

JULY 14, 2023

# MILK M TTERS

Dairy Farmers of New Brunswick  
Producteurs laitiers du Nouveau-Brunswick

*The Official Newsletter for New Brunswick Milk producers.*



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**2023/2024**

**BUDGET**

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**AND MORE...**

## DAIRY FARMERS WIN BIG AT WORLD DAIRY INNOVATION AWARDS

Dairy Farmers of Canada (DFC) was honoured with two World Dairy Innovation Awards at the Global Dairy Congress in London, England. The “Net Zero by 2050 – We’re In” campaign won in both the CSR/Sustainability Initiative category and the Marketing Campaign category.

**“The honours received at the World Dairy Innovation Awards shine the spotlight on the Canadian dairy industry by recognizing its innovations, from the production of milk right up to how we promote it to consumers. These marketing accolades would not be possible without our dairy farmers and their hard work. In blazing a trail for sustainable milk production, they make promoting this hard work all the easier.”**

**- Pierre Lampron, president of Dairy Farmers of Canada.**

Last year, DFC committed to reaching net zero greenhouse gas emissions by 2050 with a mission to spread the word on sustainability. The campaign recognized at the World Dairy Innovation Awards centers on how Canada’s dairy farmers are working hard to reach this objective. Through the “We’re In” campaign, we highlighted new, innovative practices that showed Canadians how our industry is dedicated to a greener future for everyone.

“The awards our team have received reflects the positive commitment of Canadian dairy farmers in tackling sustainability,” said Pamela Nalewajek, Chief Marketing Officer for DFC. “Caring for the environment isn’t just confined to one industry or country – it’s everyone’s responsibility. To win on a global stage like this is another example of Canadian dairy’s leadership on the issue.” The World Dairy Innovation Awards are a celebration of innovation and excellence across every category of the international dairy industry.

**BLEND PRICE  
JUNE 2023**

\$92.23/hl or \$21.88/  
kg of BF  
BF 4.2134 kg/hl,  
Protein 3.2403 kg/hl  
LOS 5.9258 kg/hl

**CREDIT EXCHANGE  
DEADLINE**

July 18, 2023  
4:00 PM  
Please submit credit  
bids/offers on  
DFNB Portal at  
[www.nbmilk.org](http://www.nbmilk.org)

**QUOTA EXCHANGE  
DEADLINE**

August 1, 2023  
4:00 PM  
Please send bids to  
[quota@nbmilk.org](mailto:quota@nbmilk.org)

**SNF PAYMENT CHANGE – AUGUST 1, 2023**

Since 2021 the price paid for SNF with a SNF/BF ratio between the market ratio (2.0) and the maximum ratio (2.2) is currently paid at the monthly class 4a SNF price. Effective, **August 1 2023**, the P5 Board have approved to decrease the price paid for the protein to 70 percent of the 4a price and Other Solids to be paid \$0.63/kg. The change in price is to better reflect the value of the SNF between the two ratios.

The SNF below the 2.00 SNF/BF market ratio will continue to be paid at the within-quota rates. The P5 will continue to regularly review the SNF payment policy and adjustments, as required.

Background:

On January 1, 2020, the P5 provinces adjusted the maximum no pay SNF/BF ratio to 2.30. In 2021 the P5 provinces established the component payment policy in effect with two price levels, depending on the SNF/BF ratio (a market ratio and a maximum ratio). As a result, currently there is no payment for solids non-fat (SNF) when the ratio exceeds the maximum SNF/BF. On August 1, 2022 the maximum SNF/BF ratio eligible for payment was reduced from 2.30 to 2.25. On February 1, 2023 the maximum SNF/BF ratio eligible for payment was reduced from 2.25 to 2.20 in Ontario, Nova Scotia and New Brunswick.

The changes that have been made to the component payment policy since 2020 aims to better reflect the market requirements and to ensure greater fairness between producers, when considering the structural surplus of SNF in the market.

Parameters/ Paramètres	Components/ Composantes	Base	New/ Nouveau	Écart/Difference
Paramètres des prix de niveau 2/ Tier 2 price parameters	Prot	4a price/ Prix 4a	70% of 4a price/ 70% du prix 4a	
	Las	4a price/ Prix 4a	70% of 0,90 \$ = 0,63\$/Kg	
Prix niveau 1/ Tier 1 price	Mg/BF	12,20 \$	12,42 \$	+ 0,22 \$
	Prot	10,44 \$	10,63 \$	+ 0,19 \$
	Las	0,90 \$	0,90 \$	+ 0,00 \$
Prix niveau 2/tier 2 price	Prot	3,60 \$	2,52 \$	- 1,08 \$
	Las	3,60 \$	0,63 \$	- 2,97 \$
Average price tier 2 / Prix moyen niveau 2	SNF/SNG	3,60 \$	1,29 \$	- 2,31 \$

**DFNB OFFICE 506-432-4330**

Delaney Lewis *Office Clerk* Ext. 26  
Veronica McEwen *Transportation* Ext. 24  
Philip Parlee *proAction* Ext. 28  
Ashley Baskin *Policy Analyst* Ext. 23  
Steve Michaud *General Manager* Ext. 22  
Luke Chase *Producer Services* Ext. 25  
Katie Bleakney *Promotion Coordinator* Ext. 27

**DFNB BOARD OF DIRECTORS**

Wietze Dykstra *Chair* 325-8192  
Gilbert Matheson *Vice Chair* 434-2357  
Becky Perry *2nd Vice Chair* 435-0651  
Gerald Daley *North East* 544-6303  
Denis Cyr *North West* 426-0788  
John Schuttenbeld *Fredericton* 461-9254  
John Best *Woodstock* 425-0765  
Paul Gaunce *At-Large* 650-9595  
Reint –Jan Dykstra *Moncton* 233-4685

**DFNB MISSION**

To represent the interests of New Brunswick dairy farmers in their pursuit of operating sustainable dairy farms that produce high quality milk within a supply management system.

**UPCOMING EVENTS**

DFNB Board Meeting  
July 25





## PROACTION: WORKBOOK AND REFERENCE MANUAL REVISIONS

**Changes Effective: September 1, 2023**

Reminder of the changes to both Cattle Assessments and Livestock Traceability. There are revised requirements to BIO Risk Assessment and Shipping Cattle Standard Operating Procedure. Clarifications and minor edits have been made to; Traceability Records, Cattle Assessment Corrective Action Plan, Bulk Tank Temperature Log, and the Cleaning and Sanitizing Chart.

Incentive Days 2023	Conventional
July 2023	1
August 2023	1
September 2023	2
October 2023	2
November 2023	1
December 2023	

## QUOTA PURCHASES: ADDITIONAL PAYMENT METHOD

Starting August 1st 2023, producers who wish to bid to purchase daily quota will now be able to register for pre-authorized debit (PAD) to pay for quota purchases. This means DFNB will be able to withdraw the funds owed for quota purchases automatically on the 20th or next business day when the 20th falls on the weekend/holiday, from the account information provided for all registered producers.

Producers must provide the bid to purchase quota, along with the signed pre-authorized debit agreement to eligible for this payment option. New Forms will be available August 1st 2023 on the DFNB website. Please contact Luke Chase at [luke.chase@nbmilk.org](mailto:luke.chase@nbmilk.org) if you have any questions.

## BUY & SELL

**For Sale:** Jolly Farmer Products is dispersing their herd of Brown Swiss cows (including heifers and dry cows). They are robot milked and are trained to free stalls and head locks at the feed bunk. Brown Swiss cows are a fantastic breed of milk cow with their hardiness, longevity, ease of calving and high component milk quality.

Contact: Joy Weir (506) 243-1489

Josiah Weir (506) 323-0622

Email: [joy.weir@jollyfarmer.com](mailto:joy.weir@jollyfarmer.com)

**For Sale:** Dairy Farm Operation for Sale, 117.10kgs  
Contact for more information.

Contact: Matt (506) 624-8849

**Wanted:** Please send wanted items to [nbmilk@nbmilk.org](mailto:nbmilk@nbmilk.org)

## PROMOTIONS

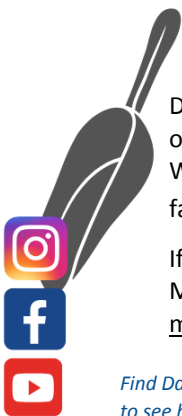
This month Dairy Farmers or New Brunswick celebrated Canada Day by handing out smoothies at the WOA Canada Day Event in Moncton. Later this month we will be handing out more delicious dairy samples at the Country Music Box Car Festival in Saint John.

## THE SOCIAL MEDIA SCOOP

Do you have solar panels, windmills, a biodigester or other sustainable technology on your farm? We want to show examples of innovation on local farms for DFNB social media.

If you have a great photo to share, please text Michelle 902-877-9355 or send an to email: [michelle.kempton@dfc-plc.ca](mailto:michelle.kempton@dfc-plc.ca)

Find Dairy Farmers of New Brunswick on Facebook and Instagram to see how we show our commitment to our consumers!



## 2023-2024 BUDGET

The Board of Directors of DFNB approved the budget for the fiscal year August 2023-July 2024 at the June board meeting. The table below outlines the forecasted revenues and the revised levies that fund the various services.

Summary per hl	2022-23 Forecast	Draft 3 Budget 2023-24	Budget vs Forecast
Milk Sales Revenues	\$ 98.02	\$ 97.87	-0.16%
Market Development Programs	\$ (2.07)	\$ (2.07)	-0.16%
Transport	\$ (3.60)	\$ (3.60)	0.00%
Promotion	\$ (1.36)	\$ (1.37)	0.30%
Research	\$ (0.02)	\$ (0.02)	0.30%
Lab	\$ (0.12)	\$ (0.11)	-5.56%
Admin	\$ (0.89)	\$ (1.00)	12.28%
Total Marketing Fees	\$ (8.07)	\$ (8.17)	1.29%
<b>Net Blend</b>	<b>\$ 89.96</b>	<b>\$ 89.70</b>	<b>-0.29%</b>

The overall approach to the budget was to be conservative as the impact of economic factors due to COVID 19 and other global factors is still being experienced. Revenue is down from the 2022-23 Forecast due to the impact of lower global pricing over the last several months. The budget also does not include any price change that may result from the annual Cost of Production calculation. The transportation levy is consistent with the 2022/23 Forecast. Although diesel prices have declined from the historic highs of 2022, the addition of the carbon tax and expected increase in labour rates are expected to result in an increase in the price. The promotion and research levies are unchanged from the current year. The lab levy is slightly lower than the current year.

The most significant change is in the Admin levy which is up 12.28% (\$0.0081/kg total solids or \$0.11 per hl) from the current year. A compensation survey was carried out to determine if the organization was compensating employees appropriately based on current market indicators. Compensation packages have seen significant increases in our post Covid world, and the review highlighted that some positions needed a market adjustment. All positions needed an increase to offset inflationary factors. Inflation was just under 6% at the time the survey was carried out. The total impact of the change in compensation was an increase of ½ cent (\$0.0051/kg total solids or \$0.07 per hl) in the levy. The second factor impacting the Admin levy is the start of the new Producer Pay System which is anticipated to be implemented in the spring of 2024. The depreciation rate on software is 30% each year and this has resulted in an increase of Admin levy of ¼ cent (\$0.0025/kg total solids or \$0.03 per hl). These two items account for 94% of the increase in the Admin levy. Overall, the total levies in the 2023/24 Budget are up 1.29% from the 2022/23 Forecast.

Respectfully submitted,  
Sharon Beasley, CFO for Dairy Farmers of New Brunswick

## QUALITY MILK PROBLEMS

Bulk milk graders are trained and licensed to grade milk. They only reject milk according to regulations. Once rejected a producer is required to dispose of that milk and correct the problem that contributed to the rejection and clean their tank before adding their next milking. Producers are welcome to reach out to the public safety inspectors for assistance in determining the causes for the rejections.

## MILK PENALTY FUNDING

Pro-active funding:  
Producers advised of second or subsequent milk quality infraction, prior to a penalty assessed, is allowed to offset, once per year, cost of a visit from milk quality technician to a maximum of \$750. Producers may apply for funding by forwarding paid invoices to DFNB office.

## NATURAL PRODUCTS ACT REGULATIONS

<http://laws.gnb.ca/en/ShowTdm/cr/2010-19//>  
Plans for construction, extension, alteration, installation or replacement  
50(1) Plans for the construction, extension or alteration of a dairy farm, including a dairy barn, milking parlour or milk house, shall be submitted to the Commission or an inspector for approval before the work is undertaken.  
50(2) Plans for the installation.

**Dairy Farmers of New Brunswick  
Milk Matters: Production and Payment Summary Report for June 2023**

**Quota Exchange for July, 2023**

	Price in Dollars	# of Sellers	Kgs Offered By Sellers	Total Cum. kgs	Difference Between Sellers/Buyers	Total Cum. kgs	Kgs Wanted By Buyers	# of Buyers
QESP	\$24,000.00		15.9	15.9	413.9	429.8	429.8	
<b>TOTALS</b>		<b>1</b>	<b>15.9</b>			<b>429.8</b>		<b>32</b>

QESP = Quota Exchange Selling Price

15.9 of 429.8 kgs wanted at or above the Quota Exchange Selling Price of \$24,000.00 were purchased.

There was a total of 15.9 kgs offered for sale and total bids to purchase of 429.8 kgs.

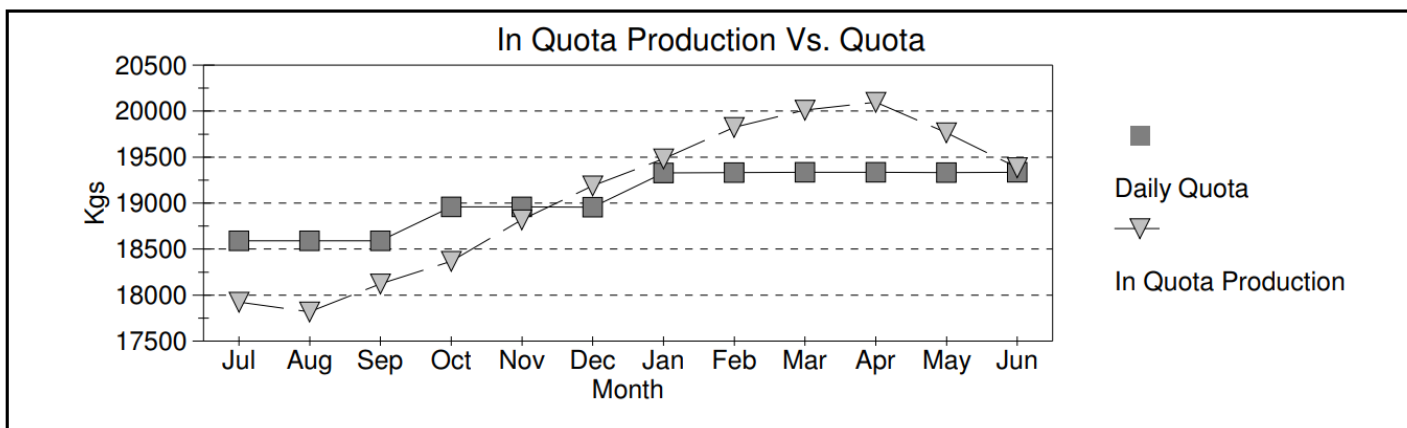
QESP = Le prix de vente de quota

15.9 des 429.8 kilos demandé au prix de vente de \$24,000.00 ou au dessus ont été acheté. Il y avait un total de 15.9 kgs proposés à la vente et le total des offres pour l'achat de 429.8kg.

**Next Exchange closes at 4:00 p.m., Tuesday August 1, 2023**

**Results are available Friday August 4, 2023**

Month	Jul	Jun	May	Apr	Mar	Feb	6 month avg.
Clearing Price	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
Kgs on Exchange	15.9	32.1	1.8	3.0	2.0	2.1	9.5
Kgs by Transfer	.0	.0	.0	.0	85.0	.0	14.2



## QUOTA CORNER

### QUOTA EXCHANGE PROCEDURES

Bids/Offeres must be submitted on forms provided prior to 4:00 p.m. on 1st working day of month. All bids must be accompanied by confirmation of funds from your lending institution if bid is greater than prior month's "Due Producer". Producers will not be allowed to combine their "Due Producer" amount with their confirmation of funds from a financial institution to bid for quota equal to the combined amounts. Bids or offers above \$24,000 will not be accepted. Producers selling all of their quota on an exchange will be subject to a security deposit of \$1000/kg that will be returned 30 days after effective date of the transfer.

### MINIMUM QUOTA HOLDINGS POLICY

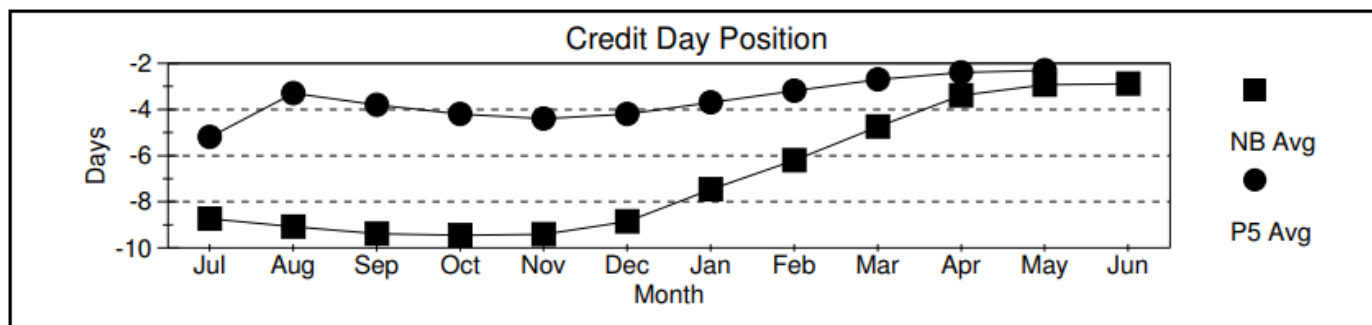
The Board will cease picking milk up when the farm's total daily quota falls below ten (10) kilograms.

### DAILY QUOTA TRANSFER ORDER

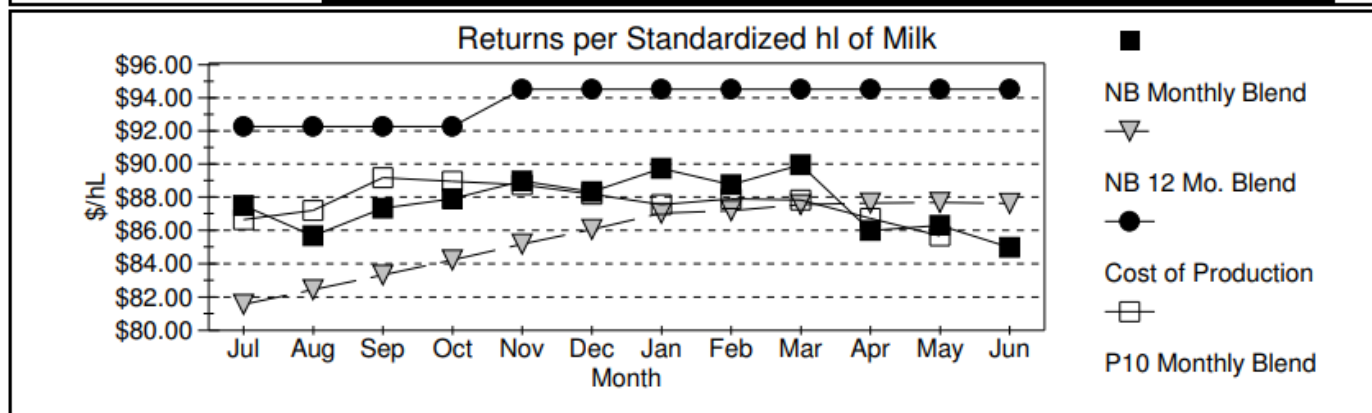
Section 3 b) j); Producers must pay the Board the QESP for the Daily Quota so purchased on or before noon of the 20th day of the month or noon of the first working day thereafter if the 20th falls on a holiday or weekend. Payment received after that is subject to a 2% penalty applied on the value of the purchased Daily Quota and deducted from the producer's statement. The producer will also be prohibited from purchasing on the following month's exchange. If payment is not received by the last working day of month, that purchased quota will be revoked and be offered for sale on the next month's exchange. Any losses incurred from the resale of the revoked Daily Quota will be charged back to the producer along with an additional 2% penalty.



# Credits



Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Incentive Days Issued	0.07	1.06	3.06	3.19	3.18	2.19	0.18	0.06	0.07	0.01	1.00	1.00
Incentive Days Used	0.05	0.39	0.95	0.95	1.23	1.08	0.18	0.06	0.07	0.01	0.58	0.55
Days Over Quota	0.03	0.05	0.01	0.01	0.00	0.01	0.02	0.01	0.05	0.05	0.03	0.02
Days Lost	-1.54	-1.32	-1.36	-1.34	-1.27	-1.13	-1.03	-0.55	-0.41	-0.24	-0.31	-0.23
Days Exchanged	0.96	0.17	0.21	0.09	0.12	0.23	0.39	0.80	0.87	1.17	0.90	1.01
Credit Exch Clearing Price	\$2.50	\$0.99	\$0.20	\$0.01	\$0.01	\$0.50	\$0.55	\$2.00	\$3.93	\$4.50	\$5.51	\$6.77



Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
SNF Market Ratio \$/kg	\$4.21	\$3.83	\$3.72	\$3.85	\$3.54	\$3.44	\$3.12	\$2.80	\$2.68	\$2.51	\$2.51	\$2.50

A standardized hl of milk contains 3.60 kg/hl BF, 3.23 kg/hl PT and 5.69 kg/hl LOS

## CREDIT CORNER

### CREDIT EXCHANGE PROCEDURES

Bids/Offers must be submitted on forms provided prior to 4:00 p.m. on the 2nd working day after the 15th of the month. Results are available on the morning of 4th working day after the 15th. Producers exiting industry may purchase/sell credits one month following effective date of sale. If you do not receive your statement in time to review your credit position, please call the office and we will fax /email your statement to you.

### JUNE 2023 CREDIT EXCHANGE

**\$6.77/KG**

17,347 of 17,487 kgs wanted at or below the CESP were purchased.

Producers above 0 days of credits are eligible to buy credits. Producers below 0 days of credits are eligible to sell credits. Please review your statement to determine kgs eligible to sell / buy on the next Credit Exchange.

**\*\*DFNB encourages all producers to submit credit bids/offers on the Portal at [www.nbmlk.org](http://www.nbmlk.org) - click on LOGIN link. \*\***

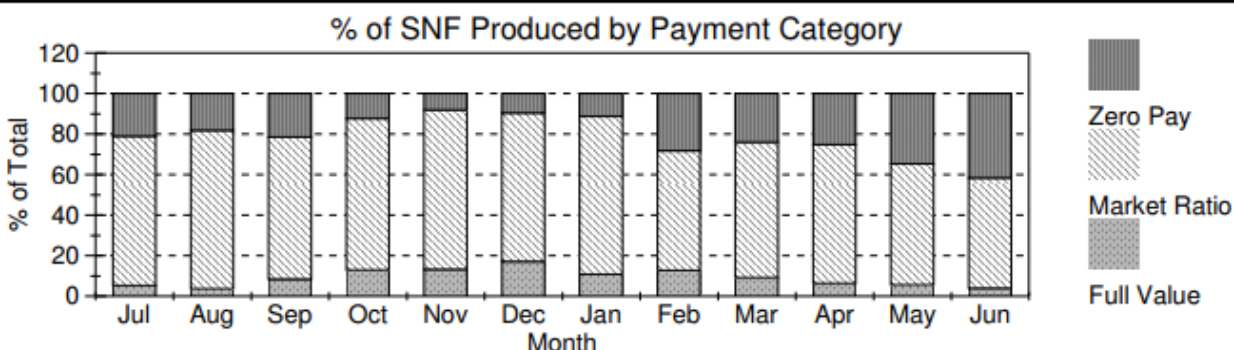
NB Domestic Milk Pool									
Over Quota	BF Kg	BF \$/kg	BF \$	PT Kg	PT \$/kg	PT \$	OS Kg	OS \$/kg	OS \$
June 2023	355	-\$2.7327	(\$969)	277	-\$1.9107	(\$529)	512	-\$0.3917	(\$201)
12 Months	5,257	-\$2.7327	(\$14,367)	4,041	-\$1.9107	(\$7,721)	6,898	-\$0.3917	(\$2,702)
<b>SNF &gt; 2.20</b>									
June 2023				6,292	\$0.0000	\$0	11,660	\$0.0000	\$0
12 Months				29,494	\$0.0000	\$0	54,365	\$0.0000	\$0
<b>SNF 2.00&lt;=2.20</b>									
June 2023				28,991	\$2.4983	\$72,428	53,480	\$2.4983	\$133,610
12 Months				343,872	\$3.2661	\$1,123,136	625,701	\$3.2667	\$2,043,997
<b>Domestic Market</b>									
June 2023	581,185	\$12.7456	\$7,407,558	411,673	\$10.7639	\$4,431,202	752,229	\$9.9000	\$677,006
12 Months	6,951,835	\$13.2039	\$91,791,047	4,961,367	\$10.6118	\$52,649,042	8,894,567	\$9.9000	\$8,005,110

## Production & Payment

Revenue	\$/HL	BF \$	PT \$	OS \$				Total Paid \$
June 2023	\$92.23	\$7,406,589	\$4,503,101	\$810,415				\$12,720,105
12 Months	\$95.40	\$91,776,681	\$53,764,456	\$10,046,405				\$155,539,078
Deductions	Transport	Promotion	Admin	Lab Fee	Research Levy	Total Ded Per HL		Total Deductions
	Per HL	Per Kg of Total Solids						
June 2023	\$3.40	\$0.1015	\$0.0663	\$0.0090	\$0.0016	\$5.79		\$798,716
12 Months	\$3.58	\$0.1035	\$0.0648	\$0.0092	\$0.0016	\$5.96		\$9,756,878
Quality	Somatic Cell Count	Standard Plate Count	Lab Past. Count	IBC				Rejected Loads
June 2023	174,011	0	0	40				0
12 Months	180,029	12,687	243	38				0
Production & Component Tests	Production Volume	Butter Fat	Protein	Lactose & O.S.	Total solids	SNF Ratio		
June 2023	13,802,154	4.2134	3.2403	5.9258	13.3795	2.1755		
12 Months	163,232,847	4.2621	3.2706	5.8699	13.4026	2.1446		

## SNF Policy

Current SNF Ratio Values	Full Value: < 2.00	Market Ratio: 2.00<=2.20	Zero Pay: > 2.20
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## SNF/BF: Avg Ratios

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Full Value	1.93	1.88	1.91	1.92	1.91	1.94	1.93	1.93	1.93	1.90	1.89	1.87
Market Ratio	2.18	2.18	2.15	2.13	2.12	2.13	2.13	2.10	2.11	2.12	2.11	2.12
Zero Pay	2.34	2.34	2.31	2.31	2.33	2.29	2.29	2.25	2.25	2.27	2.25	2.28
Provincial	2.20	2.19	2.16	2.12	2.11	2.11	2.13	2.12	2.13	2.14	2.15	2.18

## Maritime Quality Milk

Maritime Quality Milk (MQM) is a research and service program at the Atlantic Veterinary College, located at the University of Prince Edward Island in Charlottetown.  
[www.milkquality.ca](http://www.milkquality.ca)

## Milk 2020

MILK 2020's mission is to develop and enhance knowledge and innovation, through its leadership and its actions, with a view to encouraging the sustainable growth of New Brunswick's dairy industry.  
[www.milk2020.ca](http://www.milk2020.ca)

## Co-operators Group Insurance

Group rates as of Jan 2023  
Monthly single coverage: \$120.54  
Monthly family coverage: \$322.99  
Claims, rates, enrolment:  
[emilymurphy@rogers.com](mailto:emilymurphy@rogers.com)  
David Scott 506.458.1220  
1.800.994.5155

## BULK MILK TANKS

All bulk milk tanks needing calibrated will be coordinated by DFNB staff using the calibration services of both Dairy Farmers of Ontario (DFO). If you are planning to install a new tank or have installed one recently, please call 432-4330 so your farm can be added to the schedule. Before replacing your bulk milk tank remember: New tanks of 1000 US gallons (3780 liters) must have a minimum outlet of 3 inches with a butterfly valve; New tanks less than 1000 must have a minimum tank outlet of 2 inches with a butterfly valve; Used tanks of any size must have a minimum tank outlet of 2 inches with a butterfly valve.

## NB Environmental Farm Plan

Contact John Russell  
by phone at:  
**506.452.8101**  
**506.381.2887**  
or by email at:  
[john@fermeNBfarm.ca](mailto:john@fermeNBfarm.ca)

## Composition & Microbiology Testing

Composition testing  
contact Jill Hay at:  
[jill.hay@rpc.ca](mailto:jill.hay@rpc.ca)  
Microbiology testing  
contact Corrie Maston at:  
[corrie.maston@rpc.ca](mailto:corrie.maston@rpc.ca)

## Hoof Trimming

Contact E. Duivenvoorden  
Phone:  
**506.433.1864**  
or  
Peter Jones  
Phone:  
**506.866.0531**

## Dairy Specialist

Contact  
David Dykstra  
Cell phone:  
**506.434.5755**  
Email:  
[David.Dykstra@gnb.ca](mailto:David.Dykstra@gnb.ca)

## Livestock Specialist

Contact Jason Wells  
Phone:  
**506.434.2543**  
Email:  
[Jason.Wells@gnb.ca](mailto:Jason.Wells@gnb.ca)

## NB Research & Productivity Council

RPC is New Brunswick's provincial research organization (PRO), a research and technology organization (RTO) offering contract R&D and technical services at our locations in Fredericton and Moncton, New Brunswick.  
**506.452.1212**

## MILK MATTERS

Any producer who wishes to receive a copy of the Milk Matters Newsletter by mail monthly should make their request to the DFNB office by email [nbmilk@nbmilk.org](mailto:nbmilk@nbmilk.org) or by phone 506 432-4330.

If you have photos that could be featured in future Milk Matters please email [katie.bleakney@nbmilk.org](mailto:katie.bleakney@nbmilk.org)

## GNB Livestock Sector Development

[https://www2.gnb.ca/content/gnb/en/contacts/dept\\_renderer.137.203310.4073.html#employees](https://www2.gnb.ca/content/gnb/en/contacts/dept_renderer.137.203310.4073.html#employees)

## Bob Calve Prices

<https://app.milk2020.ca/beefreport/default>

## Research Council:

### Free webinars

<https://www.beefresearch.ca/resources/webinars.cfm>

## Dairy Commission

<https://www.cdc-ccl.gc.ca/>

## Dairy Farmers of Canada News Centre

<https://www.dairyfarmers.ca/news-centre/document-library>

## AgriStartNB

<https://www2.gnb.ca/content/dam/gnb/Departments/10/pdf/Agriculture/FarmingInNewBrunswick->

## TRANSPORTATION

If you have concerns about your pickups, you can contact:  
Agropur Transportation 506.432.9128 ext 284  
or 506.432.0476(cell)  
R.F. Mason Ltd. 506.435.0500  
Veronica McEwen 506.432.4330 ext 102  
or 506.432.0092(cell)

Additional Pickups: Producers can request (if bulk milk transporters have the equipment/capacity) up to 45 pickups over 24 months at an extra charge of \$2.00 per hl over monthly transportation rate and between 46 and 90 everyday pickups over 24 months at an extra charge of \$4.00 per hl over monthly transportation rate. The \$2.00 and \$4.00 per hl will be the minimum charge. If additional equipment has to be dispatched, the charge will be equivalent to the actual transportation costs.





# Notice of Change

## Revised Workbook and Reference Manual

**Announcement:** Dairy Farmers of Canada (DFC) is issuing a revised proAction® Workbook and Reference Manual in September 2023. The documents will be available on the proAction website ([www.dairyfarmers.ca/proaction/resources/overview](http://www.dairyfarmers.ca/proaction/resources/overview)) and will replace the July 2021 versions. This Notice of Change outlines the revised requirements and provides farmers with advance notice to make any necessary adjustments on their farms.

**Effective Date:** The effective date of the changes is September 1, 2023.

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### Reminders:

**a) Animal Care (AC): Cattle assessments (AC14):** DFC published a Notice of Change for the cattle assessment requirement in March 2023. The Notice of Change explained DFC re-evaluated the expectations for corrective action and continuous improvement for the cattle assessment requirement, which resulted in the following changes:

- The Dark Red Zone and its continuous improvement requirements will be maintained (i.e. not combined with the Red Zone).
- No additional continuous improvement requirements will be added to Red Zone results in 2023.

As a result, the continuous improvement requirements for cattle assessments are:

- Farms with results in the Dark Red or Red zone must still document and implement a corrective action plan in consultation with their veterinarian, dairy nutrition advisor or other dairy specialist.

- If a farm has one or more results in the Dark Red zone, the farm is due for the next cattle assessment in 12 months from its registration anniversary date, instead of the standard 24 months, and the number of cattle assessed will increase.
- If a farm has one or more results in the Red zone, the farm is due for the next cattle assessment in 24 months from its registration anniversary date and the standard number of cattle will be assessed.

**Rationale:** Early in 2023, only preliminary data was available on the third round of cattle assessments. Though results show steady improvement, DFC decided to not introduce additional continuous improvement requirements until the changes from March 2021 can be fully evaluated. This will also allow time to assess any new or revised requirements in the revised *Code of Practice for the Care and Handling of Dairy Cattle* that may impact the cattle assessments.

The Animal Care Technical Committee started a holistic review of the cattle assessment requirement in January 2023, and is evaluating whether any changes should be made to this requirement for 2025 or later.

For more information:

- Section 4.1, Chapter 4 and Appendix II in the Reference Manual, July 2023
- Notice of Change for Animal Care Module, March 2023

**b) Livestock Traceability (LT): Tagging (LT2):** DFC published a Notice of Change for changes to the Traceability module in September 2020. The last item was advance notice that in September 2023 DFC would phase out the use of the yellow button tags on calves born on dairy farms.

Therefore, as of September 1, 2023, calves born on a dairy farm destined for purposes other than dairy must be identified with approved white dairy tags (i.e. single button RFID tag or dual tag set), and the exception allowing these animals to have a yellow button tag applied at birth will be fully phased out. This also includes no longer allowing yellow button tags for cull cows if the original tag is lost.

There is no change for the province of Quebec, as dual tagging of all dairy animals remains a provincial requirement.

As a result, LT2 is changing to:

LT2: are your dairy cattle double-tagged with approved dairy tags (DairyTrace/Attestra)?

\*Calves must be tagged within 7 days of birth or before the animal leaves the farm of origin, whichever occurs first.

\*Any calves born on farm and destined for purposes other than dairy production may be identified with a single RFID ear tag

(approved dairy tag) except for provinces that require double-tagging.

Rationale: Using the single white button tags will keep these animals' information within the national dairy traceability database enabling more effective emergency response and value-added opportunities, and keep the tag revenues within the dairy industry, ensuring a financially sustainable system.

For more information:

- Farmer Hand-Out (Tag Requirement Changes) appended to the end of the Notice of Change
- Chapter 3 in the Reference Manual, July 2023
- Notice of Change for Traceability Module, September 2020

## Revised Requirements:

**a) Biosecurity (BIO): BIO Risk Assessment (BIO1):** DFC has updated the Dairy Farm Biosecurity Risk Assessment Questionnaire (Record 6b) to reflect current practices, expand questions to provide clarity and change the scoring categorizations to help guide farmers and their veterinarians in more accurately answering the questions. The categories have been expanded to: never or no, rarely, sometimes, almost always, always or yes, and not applicable, with each category including a percentage range.

Farmers and veterinarians need to use the new version (July 2023) starting in September 2023.

Refer to the Workbook, July 2023, Record 6b, for the revised version.

**FUTURE NOTE:** DFC is planning to require farmers to complete the Dairy Farm Biosecurity Risk Assessment Questionnaire electronically (e.g. via computer software) starting in September 2025. The aggregate data will help DFC make informed decisions to improve animal health and also improve the questionnaire. Some veterinarians already use computer software programs to complete the questionnaire with farmers and have reported it significantly reduces the time required.

**b) Food Safety (FS) and Animal Care: Shipping Cattle Standard Operating Procedure (FS40 (AC)):** The shipping cattle Standard Operating Procedure (SOP) has been updated to:

- Revise the required element on tagging to reflect transition to single white button tags: “Ensure all cattle intended for shipping are identified with dairy approved (DairyTrace) dual tags or single white button tags (calves born on a dairy farm outside the province of Quebec and destined for purposes other than dairy production may be identified with an approved DairyTrace single white button tag) or Attestra tags.”
- Add a required element to reflect traceability reporting requirements: “Ensure animal birth or tag activation information is reported to the national traceability database before animals leave the farm (particularly for bull calves).”

Rationale: The changes reflect the changes made to LT2 and reflect the reporting requirements farmers are already doing.

For more information, refer to Chapter 9, Section 9.2 in the Reference Manual, July 2023

## Clarifications and Minor Edits:

- a) Traceability records:** The records are revised to only require farmers to record the last 9 digits of an animal’s identification number (not all 15 digits) to simplify recording. The first 6 digits are standard for Canada and will be auto filled by DairyTrace during reporting. As a reminder, farmers can use the DairyTrace reports as their records.

Refer to the Workbook, July 2023, Records 1 to 5 for sample records.

- b) Record 7B: Cattle Assessment Corrective Action Plan:** Record 7B has been updated to a streamlined version.

Refer to the Workbook, July 2023, Record 7b for sample record.

- c) Record 12: Bulk Tank Temperature Log:** Added a place to indicate the “Year” in addition to the “Month” for farmers’ convenience.

Refer to the Workbook, July 2023, Record 12 for sample record.

- d) Record 14: Cleaning and Sanitizing Chart:** Added in “Number of washes done in a 24-hour period” to provide context for the wash system.

Refer to the Workbook, July 2023, Record 14 for sample record.

- e) Overall:** Edits were made throughout the Workbook and Reference Manual to correct errors, streamline information, add clarity or provide more information. Some examples are:

- Revised “third-party assessors” to “independent assessors” for cattle assessments.
- Noted that in Canada, all prescription drugs must be accompanied by written veterinary directions. In Quebec, all medications purchased for dairy animals must be accompanied by a written veterinary prescription.



# Tag Requirement Changes

Effective September 1, 2023

Prior to  
September 1, 2023



proAction® exception allowing CCIA yellow button tag for calves born on farm and destined for purposes other than dairy production.

September 1, 2023



Dairy farms must use approved DairyTrace white tags for identifying **all** calves born on dairy farms. This includes calves destined for purposes other than dairy production.

Best Practice



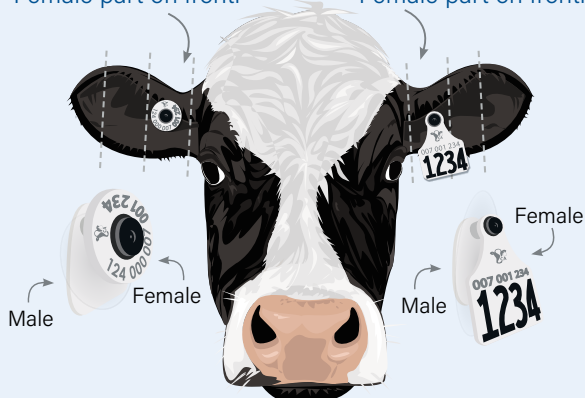
Dual tagging of all animals is always an option and is encouraged as a best practice. Dual tagging is mandatory in Quebec.

Federal regulations prohibit removal of official RFID tags, so animals currently tagged with a yellow button tag should not have their tags removed. **As a reminder, it is acceptable for animals in a dairy herd that were born before September 2017** (before dual tagging was required for dairy animals) to be identified using a yellow button tag.

## Positioning Tips

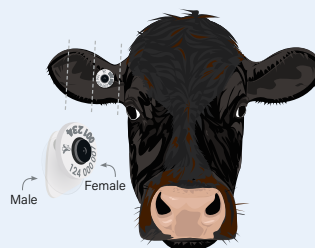
### RIGHT EAR

Electronic set put on the **first third** of ear with Male part on back, Female part on front.



### LEFT EAR

Visual set put on the **first third** of ear with Male part on back, Female part on front.



While dual tagging is encouraged, DairyTrace offers a white single button RFID tag that may be used to identify calves born on farm and destined for purposes other than dairy production.\*

\*not applicable in Québec



As per federal requirement, the RFID button must be front facing.

# Have questions? We've got answers.

## Why use white tags?

Using approved dairy tags results in more complete traceability data for the dairy sector. A traceability system is designed to protect dairy farmers and is much more effective when tag information and movements on and off dairy operations or other premises are fully traceable, which is not possible when yellow tags are used.

The dairy and beef industries have different traceability databases: DairyTrace and the Canadian Livestock Tracking System (CLTS) of Canadian Cattle Identification Agency (CCIA). When dairy farmers use white dairy tags, all events reported on these tags, from birth to tag retirement, go to DairyTrace. Use of white dairy tags will ensure all animals born on a dairy farm are fully traceable through DairyTrace. When dairy farmers use yellow button tags, all reported events after the animals leave the farm go to the CLTS and are not captured by DairyTrace.

## How will this benefit farmers?

Having the most complete information on dairy animals from birth to end of life makes effective and rapid traceback possible in an animal health emergency, protecting farms and the dairy industry.

Keeping information from calves born on a dairy farm in the DairyTrace system provides the potential to gather more information on those animals as they move through the value chain, from birth to end of life. More information will lead to a better understanding of these animals and is the foundation for potential future value-added opportunities for dairy farmers.

Buyers may be willing to pay a premium if they receive records from the dairy farmer with age, weight and other information about the calves. **Watch this short video** for more information.

## Is this part of proAction? How will this be implemented?

Starting September 1, 2023, this will be a requirement in proAction's Traceability module and will be verified by proAction validators as part of the on-farm audit.

## Will using white button tags cost more?

The cost of purchasing the white single button RFID tags is competitive with the yellow button tags.

An advantage of using only white DairyTrace tags is they can all be ordered via DairyTrace Customer Services.

Based on an independent analysis of auction mart data available in various provinces, there is no evidence of bias in market price received for calves with white single button tags compared to those with yellow button tags.

## Want more information?

If you have any questions, contact DairyTrace Customer Services or your proAction provincial coordinator.

DairyTrace Customer Services: 1-866-55-TRACE (1-866-558-7223) or [info@DairyTrace.ca](mailto:info@DairyTrace.ca).

Find your proAction provincial coordinator: [dairytrace.ca/traceability/how-it-works/](https://dairytrace.ca/traceability/how-it-works/).