

Newsletter October 2015

TPP Negotiated – Some Details to Come

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As per the information notices sent out to all producers last week, the TransPacific Partnership Trade Agreement negotiations have been completed, and some information on the agreement has been released.

While we know the rough outline of the negotiated deal, as well as various mitigating factors, there are still details that we will not know until we see the text itself; the latest word on this is that the text will not be available for several weeks.

As reported, we have been told that there will be 3.25% access given to our dairy market; this number is being calculated by the government as 3.25% of the government's projected 2016 production numbers. We are also told that this will be phased in, with the majority over 5 years from TPP implementation. The details we do NOT have are the accuracy of the projections, under exactly which categories the access will be given, how much in each category, or the timing within the phase-in period for each category.

We are also told that the Canadian cheese composition standards remain intact, which was a considerable concern.

According to the government, our Canadian standards will prevail in terms of imports; in other words, that growth hormones, milk with any antibiotics, etc would not be allowed to be imported. We are awaiting further details on this area as well.

The government has proposed a compensation program that includes protections against income drops as well as any decrease in quota value. The dollar amounts that are being given are for ALL supply managed sectors. Further information will come in these areas; for now, these measures have been approved by Cabinet, but it will be up to the new government to go ahead with these measures. The government has also committed to ensuring that border controls are enforced, and we are awaiting those actions.

Part of the mitigation package is a Processor Modernization Program that is intended to provide processors in the supply-managed value chain with support to further advance their competitiveness and growth.

Further information and analysis will be shared with producers as soon as more details are known. In the meantime, it is *business as usual*, as the fundamentals of our system have been maintained.

'Milk Mooves You' Promotion Winner from Saskatchewan!



Francesca S. of Saskatoon was the winter of the Grand Prize 2016 Fiat 500 X!

Saskatchewan dairy farmer and Board Member Ryan Enns presenting Francesca with the keys to her new vehicle!

Farm to Fork Extravaganza Day!

Great turnout in Nipawin (only one of this year's locations), and a chance for kids to learn about their food and where it comes from!



CQM REGISTRATION

By December 31, 2015 all farms must be registered on the CQM program.

Herds not registered by that date will incur an escalating penalty that will start the month of January 2016.

You should have received an email or fax indicating the month that you will be contacted to have your validation. Please contact me if you have not received this information.

You must have 3 months of records in order to have a validation. The requirements for a CQM validation are listed below.

CQM REGISTRATION

To apply for registration, producers should have three months of records.

What records do you need to do on a daily/regular basis?

- **Record 12 Bulk tank temperature log** you should be recording the temperature of the bulk tank at the end of each milking
- **Record 10 Livestock treatment record** all livestock treatments that have a milk or meat withdrawal must be recorded.
- Record 13 Milking equipment sanitation record—on at least a monthly basis you should be checking the sanitation of your bulk tank and milking equipment and recording the findings. The temperature of the rinse water should be checked and recorded weekly or the temperature of the wash water should be recorded monthly.
- Record17 Deviations and corrective actions- record the problem and what you did to correct it. This can be done on the record that the problem relates to or on Record 17 Deviation and Corrective Action record i.e. Bulk tank temperature problems can be recorded on Record 12 in the corrective action column or on Record 17

What do you need to do on an annual basis?

- Cleaning and sanitizing chart- filled out by your equipment dealer
- Annual wash system evaluation- filled out by your equipment dealer IF YOU HAVE NOT HAD THIS DONE WITHIN THE LAST YEAR YOU SHOULD MAKE ARRANGEMENTS WITH YOUR EQUIPMENT DEALER TO GET IT DONE.
- Water record tested annually for E. coli and Total coliforms and kept on file.
 IF YOU DO NOT HAVE A WATER TEST RESULT PLEASE CONTACT ME FOR TESTING INFORMATION.

What record do you need to do on an as needed basis?

Broken needle record- you may never have a broken needle but you must be aware that should it
ever occur you must have a record of the animal and the location of the needle and that record
should go with the animal when it leaves the farm.

Producers are also required to have:

Standard Operating Procedures:

- Pre-milking
- Milking
- Milking cattle with abnormal or treated milk
- Post milking cleaning
- Treating cattle
- Shipping cattle
- Feeding medicated feed

Corrective Action Plans

• Corrective action plans outline the steps to take to correct a problem. Corrective Action plans should contain detailed instructions and contact numbers and the CQM program requires producers to write a Corrective Action plan for specific scenarios.

Information on all of this is in the CQM workbook and reference manual. If you have questions, need some help getting ready for your validation, or want to apply for CQM registration please contact Deb Haupstein deb.haupstein@saskmilk.ca 306-721-9486

CQM Milk Quality Bonus

For the month of September, CQM registered producers received a \$0.50 per hectolitre milk quality bonus.

This means that a CQM registered farm shipping 100,000 litres/month would receive a CQM Milk Quality Bonus of \$500.00!

Antibiotic Resistance 101: What is the big deal about antibiotic use in agriculture?

Saskatchewan producers are asking, "What's the big deal about antibiotics?". Over the last few years the interest of consumer and media groups on how antibiotics are used in livestock and poultry has exploded. It seems that every fast-food chain is racing to develop a policy on use in their supply chain. Mainstream media has regular exposés on the topic. And Industry publications are regularly covering how to use antibiotics appropriately.

Everyone has an opinion on how you should use antibiotics—but why the sudden interest? A dramatic and persistent rise in antibiotic resistant pathogens in human medicine is behind all the attention. This phenomenon is occurring globally, although different regions and countries are struggling with different bug-drug combinations, and is common enough that illnesses which were previously curable with antibiotics can no longer be treated. In essence, human medicine is getting a glimpse of the post-antibiotic era. And it is terrifying.

For more information on the global context of the problem see World Health Organization and United States Centers for Disease Control reports on antimicrobial resistance.

But what does this have to do with how antibiotics are used on your farm, ranch or flock? The concern is that antibiotic use in agriculture is contributing to this human medicine problem. How can that be? Well, there are three connections you should be aware of. Today's post will touch on each briefly. Future posts will investigate each in more detail.

The most direct link is through resistant foodborne pathogens. The main threats are *Salmonella* spp. and *Campylobacter* spp. These bacteria are present in the guts of healthy animals. A seven-step chain of events <u>can</u> link the use of an antibiotic in a food-animal to more severe food-borne illness in a person.

The second link between on-farm antibiotic use and human health is slightly more abstract. Full appreciation requires understanding how resistance develops and transmits among bacteria. Although an oversimplification, it is enough to know that bacteria have a unique ability to share genes with other bacteria. Typically, a set or collection of genes is passed simultaneously. This set of genes can infer resistance to multiple different families of antibiotics so the acquiring bacteria becomes multi-resistant instantaneously. The concern relating to agriculture is that bacteria from the guts of animals again could pass this resistance to bacteria in the human gut.

Every time an antibiotic is used, it selects for resistance in bacteria. Because agriculture is among the major users of antimicrobials, we are also contributing to the burden of resistance in the world. Bacteria in animal waste enter our shared environment through farmland, watershed and aerosol. This contribution to global resistance could theoretically impact human health.

From the direct and measurable to the hypothetical, agriculture is tied to the threat of antimicrobial resistance. This means we have a responsibility to practice good antimicrobial stewardship, to measure and address this problem within our own industries, and to contribute to solution-seeking for this pressing One-Health issue.

QUOTA EXCHANGE

The market-clearing price established for the October 2015 Quota Exchange was \$28,000.00

The next Quota Exchange will be held on **November 15, 2015**. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SaskMilk office by midnight, **November 6, 2015**. SaskMilk recommends that offes and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

When making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange. Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange. The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase. The results of the Quota Exchange are outlined in the following Table.

OCTOBER 2015 QUOTA EXCHANGE RESULTS SUMMARY

Market Clearing Price per kilogram of butterfat	\$ 28,000.00	
Daily Kilograms offered to Purchase	45.00	
Kilograms offered to Sell	135.76	
Kilograms sold	20.00	
Number of Producers		
- offered to purchase	4	
- purchased quota	2	
- offered to sell	8	
- sold quota	2	

OCTOBER 2015 QUOTA EXCHANGE CLEARING PRICE RESULTS

Price (\$/daily kg b.f.)	No. of Sellers	Cumulative Sellers	Daily Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Daily Kgs b.f. offered to purchase	Cumulative bidders	No. of buyers
\$25,004.00	0	0	0.00	0.00	-45.00	45.00	10.00	4	1
\$26,100.00	1	1	10.00	10.00	-25.00	35.00	0.00	3	0
\$27,004.00	0	1	0.00	10.00	-25.00	35.00	10.00	3	1
\$28,000.00	1	2	10.00	20.00	-5.00	25.00	0.00	2	0
\$29,000.00	6	8	115.76	135.76	110.76	25.00	5.00	2	1
\$29,002.00	0	8	0.00	135.76	115.76	20.00	20.00	1	1

^{*} Please contact Bev Solie at 306-949-6999 for inquiries dealing with quota management sheets, the Quota Exchange, for transfer credits, or with any other quota transactions.

TRANSFER CREDIT SUMMARY REPORT

MONTH	# OF PRODUCERS TRANSFER IN	# OF PRODUCERS TRANSFER OUT	TOTAL KGS BUTTERFAT
September	19	18	23,202
October	10	10	10,988
November	12	10	13,140
December	19	12	20,889
January, 2015	23	19	19,605
February	20	15	20,251
March	18	15	14,470
April	25	14	26,975
May	25	17	19,225
June	14	8	11,115
July	14	15	21,727
August	16	15	24,450
September	15	12	20,694

PRIVATE TRANSFERS PROCESSED

MONTH	DAILY KILOGRAMS
Oct	12.71
Nov	24.35
Dec	11.00
Jan-2015	0.00
Feb	959.00
Mar	17.00
Apr	72.79
May	8.00
June	50.00
July	984.94
Aug	234.82
Sept	0.00

OVER QUOTA (OVER 5 DAYS) REPORT BY MONTH

MONTH	# OF PRODUCERS	KGS BUTTERFAT
September	2	102
October	3	32
November	5	403
December	6	767
January, 2015	7	2,739
February	9	3,272
March	13	2,999
April	8	578
May	6	1,172
June	8	658
July	8	700
August	0	0
September	1	58

SUMMARY REPORT OF CREDITS September, 2015 – 160 PRODUCERS

		POSITIVE CREDITS
		ACCUMULATED (KGS OF
DAYS	# OF PRODUCERS	BUTTERFAT)
+ 5	4	2,101
0 to + 5	22	6,798
TOTAL	26	8,899
		NEGATIVE CREDITS
		ACCUMULATED (KGS OF
DAYS	# OF PRODUCERS	BUTTERFAT)
-15	19	-34,695
-10 to -15	33	-84,388
-5 to -10	41	-53,603
0 to -5	41	-18,570
TOTAL	134	-191,256

LOST OPPORTUNITY REPORT

MONTH	# OF PRODUCERS	LOST OPPORTUNITY (KGS OF BUTTERFAT)
September	16	3,722
October	16	8,971
November	13	3,774
December	19	6,444
January, 2015	18	7,440
February	11	3,569
March	8	3,596
April	8	3,561
May	8	4,908
June	12	5,221
July	11	8,975
August	16	9,691
September	18	9,178

WEIGHTED AVERAGE COMPONENT TESTS & PRICES September, 2015

Components	Average Test	Price per kilogram Class 1 to 5
Butterfat	4.0577	11.011642
Protein	3.3473	8.011678
Other Solids	5.7130	1.173551

Based on the average component tests for the province, the average price received was \$78.2037 per hectolitre. The average butterfat price received per kilogram was \$19.27

SASKATCHEWAN MILK POOL RESULTS September 2015

 Milk Sale Revenue
 \$ 14,189,986.65

 Western Milk Pool
 \$ 1,366,146.32

 Plant of Last Resort Service
 \$ (59,042.76)

 Total Pool Value
 \$ 15,497,090.21

In September, Saskatchewan had a monthly CDC allocation of **815,971 kilograms** of butterfat. In the month of September, Saskatchewan production was **-12,553** of butterfat **under** and cumulatively **under** by **-72,620 kilograms** of butterfat. On a percentage basis, Saskatchewan is **-0.75%** within our CDC allocation flexibility limits based on the Continuous Quota model. The -1.50% lower flexibility limit is in effect.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Monthly	Total	Monthly	Lower	Upper	Cumulative	Cumulative	Over Quota	Rolling
	Total	Monthly	Over or	Flexibility	Flexibility	Over or	Over or	or (Lost	12 Month
	Production	CDC Quota	(Under)	Limit	Limit	(Under)	(Under)	Production	Total
		Allocation	Production	(1.5%)	1.0%	Production	Production	Opportunity)	Quota
						with limits	with limits		
							in - %		
	Kgs bf	Kgs bf	Kgs bf	Kgs bf	Kgs bf	Kgs bf		Kgs bf	Kgs bf
			1.1.2.2	1.0 * 1.50	1.0 \$1.00/		1.6/0		
0 111	757.014	705.004	col. 1 - 2 = 3	col. 9 * -1.5%	col. 9 *1.0%	(115.660)	col. 6/9	0	0.200.211
Sept-14	757,014	785,984	(28,970)	(139,355)	46,452	(115,663)	-1.24%	0	9,290,311
Oct-14	784,475	837,039	(52,564)	(139,977)	46,659	(139,977)	-1.50%	(29,529)	9,331,833
Nov-14	777,547	806,726	(29,179)	(140,477)	46,826	(140,477)	-1.50%	(28,634)	9,365,141
Dec-14	811,818	846,968	(35,150)	(140,987)	46,996	(140,987)	-1.50%	(34,624)	9,399,124
Jan-15	826,269	806,291	19,978	(141,417)	47,139	(120,978)	-1.28%	0	9,427,790
Feb-15	759,351	747,742	11,609	(142,029)	47,343	(111,877)	-1.18%	0	9,468,575
Mar-15	832,187	817,238	14,949	(142,679)	47,560	(94,301)	-0.99%	0	9,511,947
Apr-15	804,566	801,582	2,984	(143,119)	47,706	(88,060)	-0.92%	0	9,541,277
May-15	827,966	812,326	15,640	(143,545)	47,848	(72,924)	-0.76%	0	9,569,698
Jun-15	797,815	792,050	5,765	(144,034)	48,011	(67,014)	-0.70%	0	9,602,300
Jul-15	810,653	800,163	10,490	(144,358)	48,119	(55,723)	-0.58%	0	9,623,869
Aug-15	811,771	814,385	(2,614)	(145,053)	48,351	(66,457)	-0.69%	0	9,670,195
Sept-15	803,418	815,971	(12,553)	(145,388)	48,463	(72,620)	-0.75%	0	9,692,516

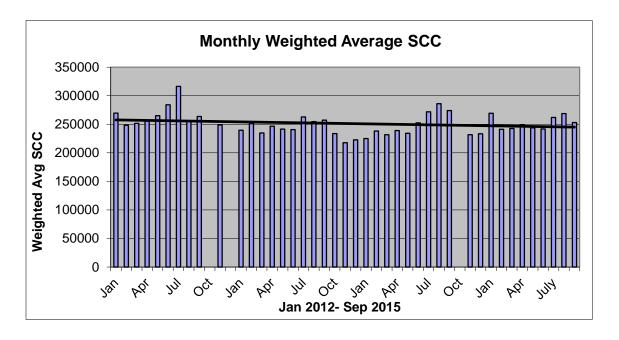
- (1) Monthly Production in Saskatchewan
- (2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward
- (3) Difference between the monthly production (1) and the total monthly quota (2)
- (4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)
- (5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)
- (6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)
- (7) Equal to Column (6) expressed as a percentage basis within the flexibility limits
- (8) Over Quota or (Lost production opportunity) outside of flexibility limits
- (9) Total Monthly CDC Quota Allocation for the previous 12 months

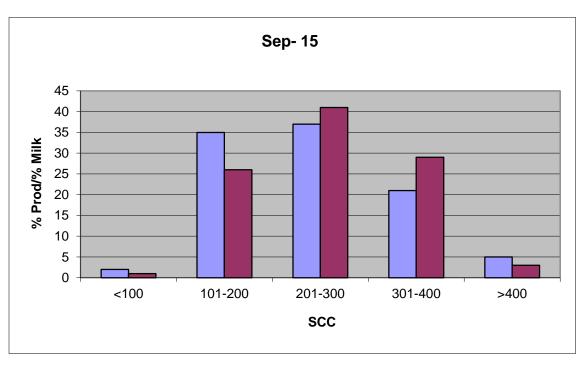
SCC LIMIT NOW 400,000

Effective January 1, 2013, the SCC limit has changed to 400,000. Penalties and violations will be applied based on the new limit.

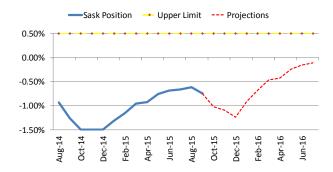
The following graphs provide producers with an overview of the Provincial Somatic Cell Count weighted average on a monthly basis as well as a breakdown of the % of producers in each SCC level for the month of September 2015.

If you have any questions or comments you can contact: Deb Haupstein at 306-721-9486.





SK Milk Production



INHIBITOR TEST STATIONS

SaskMilk has established a number of inhibitor test stations around the province. Producers needing to check their bulk tanks for inhibitors can take a sample to the test station closest to their location.

Charm test strips are available to test for:

Beta-Lactams- the Charm 3 SL3 Beta Lactam test strip tests for amoxicillin, ampicillin, ceftiofur, cephapirin, cloxacillin, and penicillin G

Tetracyclines- the Charm Tetracycline test strip tests for chlortetracycline, oxytetracycline and tetracycline.

Sulfas- the Charm Sulfa test strip tests for sulfacetamide, sulfachlorpyridazine, sulfadiazine, sulfadimethoxine, sulfadoxine, sulfamethoxypyridazine, sulfamerazine, sulfamethoxazole, sulfamethoxypyridazine, sulfapyridine, sulfaquinoxaline, sulfathiazole, and sulfisoxazole.

Test stations are located at the following locations:

- 1. Swift Current, SK Agrifoods truck bay 675 Cheadle Street West
 Office 306-773-1097 or Rodger Ruf 306-741-3261
- 2. Harris, SK Cairnside Farm Wes Cairns 306-656-4807
- 3. Star City, SK Star City Colony Reuben Tschetter 306-921-9381
- 4. Grenfell, SK Jim Ross 306-697-2232
- 5. Yorkton, SK Ford Dairy Farms Inc. Bud and Margaret Ford 306-782-7240
- 6. Saskatoon, SK Agrifoods Truck Bay east of the Saputo plant receiving bay lead hand Jim or Clint 306-664-0202 after hours: 306-668-8135

Charm tests strips and Charm testers are now available for purchase through SaskMilk. Agrifoods is now carrying SNAP test kits for tetracyclines as well as beta lactams.

For further information you can contact: Deb Haupstein 306-721-9486

Code of Practice

3.3 Grouping and Animal Movement

Moving cows into new pens is stressful as confrontational behavior increases until new social hierarchies are developed. This is of special concern for low ranking cows. While moving animals into different groups within a dairy facility is inevitable, it should be limited to minimize the associated stress.

Factors affecting the size and number of cow groups within a dairy include: feeding strategies, reproductive status, labor efficiency and considerations around cow comfort (63).

The number of cows in a group also is related to the capacity of the milking parlor and its holding pen. The number of cows in a pen is often a multiple of the capacity of the parlor for a single swing at milking. In general, group sizes are less than 100 cows.

RECOMMENDED BEST PRACTICES

- a. avoid moving single animals into new groups if possible. When moving single animals move them when other animals are otherwise engaged (e.g., feeding)
- b. move three to five animals with established social bonds (39)
- c. avoid overstocking
- d. limit the number of pen moves.

Save the Date!

2015 Ag Excellence Conference ('Ag Ex') Regina, November 25 – 27

Focused on business management in farming, Ag Ex's topics range from HR to succession planning to Big Data. The regular host of plenaries and workshops is mixed with some roundtable discussion, an industry showcase and plenty of networking.

Register Now!

Dairy Conference and AGM Saskatoon Inn, November 30th and December 1st

Registrations received after October 29th cannot be guaranteed a room!

Register Online at www.saskmilk.ca

Notice of 2015 Fall Producer Meetings

Dates and Locations:

November 6th
Fort Qu'Appelle
Royal Canadian Legion
197 Company Avenue
Fort Qu'Appelle, SK

November 9th
Swift Current
F.O.E. Eagles
1910S Service Road West
Swift Current, SK

November 10th Warman Legends Centre 701 Centennial Blvd. N. Warman, SK



If You Can't Ship It - Test It!

BSE surveillance is still important and every animal tested makes a difference.

Support your cattle industry by having your 4-D (dead, diseased, dying or downer) cattle tested for BSE.

For more information, call the Canadian Food Inspection Agency at 1-877-727-5273.



Saskatchewan Turkey Production Facility For Sale

Includes 800,000 kgs of base quota, raised in a 3 stage production facility totaling 61,200 square feet. Excellent buildings with modern equipment. 2150 sq. ft office/staff/shop building and 1800 sq. ft heated equipment storage building. Located on 28 acres. Domestic water and natural gas. All rolling stock included. Turnkey operation. Direct inquiries to mg.eh@sasktel.net or 306-220-6305

Save the Date!

Dairy Info Day Warman, SK January 28, 2016

Register by contacting the SaskMilk office!

Reminder!

The deadline date for Quota Transfer and the Quota Exchange is the 6th of each month

Your Quota Transfer Application must be received on or before the 6^{th} of the month in order to be effective the 1^{st} of the following month

Quota Exchange forms must be received in the SaskMilk office on or before the 6th of the month for that month's Exchange

If you have any questions please contact Bev Solie at #306-721-9488

QUOTA LISTING or CLASSIFIED AD SERVICE

SaskMilk offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the SaskMilk office at (306) 949-6999. All prices and negotiations will be independent of SaskMilk. Please note that ads will be posted in two issues and will then be removed unless SaskMilk is notified otherwise.

Classifieds

For Sale: Quota and Cows, or just Quota or Cows – Call #306-697-3192

Custom Creek Farms, Corman Park full service swathing & harvesting, self-propelled w/ 35' cut. Tubgrinding, land clearing, draglining & dry manure spreading call Jesse (306) 321-2332

Rayner Dairy Research and Teaching Unit (U of S) **Career Opportunities** Two Animal Technician Positions:

- 1 full-time term position until mid-December. Contact Morgan Hobin at 306-370-3099 for more information.
- 1 full-time permanent position (No. 15492-T) for more information, including the job description and to apply visit http://jobs.usask.ca/#Trades%20a nd%20Service

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