



June 2020

milking TIMES

Published monthly for dairy farmers in Alberta and our industry partners

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Chair's Message

Source: Tom Kootstra

From car commercials to reassuring words on a call, the phrase “we’re all in this together” has become the slogan for COVID-19. Reflecting on this phrase, I realize it has helped re-shape the way our industry works together. Although we have faced challenges, we have also learned that we can all take something away from by sticking together.

I’m reminded that relationships are adaptable and always need to be a priority but especially so in times of unpredictability. Members of our board value occasions in the past where we’ve been able to interact with other board members and farmers from across the country that allow us to learn from each other. These interactions are not simply just at the formal sessions, but at hospitality suites, in cabs, or during shared morning breakfasts. But with all that impossible now, it’s a reminder that we need to continue to make these relationships a priority – even if we can’t be together face-to-face. Maybe that means you arrange a Zoom call or a FaceTime or simply take the time to check-in through a text message.

The Alberta Milk board is an excellent example of adapting to the new online landscape. We have been frequently meeting virtually to address the state of the industry as a result of COVID-19. Although I was admittedly a little hesitant of how successful we could be, much to my surprise we have illustrated that you don’t need to be a tech guru to be able to adapt and thrive in this new environment. We must always value and find new ways of sharing information and being united.

Alberta Milk has hosted several virtual meetings with delegates to share information and request their support in addressing the emerging issues. These forums have been an excellent way for each of us to hear one another and for the board to have a better understanding of the grassroots concerns of farmers in their area. It also offers the opportunity to reflect on our diverse perspectives and to come to a common understanding of how to move forward and how we can better communicate with all farmers during this time.

This confirms the integrity of the governance structure of our industry. Leadership during tumultuous times is difficult. I appreciate each of our elected delegates for stepping up to the challenge and working with the board to reach the common goal of creating solutions.

I wish I had a crystal ball that could predict the future, but the reality is that I don’t. What I do know though, is that I’m confident that our industry will adapt and overcome whatever may be ahead of us. Our response to COVID-19 is a clear indicator of how resilient we are – individually and collectively. Because don’t forget, we’re all in this together.

our mission

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





board of directors

Tom Kootstra

Chair
403-704-7266
North Region

Stuart Boeve

Vice Chair
403-317-5745
South Region

Gert Schrijver

Second Vice Chair
403-740-2411
Director at Large

Greg Debbink

780-913-9173
Director at Large

Gerrit Haarman

403-308-9337
Director at Large

Heini Hehli

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403-318-3031
Central Region

Gezinus Martens

780-499-0035
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Martin Van Diemen

403-382-0130
South Region

Conrad Van Hierden

403-634-2625
Director at Large

Miranda Verhoef

403-848-4519
Central Region

find us
on



Board Update

Source: Tom Kootstra, Chair

The board met virtually on April 29. This was part of our regularly scheduled board meetings. Here is a summary of our discussions:

Third Quarter Financial Statement Review

Staff presented the financial statements ending March 31, 2020 as we near the end of the dairy year. Due to COVID-19, several projects are forecast to be under budget at year end due to restrictions from Alberta Health Services regarding social distancing and size of gatherings of people.

Expanded Mandate of the Marketing and Nutrition Education (MNE) Funding Policy

At the Fall Producer Meetings, there was overwhelming producer support to expand the historical definition of market development. The board recognized that the MNE reserve will continue to grow as we identify ways to support market development going forward. It was decided that a Market Development Fund Policy be developed with criteria and guidelines for potential projects that will help grow the market. Furthermore, the board supported the expansion of the Market Development Fund Policy to include processor market expansion requests.

Product Contamination Insurance Policy Approved for the Western Milk Pool

BFL Canada has provided a quote for the Product Contamination Insurance Policy coverage for the WMP. The board reviewed the policy and supported it with the caveat that all WMP provinces also support it. It was reiterated that the payment of insurance premiums will be paid through corporate revenues on a production basis.

Alberta Representative for DFC Board of Directors

The board selected Gert Schrijver as the Alberta representative for the DFC board for the period of July 2020 to July 2021. He was the DFC representative for the past year.

New Field Services Protocol

Source: Mike Slomp, Producer Services Manager

Following an almost two month pause due to COVID-19, the field services for proAction®, Lactanet, Holstein Canada and Alberta Agriculture Inspection & Investigation are restarting. These plans have been developed based on provincial health guidelines.

One of the important first steps in the process of restarting of field services is the courtesy permission phone call from the organization. This call is important to:

1. Confirm everyone on the farm is healthy and well and the farm is ready to accept essential visitors.
2. Ensure proper protocols will be in place on the farm for the field service visit. Your on-farm protocols must include:
 - a. proper sanitation of high touch points in those areas where the field service representative will be present
 - b. a minimum two meter physical distancing (or wearing a mask if the appropriate distancing isn't possible).
3. Review additional biosecurity protocols you and/or the organization suggest are necessary for your farm.

Please note that provincial government's Inspection and Investigation field staff (inspectors) will give you a courtesy call of their intended visit and may arrive on your farm at an unspecified time since they do not require direct producer interaction to complete their inspection work.

The four organizations delivering field services (proAction® validators, Lactanet technicians, Holstein field service rep and government inspectors and) have provided each of their staff with the required PPE including masks, coveralls and boots for each farm visit.

Should you have any concerns about the restart of field services for your farm, please contact the organization directly or Mike Slomp, Manager of Producer Services with Alberta Milk at 780 577-3316.

CUSMA Implementation: The Dairy Sector Was Also Misled By The Federal Government

Source: Dairy Farmers of Canada

The Dairy Farmers of Canada and the Dairy Processors Association of Canada confirm today, that not only were parliamentarians misled by the Trudeau Government, but they too were misled on the date of implementation of Canada-United States-Mexico Agreement (CUSMA). As such they echo the concerns expressed by the Honourable Don Plett, Leader of the Opposition in the Senate, who indicated he had a commitment from the government on the date.

The dairy sector had secured the support of parliamentarians to have the Canada-United States-Mexico Agreement (CUSMA) come into force in conjunction with the beginning of the dairy year (August 1, 2020). This would have allowed the sector a full 12-months of exports per the negotiated concession for year-one threshold limit on key dairy products, before being constrained by the significant reduction conceded in year two of the agreement. As part of CUSMA, Canada not only transferred to the US part of our domestic dairy production, but it also agreed to self imposed limits on exports of key dairy products.

“Our government was first out of the gate to give notice to the other parties that it was ready to implement CUSMA. The dairy sector was informed at the last minute and judging by the

reaction from the opposition parties, we weren't alone in this being a complete surprise,” said Jacques Lefebvre, CEO of Dairy Farmers of Canada.

The Trudeau government proceeded to reassure the sector said Mathieu Frigon, President of Dairy Processors Association of Canada, “It told us not to worry, Canada had to send a signal to the US administration that it was committed to CUSMA, but that both the US and Mexico were nowhere close to being able to give notice, thus we shouldn't be concerned about an early implementation date”.

The impact of yet another concession on dairy to the US on the part of the federal government is significant. By coming into force before the start of the dairy year on August 1, 2020, the first-year export cap and access volume will apply immediately and for just a few weeks before a significantly lower second-year export cap is triggered, and significantly more volume is imported into Canada.

That means an almost 40% reduction in exports being imposed on the Canadian dairy sector as we are focused on ensuring a continued supply of fresh, local dairy products for Canadians. For dairy producers and processors the early implementation by one month of CUSMA is estimated to represent up to \$100 million in losses. Furthermore, the sector will need to contend with an additional \$330 million in annual perpetual losses as a result of the lost market share.



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12 holstein heifers, due to calf mid feb-end of march. 5 are pregnant with sexed holstein, 7 are bred with red angus, delivery available. Mid summer 75 available due to calf end of aug-dec. all bred with sexed holstein. Phone 780-728-6111.

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Do More Ag

Source: Kelsie Gilks, Marketing and Communications Specialist

Do More Ag, a national non-profit organization, cares about the mental health and mental wellbeing of Canadians working in agriculture. Through their three pillars, awareness, community, and research, they are trying to change the culture of agriculture to one where all producers are supported, empowered, and encouraged to take care of their mental health and wellbeing.

Agriculture is an industry built on a foundation of deep rural roots, hard work, community, and resilience. Those building blocks can sometimes leave those who work in agriculture feeling like they can't speak up or seek help. Stress, anxiety, depression, emotional exhaustion, and burnout are all common among producers throughout the agriculture industry. Do More Ag collaborates with the entire agriculture industry to help make a substantial impact on the mental health of producers, and to help everyone know that they're not alone. Together, we can work to change the perception of mental health.

If you or someone you know is struggling, help is available.

For more information and to learn about the many resources offered in the province, and across Canada, please visit www.domore.ag/resources.

New Entrant Assistance Program Update

Source: Jonathan Ntoni, Policy Analyst

The New Entrant Assistance Program (NEAP) closed on March 31. We received one application and the Selection Committee is yet to convene to interview the applicant.

The five-member selection committee, as usual, will be made up of two members from financial institutions, two dairy farmers and one veterinarian. Jonathan Ntoni, Alberta Milk's Policy Analyst, will chair the committee and act as a facilitator for the discussions.

After a thorough review of the application and the in-person interview, the selection committee will then make a decision. Per the requirements of the program, the selection committee will base their decision on the financial need of the applicant as well as their likelihood of being successful long-term producers in the industry. The selection committee's decision will be communicated to industry stakeholders once its been made.

We will report on the outcome in upcoming months.

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Covid-19: Dairy Farmers of Canada Welcomes the Federal Government's Announcement

Source: Dairy Farmers of Canada

The announcement of a federal support package for the agricultural sector will provide relief for dairy farmers amid the COVID-19 pandemic, according to Dairy Farmers of Canada (DFC). DFC welcomed the key elements of the package, including increased borrowing capacity for the Canadian Dairy Commission (CDC), and additional funding under the AgriRecovery Framework for a set-aside program, which would include dairy cull cows.

“Never have we seen such fluctuation in demand for milk from one week to another, and despite the best efforts to manage production to align with consumer needs, bottlenecks resulted in milk having to be disposed at the farm, something no dairy farmer wants to see,” said Pierre Lampron, President of Dairy Farmers of Canada. “Dairy Farmers of Canada welcome the measures announced today by the federal government, which will help offset the impacts of bottlenecks in the supply chain that have prevented dairy from getting from the farm to the store shelf.”

The situation was compounded by a dramatic decrease in business in the hotels, restaurants and institutions sector (HRI sector), which resulted in a reduced requirement for dairy. Today's announcement includes a commitment by the government to work with opposition parties to increase the Canadian Dairy Commission's capacity to store dairy products until the market rebounds.

“This commitment needs to be fulfilled as this will provide timely relief to the dairy sector to help align the dairy offering to meet consumer needs today, and into the coming months,” added Lampron.

Dairy Farmers of Canada also welcomed the announcement of a surplus food purchase program to further support those in need. “Solidarity with our communities is a value that is near and dear to dairy farmers, which is why we have committed more than \$10 million dollars in dairy products to food banks across the country to support Canadians in need,” said Lampron.

DFC is committed to continued working with the government to ensure fulsome support for the sector, namely on programs such as Agri-Recovery and Agri-Stability. Their design restricts their accessibility in the context of the pandemic. DFC will continue to work with the federal government to ensure that agricultural programs are able to provide effective support in these extraordinary times.

Notwithstanding the positive elements of the announcement, DFC acknowledges the total funding falls short of the expectations set out by the Canadian Federation of Agriculture and is committed on the need for further government support for the broader agricultural sector.



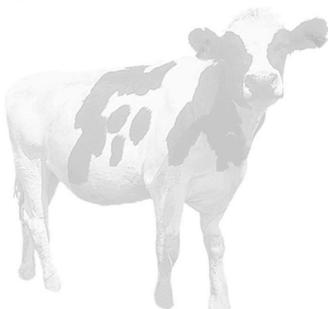
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Dairy Production Statistics

services

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

Amber Enviro services 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.

Producer Pool Additions/Deductions April 2020		
	Additions (\$)	Deductions (\$)
Audit Adjustment	0.00	0.00
Bulk Tank Callibration	0.00	4,500.00
Discarded	0.00	36,659.25
WMP	226,991.84	363,133.69
Interest	21,781.84	90.77
Metering	66,554.08	0.00
Trucking	0.00	2,025.00
Violations	47,369.18	0.00
Average Deductions per Kg Total Solids		(\$0.0050)

Class 5 Prices (\$/kg) June 2020			
Milk Class	Butterfat	Protein	Other Solids
Class 5a	4.0966	7.6929	0.5557
Class 5b	4.0966	2.4158	2.4158
Class 5c	3.7444	1.5854	1.5854
Class 5d	contract by contract price		
Class 4m	contract by contract price		
<i>Class 5 prices calculated by the Canadian Dairy Commission</i>			

2019-20 Quota Exchange and Credit Transfer Deadlines		
Transfer Date	Quota Exchange	Credit Transfer
June 1	May 15	June 23
July 1	June 16	July 24

Average Milk Prices	
Month	TPQ \$/hL
Apr 2020	83.56
Mar	84.62
Feb	85.26
Jan	85.70
Dec	84.92
Nov	85.39
Oct	84.94
Sep	81.99
Aug	80.38
July	79.50
June	79.99
May	80.07

Provincial Average Components April 2020	
Butterfat	4.2348 kg/hl
Protein	3.2392 kg/hl
Other Solids	5.9132 kg/hl

Provincial Milk Quality Averages April 2020	
Bacteria Average (IBC)	Somatic Cell Count (SCC)
19,732	182,467



Dairy Production Statistics



Quota Exchange Daily Production Quota		
Month	Total Transferred	Clearing Price /kg
Jun 2020	2.00	\$44,100
May	71.25	\$43,450
Apr	102.40	\$44,000
Mar	76.50	\$44,930
Feb	20.29	\$43,900
Jan	14.00	\$42,830
Dec	60.00	\$41,525
Nov	25.00	\$41,225
Oct	26.75	\$41,052
Sep	50.00	\$41,000
Aug	12.86	\$41,850
July	66.00	\$42,500

Underproduction Credit Transfers		
Month	Kg	Price/ eligible kg
May 2020	50,730.18	\$6.02
Apr	62,116.92	\$6.07
Mar	126,533.10	\$10.20
Feb	103,551.99	\$8.70
Jan	125,515.97	\$5.98
Dec	114,238.91	\$4.89
Nov	102,492.61	\$4.89
Oct	129,899.66	\$4.49
Sep	108,199.11	\$4.06
Aug	145,660.86	\$4.83
July	99,748.51	\$8.32
June	93,768.83	\$9.28

services

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The new club year of the local Dairy 4H club has started. We welcome children age 6 till 21 years of age to join! For more information contact:

Heidi de Lange
780-387-8132
delange@xplornet.com
Rollyview, Leduc area

Quota and Milk Production Summary (BF kg)

	March	April	May	June	July
Status	Official	Pre-Pooling	Projected	Projected	Projected
Alberta					
Butterfat Production (kg/day)	96,977	91,833	91,886	90,943	94,017
Provincial Quota (kg/day)	99,376	87,406	90,627	96,271	94,938
Producer Quota (kg/day)	93,541	90,735	90,735	90,735	90,735
Producer Quota + Incentive Credits (kg/day)	93,541	90,735	90,735	90,735	90,735
Cumulative Position (%)					
Producer Position (Days)	-5.10	-4.95	-4.62	-4.61	-3.55
Provincial Position (Days)	-10.15	-10.02	-9.23	-10.35	-10.79
Penalty (kg)	0	0	0	0	0
Western Milk Pool					
Butterfat Production (kg/day)	276,378	270,731	268,362	265,175	265,901
Pool Quota (kg/day)	282,358	248,350	257,502	273,536	269,749
Cumulative Position (%)*	-0.97%	-0.30%	0.04%	-0.21%	-0.33%
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.

deadlines

quota transfers

June 16, 2020 at
4:30 p.m.

credit transfers

June 23, 2020 at
4:30 p.m.





Alberta Production and Quota Update

Source: Jonathan Ntoni, Policy Analyst

Championing Alberta's Agriculture Sector

Source: Government of Alberta, Department of Agriculture
 Edited by Alberta Milk staff

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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 Wim Anker 403-892-0728 Brent Dawson 403-382-0716 Dispatch 403-382-0716 Office 403-732-5644 Fax 403-732-4387

Herd dispersal cows and quota to move 2021. Dutchman Trading Ltd. Phone Cornel at 403-507-9030.

Production Update

Daily average production in April was 2.18 million litres, a decrease of 91,937 litres (-4.04 per cent) over March. Provincial average butterfat density peaked at 4.3206 kg/hl in November and is on a seasonal decline. The provincial average butterfat density in April was 4.2066 kg/hl, a 1.32 per cent drop from March.

Comparing on an annual basis, there was +1.16 per cent growth in volume in the 12-month period ending April 2020 over the 12-month period ending April 2019; and a +2.60 per cent growth in butterfat production for the same period. See the chart below for the most recent 12-month trend.

Quota Update

The WMP's rolling 12-month quota slightly increased by 0.47 per cent in March over February. Alberta's daily producer quota issuance rate in March 2020 was 93,541 kg/day (i.e. 97.07 per cent relative to past 12-month CDC quota allocation).

Pools' Quota Utilization

Cumulative Quota Positions (CQP) as at the end of March 2020 for the WMP, P5 and P10 were -0.97, -0.54 and -0.78 per cent respectively.

The WMP under-produced its monthly CDC quota allotment by 185,363 kilograms of butterfat in March 2020 due to seasonality and the COVID-19 pandemic.

In the midst of a global health pandemic, international market and trade challenges, the Alberta government has established an industry advisory committee to act as Champions of Agriculture.

This group will meet regularly and provide Agriculture and Forestry with strategic advice and recommendations on emerging issues and priorities related to consumer confidence, and work to debunk myths in the agriculture industry.

Agriculture Industry Advisory Committee chairs:

- Jill Harvie – committee co-chair and owner/operator of Harvie Ranching
- Nichole Neubauer – committee co-chair and owner/operator of Neubauer Farms

Championing the agriculture sector focuses on ensuring continued growth and long-term success for the sector by advocating for Alberta's world-class sustainable agriculture management practices. News and success stories will be shared on the Champions of Agriculture and Forests website.

