three indicated that high fat production was a key economic element.

Gordie Jones made two well attended presentations. The first presentation was on barn design and one of the main points was use of effective ventilation. Arrange to blow air were the cows are and make use of updraft ventilation requiring minimum fan use. His second presentation was on managing and feeding the transition cow and characteristics of the just right Goldilocks diet to encourage dry matter intake.

Greg Penner covered the many options for feeding concentrate at the robot and partial TMT in the feed bunk. He concluded that feeding low to moderate robot concentrate favored meeting the nutritional needs.

Andrea Jones-Bitton is in the Dept of Population Medicine at the U of Guelph and studies mental health in veterinarians and agricultural producers. In one survey she reported that 41per cent of dairy farmers underwent high stress. Support services benefited only 6 to 60 per cent of these. She concluded that there is a need for further attention and action related to farmer mental health.

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proAction® - Progress Report for Industry Stakeholders

Source: Morgan Hobin, proAction® Coordinator

Dairy farmers across Canada have been very committed to implementing proAction® on farm and now is the time to share the results of this excellent work with our dairy industry stakeholders. Dairy Farmers of Canada (DFC) is taking the lead on several communication initiatives to tell the proAction story to stakeholders. The first-ever proAction progress report is now available and is based on validation activities to August 2018. Key points from this report are highlighted below.

Internal Audit

To maintain a rigorous and credible proAction program, DFC voluntarily undergoes an internal audit by a third-party, NSF International three times in a five-year period. Similar to an on-farm audit, this national proAction audit provides insight into opportunities for improvements. Provincial dairy organizations, like Alberta Milk, are also audited on a regular basis to verify consistency in the delivery of proAction across each of the provinces. DFC's goal is to maintain full recognition by third parties such as the Canadian Food Inspection Agency and the National Farm Animal Care Council to ensure proAction continues to be relevant and meaningful for today's food industry, our consumers, and our farmers across Canada.

proAction Registration Status

More than 99 per cent of Canada's dairy farms are registered on proAction (5,180 on-farm validations; 5,715 self-declarations completed). Unregistered farms are generally new producers in the start-up phase or those producers who have failed to meet program requirements, subsequently lost their registration and then have re-enrolled in proAction.

Standard Operating Procedures (SOPs)

The progress report reveals that there is a need to increase the percentage of farms across Canada that have documented SOPs. For example, at the first Animal Care validation, between 12 per cent and 18 per cent of farmers still needed to write formal SOPs for colostrum and calf feeding, euthanasia, shipping and animal health practices.

Cattle Cleanliness

Cattle cleanliness is an important component of animal health and comfort, and contributes greatly to milk safety and quality. The progress report indicated farmers met the standard for clean and dry bedding for calves, cows and bulls however an area of improvement is in the amount of bedding provided for heifers

Cattle Assessments

The first round of cattle assessments was undertaken to establish a baseline for each of the indicators, which is essential to understanding the current level of performance. Nationally, 98 per cent of cows scored within the acceptable range for body condition, 90 per cent for locomotion, 85 per cent for hocks, 94 per cent for knees and 97 per cent for necks. This national baseline will assist DFC in tracking the herd performance over time and identify where further research or training is needed to encourage improvement.

Future Progress Reports

DFC will continue to measure and report on the proAction results to showcase Canadian dairy farmers use of the most efficient and sustainable practices in producing quality milk.

Alberta Milk will share this report with our provincial stakeholders at every opportunity. To view the full report, please visit the proAction website dairyfarmers.ca/proaction – bottom of the Targets and Achievements page.

for sale cont'd

2x8 Boumatic parallel milking parlour with auto-take-offs and rapid exit. **Phone Rolf at 403-896-1313 or email VanBenthemdairy@outlook.com.**

Quota for sale. **Phone 403-783-0857.**

Springing and Milking heifers for sale. Jersey/Holstein/Brown Swiss crossed. **Phone Kees Verhoef at 403 872-2281.**

Registered Holstein heifers, fresh or springing. **Phone 780-349-3191 or 780-307-1677.**

24 x Delaval Harmony, Plus II, Air Wash System (not complete) 24 x Delaval MM15 milk meters (not complete), $1000 obo. **Phone: 403-357-6710.**

2 x 6 Euro parabone milking parlour.Plate cooler, 12 milk meters and takeoffs with samplers. 12 reconditioned metatrons. **Phone 780-662-3643.**

Registered purebred Holstein bulls. Red and white and black and white available. **Phone Fred at 780-220-3733.**

6000 gallon Boumatic bulktank, includes 2 5hp ref-plus refrigeration units (3 yrs. old). Great shape, asking $60,000. **Phone 403-593-8565 or 403-394-8564.**

2001 dairy barn to be taken down, 164' x68', parallel truss, all cladding, 110 double foam mats 2016. Stalls/posts, curtains and 54" fans. **Phone 403-507-9718.**

Dairy Production Statistics

Producer Pool Additions/Deductions March 2019

	Additions ($)	Deductions ($)
Audit Adjustment	0.00	0.00
Bulk Tank Callibration	0.00	3,525.00
Discarded	605.87	24,756.90
WMP	78,103.56	158,587.80
Interest	19,188.31	91.02
Metering	55,867.54	0.00
Trucking	0.00	575.00
Violations	39,258.94	0.00
Average Deductions per Kg Total Solids		**($0.0006)**

Average Milk Prices

Month	TPQ $/hL
Mar 2019	**82.72**
Feb	82.75
Jan	83.72
Dec	84.36
Nov	82.56
Oct	83.26
Sep	79.77
Aug	77.55
July	77.44
June	75.34
May	76.58
April	77.54

Listed below are the Class 5 prices calculated by the Canadian Dairy Commission.

Class 5 Prices ($kg) May 2019

Milk Class	Butterfat	Protein	Other Solids
Class 5a	7.5036	4.8047	0.6484
Class 5b	7.5036	2.3082	2.3082
Class 5c	7.1716	1.9323	1.9323
Class 5d	contract by contract price		
Class 4m	contract by contract price		

2018-19 Quota Exchange and Credit Deadlines

Quota Transfer Deadline Date	Credit Transfer Deadline Date	Effective Date
May 17, 2019	May 24, 2019	June 1, 2019
Jun. 17, 2019	Jun. 24, 2019	July 1, 2019
Jul. 17, 2019	Jul. 24, 2019	Aug. 1, 2019
Aug. 16, 2019	Aug. 23, 2019	Sep. 1, 2019
Sep. 16, 2019	Sep. 23, 2019	Oct. 1, 2019
Oct. 17, 2019	Oct. 24, 2019	Nov. 1, 2019
Nov. 18, 2019	Nov. 25, 2019	Dec. 1, 2019

Provincial Average Components March 2019

Butterfat	4.1942 kg/hl
Protein	3.2138 kg/hl
Other Solids	5.9185 kg/hl

Provincial Milk Quality Averages

Month	Bacteria Average (IBC)	Somatic Cell Count (SCC)
Mar. 2019	18,845	197,274

Dairy Production Statistics

milking TIMES

Quota Exchange
Daily Production Quota

	Total Transferred	Clearing Price/kg
May 2019	**96.10**	**$40,100**
Apr	135.01	$39,305
Mar	119.97	$39,125
Feb	146.90	$40,040
Jan	175.74	$39,900
Dec	85.75	$39,105
Nov	121.93	$38,865
Oct	121.00	$39,100
Sep	69.30	$39,500
Aug	56.20	$40,980
July	77.50	$41,020
June	60.64	$41,000
May	88.63	$40,375

Underproduction Credit Transfers

Month	Kg	Price$/ eligible kg
Apr 2019	**102,077.01**	**$8.88**
Mar	81,185.02	$8.41
Feb	86,721.31	$10.05
Jan	102,870.69	$9.89
Dec	87,105.40	$8.46
Nov	85,793.48	$7.17
Oct	81,249.68	$6.70
Sep	81,436.34	$7.71
Aug	75,061.35	$8.56
July	76,061.27	$8.79
June	80,013.40	$9.39
May	101,045.67	$10.26
April	85,421.27	$9.45

Quota and Milk Production Summary (BF kg)

Month	February	March	April	May	June
Status	**Official**	**Pre-Pooling**	**Projected**	**Projected**	**Projected**
Alberta					
Butterfat Production (kg/day)	93,195	92,993	93,257	93,853	93,584
Provincial Quota (kg/day)	87,170	87,282	85,790	89,026	96,373
Producer Quota (kg/day)	93,556	93,589	93,274	93,274	93,274
Producer Quota + Incentive Credits (kg/day)	93,556	93,589	93,274	93,274	93,274
Cumulative Position (%)	-2.06%	-1.54%	-0.87%	-0.42%	-0.66%
Producer Position (Days)	-2.62	-2.85	-2.90	-2.74	-2.68
Provincial Position (Days)	-7.92	-5.88	-3.37	-1.57	-2.32
Penalty (kg)	0	0	0	0	0
Western Milk Pool					
Butterfat Production (kg/day)	272,332	270,682	268,919	267,061	264,517
Pool Quota (kg/day)	247,677	247,997	243,756	252,952	273,827
Cumulative Position (%)*	-1.33%	-0.59%	0.20%	0.66%	0.36%
Penalty (kg)	0	0	0	0	0

*The P10 pool's limits on production are +1.25% and -2.00% of the P10 rolling 12-month quota.

services cont'd

Countryside Dairy Sales Dairy cattle & quota sales. Bred & springing heifers available. **Andrew 403-348-9358 or Harry 403-783-1274.**

Amber Enviroservices provides soil and groundwater monitoring of liquid manure storage lagoons to fulfill NRCB requirements for leakage detection. **Phone 403-999-2623 or email alfredo@amberenviro.com; www.amberenviro.com.**

Alberta Holstein Association www.albertaholstein.ca for industry news, upcoming events, movies, show results and more!

Bricon Safety Grooving Ltd. Concrete grooving, planning, scarifying. Providing traction for a safer more productive environment. **Phone 1-800-590-4403 or 204-981-5057.**

Find out about the Jersey Breed on JerseyWest's website at **jerseycanada.com/jerseywest**.

Western Canadian Classic -Team Alberta. This youth show rotates amongst the 4 western provinces. **Phone Lexi Wright at 403-862-5600 or Sue Crest at 780-675-4643.**

Business, succession, new entrant assitance plans, refinancing proposals and lender negotiations. Art Lange PAg CAFA, 14 years experience, art@ajlconsulting.ca. ajlconsulting.ca **Phone 780-467-6040.**

Changes to the Alberta Milk Scholarship Program

Source: Daria Taylor, Manager, Corporate Operations Manager

Did you ever think it was unusual that the Alberta Milk Scholarship application deadline was December 31st?

The scholarship began in 1999 and many of the dairy related programs were only two years in length. The December 31 date was established because we wanted to ensure that those students were eligible to apply for both years. Fast forward 21 years and there now are many students pursuing four-year university degrees. Additionally, many universities have recently changed their transcript dates to February to include first term marks.

Furthermore, Alberta Milk has great news for post-secondary students – we have moved our application deadline to **June 30th**. Students will now apply **after** the school year (rather than half way through) to receive their scholarship, so even if you graduate that year you still qualify. All the other criteria remain the same.

About the scholarship

Alberta Milk offers at least one $1,000 scholarship to a student in any year of study at an officially recognized post-secondary institution. The applicants are evaluated on an essay about how they plan to benefit the future of Alberta's dairy industry, as well as scholastic achievement, leadership skills, community involvement, 4-H, and work experience. Alberta Milk producer families are encouraged to consider supporting students who fit the criteria to apply for next year.

Alberta Production and Quota Update

Source: Jonathan Ntoni, Policy Analyst

Production

Daily average production in March was 2.22 million litres, a decrease of 4,025 litres (-0.18 per cent) over February. Average butterfat production also fell by 202 kilograms per day (-0.22 per cent) in March from February. Production trend now appear to be rising in Alberta with the first half of April so far recording 1.03 per cent increase in daily volumes over March.

Comparing on annual basis, there was +2.82 per cent growth in volume in the 12-month period ending March 2019 over the 12-month period ending March 2018; and +4.39 per cent growth in butterfat production for same period.

Quota

The WMP's rolling 12-month quota increased by 0.69 per cent in February over January. Alberta's daily producer quota issuance rate increased from 98.55 per cent in January to 101.72 per cent in February 2019.

Provincial and Pools' Quota Utilization

Cumulative Quota Positions (per cent) as at the end of January 2019 were as follows:

MB	SK	AB	BC	WMP	P5	P10
-2.97	0.33	-2.06	-0.39	-1.33	-0.48	-0.73

The WMP over-produced its monthly CDC quota allotment by 690,345 kilograms of butterfat in January 2019. This over-production is in accordance with the seasonal trend.