

## Newsletter May 2020

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### **Industry Update**

#### Milk Disposal

Thanks to the efforts of our farmers, the WMP, CDC, and processors, a better balance between supply and processing was achieved relatively quickly. With all provinces tightening up supply, the CDC opening up additional space in some of their programs, and adaptation to new market demands, there has not been any raw milk disposal in the WMP since April 10th (Saskatchewan experienced disposal during the March 29 – April 6 time period). It is estimated that disposal in the WMP in April will have been held to about 1.9%.

#### **Retail Sales**

While markets continue to be impacted by the Covid-19 pandemic, some buying habits have come as a surprise. For example, western retail information ending the week of April 25 when compared to the same period last year have shown increases. In the 4 week period ending April 25<sup>th</sup>, Ice Cream and Related Products have increased by 17%, Cheese (23%), Cream (14%), Milk (13%), Butter & Dairy Spreads (7%), and Yogurt (2%). Additionally, on a national level, the only retail sales volumes that have seen a decrease, ending in the same period of April 25, are Yogurt (-2%) and Deli Cheese (-3%).

#### **Food Bank Donations**

As you know, SaskMilk approved the use of penalty funds to make a donation of \$25,000 to the Food Banks of Saskatchewan in March. We also continue this year with the annual Summer Milk Program, which in partnership with Saputo sends \$25,000 per month worth of milk to Food Banks for both July and August. This program recognizes that when schools are out, their nutrition and meal programs aren't operating and there is a greater need for milk for many Food Bank clients. With schools continuing to be closed in Saskatchewan this spring, SaskMilk has further approved \$25,000 per month for milk to the Food Banks for April, May, and June, bridging the gap until the summer program begins. This means there is a total of \$100,000 contributed for March, April, May, and June. About 1/3 of this funding comes from underproduction penalty dollars, and the other 2/3 is a portion of the administration savings that have come about because there are no in-person meetings and therefore no travel dollars being expended for either Board or staff.

On a national level, donations to food banks have happened in every province. In total, nearly 5 million litres of milk were donated by producers for processing into product for food banks, with the retail value of these donations amounting to over 8 million dollars.

#### From DFC...

#### Mental health resources for farmers during COVID-19 pandemic

In light of the COVID-19 outbreak in Canada, DFC has assembled several links and resources on mental health for dairy farmers. These resources are intended to better connect our farmers with available tools created by experts.

- Do More Agriculture Foundation: <a href="https://www.domore.ag/">https://www.domore.ag/</a>
- Centre for Addiction and Mental Health (CAMH): www.camh.ca
- Canadian Mental Health Association: www.cmha.ca
- CMHA "Six tips to respond to employee anxiety about COVID-19: https://cmha.ca/news/6-tips-to-respond-toemployee-anxiety-about-covid-19
- The Working Mind Self-Care and Resilience Guide: https://theworkingmind.ca/blog/working-mindcovid-19-self-care-resilience-guide
- Centers for Disease Control and Prevention (US): <a href="https://www.cdc.gov/coronavirus/">https://www.cdc.gov/coronavirus/</a>

If you are in immediate distress, please contact your nearest crisis centre. If it is an emergency, call 9-1-1 or go to your local emergency department.

#### TESTING TIMELINES

On a regular basis the question comes up about the timelines between when milk is picked up and when lab results are available. With the Spring Production Restrictions, quota management is critical and the "delay" in getting results can be frustrating. The table below is meant to help everyone understand how the testing and result reporting works.

PICK UP	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
DAY							
Samples							
Shipped to	Monday	Tuesday	Wednesday	Thursday	Friday	Monday	Monday
the lab							
Samples							
tested and	Tuesday	Wednesday	Thursday	Friday	Monday	Tuesday	Tuesday
results							
reported							

If pickup is on Sunday, the samples are shipped to the lab on Monday. They arrive at the lab and are tested on Tuesday. The results are compiled and sent back to SaskMilk on Tuesday and then uploaded into the portal. Pickup days affect when you get results. If this week you're picked up on Sunday, Tuesday, Thursday and Saturday – you'll have your Sunday pickup results on Tuesday and your Tuesday pickup results on Thursday and then the next results won't be available until Monday.

Long weekends also impact the timing of test results. Regular couriers do not operate on stat holidays and due to Covid-19 the small courier that did run has stopped the service. This means that when there is a long weekend the testing and results are delayed an additional day.

Hopefully this clarifies the testing and reporting system.

If you have questions, please contact Deb Haupstein - 306-721-9486 deb.haupstein@saskmilk.ca

## Who Should I Call?

### Who at the SaskMilk office should producers call? Here's a handy guide!

For.	••	_Call	At
A A A	Sponsorship Requests Donation Requests Dairyanna's Costume and Events School Milk Program Nutrition Resource Ordering	Anita Medl	306-721-9483
A A A A A A A	Quota Exchange and Private Quota Transfers Transfer Credits Security Applications Estimates for production Name Changes Designation of Signing Authority Monthly production numbers for producers Producer information for lending institutions Passwords for quota management sheet access	Bev Solie	306-721-9488
<b>A A</b>	Dairy Conference Producer statements Banking info for direct deposit of milk pay Milk pick-up issues –variances in volumes, planning to quit shipping, etc.	Darlene Weighill	306-721-9491
A A A A	On Farm- licensing, facilities, equipment, driveways, yards, animal care Lab testing results Bulk truck drivers- licensing, complaints/issues Bulk tank calibrations Pro Action- Food Safety (CQM), Animal Care, Traceability, Biosecurity, Environment	Deb Haupstein	306-721-9486
	Monthly milk prices paid to producers Provincial & National production updates	Doug Miller	306-721-9485
>	Adding, editing information on Producer Transfer Credit List	Jenn Buehler	306-721-9492
> >	Media or news stories <i>or</i> if you have been contacted by any media agency or reporter  Trade agreements, international trade updates  DEAP policy/program enquiries  Research enquiries or proposals	Joy Smith	306-721-9482
>	Social media enquiries (Twitter, Instagram, Facebook) Website enquiries Newsletter advertising	Julie Ell	306-721-9493

#### **QUOTA EXCHANGE**

The market-clearing price established for the May 2020 Quota Exchange was \$40,200.00.

The next Quota Exchange will be held on **June 15, 2020**. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SaskMilk office by midnight, **June 6, 2020**. SaskMilk recommends that offers 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.

#### MAY 2020 QUOTA EXCHANGE RESULTS

Market Clearing Price per kilogram of butterfat	\$ 40,200.00
Daily Kilograms offered to Purchase	144.34
Kilograms offered to Sell	38.17
Kilograms sold	33.50
Number of Producers	
- offered to purchase	14
- purchased quota	5
- offered to sell	2
- sold quota	2

#### MAY 2020 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
\$35,000.00	0	0	0.00	0.00	-144.34	144.34	10.00	14	1
\$35,500.00	0	0	0.00	0.00	-134.34	134.34	24.84	13	2
\$38,000.00	0	0	0.00	0.00	-109.50	109.50	10.00	11	1
\$39,500.00	0	0	0.00	0.00	-99.50	99.50	6.00	10	1
\$40,000.00	2	2	38.17	38.17	-55.33	93.50	60.00	9	4
\$40,200.00	0	2	0.00	38.17	4.67	33.50	12.50	5	1
\$40,250.00	0	2	0.00	38.17	17.17	21.00	6.00	4	1
\$40,500.00	0	2	0.00	38.17	23.17	15.00	5.00	3	1
\$41,000.00	0	2	0.00	38.17	28.17	10.00	5.00	2	1
\$41,250.00	0	2	0.00	38.17	33.17	5.00	5.00	1	1

<sup>\*</sup> 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
April, 2019	27	23	21,937
May	19	19	13,404
June	22	21	15,814
July	24	24	13,461
August	27	27	18,297
September	29	29	20,166
October	24	24	15,246
November	32	32	23,235
December	26	26	15,625
January, 2020	27	27	18,191
February	26	26	14,525
March	17	17	7,531
April	10	10	6,670

#### PRIVATE TRANSFERS PROCESSED

MONTH	DAILY KILOGRAMS
April, 2019	21.20
May	0.00
June	35.00
July	158.51
August	55.00
September	5.10
October	32.00
November	34.80
December	122.55
January, 2020	60.00
February	0.00
March	0.00
April	232.64

#### OVER QUOTA (OVER 5 DAYS)

#### REPORT BY MONTH

MONTH	# OF	KGS
	PRODUCERS	BUTTERFAT
April, 2019	14	2,473
May	10	2,556
June	14	2,559
July	7	1,148
August	4	898
September	4	484
October	4	750
November	3	291
December	6	1,257
January, 2020	8	1,275
February	7	1,360
March	11	1,008
April	7	1,286

#### **OVER QUOTA (Spring Restriction)**

#### REPORT BY MONTH

MONTH	# OF	KGS
	PRODUCERS	BUTTERFAT
March	25	3,304
Quota + 2 days		
April	35	4,059
Quota + 0 days		ŕ

\*The Spring Restriction Policy restricts production to a maximum of the production unit's monthly quota plus an established limit. Any production above that is deemed overproduction.

#### **SUMMARY REPORT OF CREDITS APRIL 2020 – 163 PRODUCERS**

		POSITIVE CREDITS
		ACCUMULATED (KGS OF
DAYS	# OF PRODUCERS	<b>BUTTERFAT</b> )
+ 5	7	3,462
0  to + 5	41	17,711
TOTAL	48	21,173
		NEGATIVE CREDITS
		ACCUMULATED (KGS OF
DAYS	# OF PRODUCERS	<b>BUTTERFAT</b> )
-15	4	4,076
-10 to -15	19	46,831
-5 to -10	33	43,108
0 to -5	59	37,522
TOTAL	115	131,537

#### LOST OPPORTUNITY REPORT

		LOST OPPORTUNITY (KGS
MONTH	# OF PRODUCERS	OF BUTTERFAT)
April, 2019	0	0
May, 2019	2	1,345
June, 2019	3	1,719
July, 2019	6	2,220
August, 2019	5	1,883
September, 2019	6	450
October, 2019	5	1,398
November, 2019	5	1,253
December, 2019	5	1,026
January, 2020	3	1,374
February, 2020	3	1,183
March, 2020	1	648
April, 2020	4	1,416

#### WEIGHTED AVERAGE COMPONENT TESTS & PRICES APRIL 2020

Components	Average Test	Price per kilogram Class
		1 to 5
Butterfat	4.2031	17.134441
Protein	3.2836	2.580295
Other Solids	5.9031	0.717650

The average butterfat price received per kilogram was \$20.16.

#### SASKATCHEWAN MILK POOL RESULTS APRIL 2020

Milk Sale Revenue

\$20,232,610.27

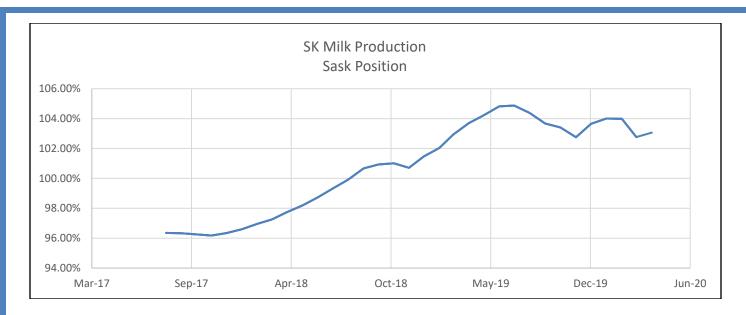
**Total Pool Value** 

\$20,232,610.27

In April, Saskatchewan had a monthly CDC allocation of **846,240 kilograms** of butterfat. In the month of April, Saskatchewan production was **152,717 kgs** of butterfat **over** and cumulatively **over** by **625,678kgs** of butterfat. On a percentage basis, Saskatchewan is **5.19 % above** our CDC allocation flexibility limits based on the Continuous Quota model. The -2.00% lower flexibility limit is in effect.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Monthly	Total	Monthly	Lower	Upper	Cumulative	Cumulative	Rolling 12
	Total	Monthly	Over or	Flexibility	Flexibility	Over or	Over or	Month
	Production	CDC Quota	(Under)	Limit	Limit	(Under)	(Under)	Total
		Allocation	Production	-2.00%	1.25%	Production	Production	Quota
						with limits	with limits	
							(%)	
	Kgs bf	Kgs bf	Kgs bf	Kgs bf	Kgs bf	Kgs bf		Kgs bf
			col. $1 - 2 = 3$	col. 8 * -1.5%	col. 8 *1.0%		col. 6 / 8	
Apr-19	1,014,853	1,037,295	(22,442)	-235,167	146,980	60,727	0.42%	11,758,366
May-19	1,036,056	975,850	60,206	-235,510	147,193	109,973	0.93%	11,775,477
Jun-19	1,002,199	921,880	80,319	-235,031	146,894	190,292	1.62%	11,751,546
Jul-19	1,023,972	989,207	34,765	-235,709	147,318	225,056	1.91%	11,785,438
Aug-19	1,038,800	1,078,644	(39,844)	-237,795	148,622	185,212	1.56%	11,889,763
Sep-19	1,022,245	1,065,838	(43,593)	-240,186	150,116	141,619	1.18%	12,009,314
Oct-19	1,082,691	1,143,505	(60,814)	-242,523	151,577	80,805	1.07%	12,126,134
Nov-19	1,047,766	1,085,754	(37,988)	-242,752	151,720	91,402	1.56%	12,137,583
Dec-19	1,088,248	1,063,255	24,993	-242,958	151,849	214,717	1.77%	12,147,887
Jan-20	1,095,413	920,697	174,716	-242,944	151,840	389,433	3.21%	12,147,191
Feb-20	1,001,524	899,946	101,578	-243,932	152,458	491,011	4.03%	12,196,610
Mar-20	1,055,461	1,073,511	(18,050)	-245,108	153,192	472,961	3.86%	12,255,382
Apr-20	998,957	846,240	152,717	-241,287	150,804	625,678	5.19%	12,064,327

- (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 -2.00% of Rolling 12 Month Total Quota (9)
- (5) The Upper Flexibility Limit is 1.25% 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) Total Monthly CDC Quota Allocation for the previous 12 months



#### **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.

The test stations have the Charm Trio test strips available for testing. The Charm Trio test is the test that the plant uses. It tests for the following drugs:

Beta-lactam Drug	Detection Level <sup>†</sup> (ppb*)	US Safe Level or Tolerance / Canadian MRL (ppb*)	Sulfa Drug	Detection Level† (ppb*)	US Safe Level or Tolerance / Canadian MRL (ppb*)
Amoxicillin	3.1	10 / None	Sulfadimethoxine	4.7	10 / 10∞
Ampicillin	7.7	10 / 10	Sulfamethazine	7.7	10 / 10∞
Ceftiofur and Metabolites^	53	100 / 100	Tetracycline Drug	Detection Level† (ppb*)	US Safe Level/Tolerance / Canadian MRL (ppb*)
Cephapirin	14	20 / 20	Chlortetracycline	54	300 / 100
Cloxacillin	7.4	10 / None	Oxytetracycline	66	300 / 100
Penicillin G	2.2	5 / 6 <sup>&amp;</sup>	Tetracycline	21	300 / 100

- † Positive at least 90% of the time with 95% confidence.
- \* parts per billion or ng/mL
- ^ Ceftiofur parent drug sensitivity is approximately 1/2 that reported in the table.
- <sup>&</sup> Canadian MRL for penicillin G is 0.01 IU/ml, equivalent to 6 ppb.
- <sup>∞</sup> Canadian MRL for sulfa drugs are singly or in combination with other MRL listed sulfonamides.

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. Star City, SK Star City Colony Reuben Tschetter 306-921-9381
- 3. Grenfell, SK Jim Ross 306-697-2232
- 4. Yorkton, SK Ford Dairy Farms Inc. Bud and Margaret Ford 306-782-7240
- 5. Saskatoon, SK Agrifoods Truck Bay east of the Saputo plant receiving bay lead hand Mike V. or Mike K. 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

## SaskMilk Upcoming Promotional Events

Due to Covid-19, many events sponsored by SaskMilk have been postponed until Fall. Advertising on radio and television is continuing.

## Code of Practice

#### 4.4 Identification and Branding

In Canada all dairy animals (alive or dead) must be identified by an approved ear tag (71). National Livestock Identification for Dairy (NLID) ear tags are required by Canadian law. Animal identification is essential for tracing origin and destination of food-producing animals in order to protect both the nation's livestock industry and public health. Branding is not commonly practiced or recommended in the dairy industry.

#### REQUIREMENTS

All cattle must be identified using an approved ear tag as stipulated by applicable regulations. Pain control must be used if branding is necessary.

Face branding is prohibited.

#### RECOMMENDED BEST PRACTICES

- a. rely on the NLID system as the primary means for identifying animals
- b. apply identification (e.g., ear tag or tattoo) carefully to avoid unnecessary pain or distress and to minimize traumatic experiences
- c. avoid branding unless essential for export requirements, and then only use one brand
- d. use pain control methods (e.g., anti-inflammatory and/or analgesics) when branding (68)
- e. use non-toxic paints for temporary markers
- f. adjust neck bands, chains, tail bands, or leg bands to avoid unnecessary discomfort.

#### **4.5 Castration (69)**

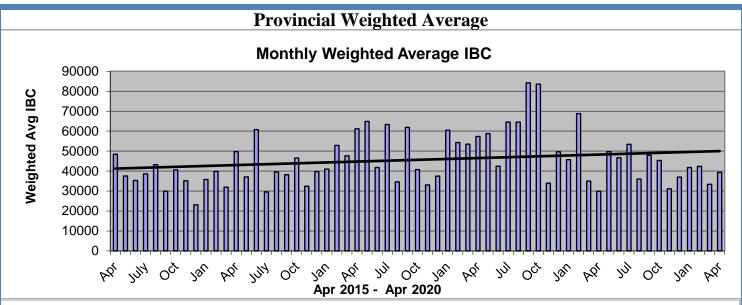
The most common methods of castration are those in which the testicles are either removed (surgery), cords crushed (Burdizzo) or blood supply restricted to the testes (rubber rings or latex bands). All methods of castration cause pain and distress. This response can be reduced by the use of sedatives, anesthetics and analgesics.

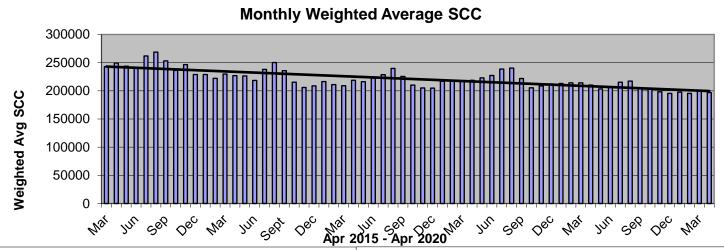
#### **REQUIREMENTS**

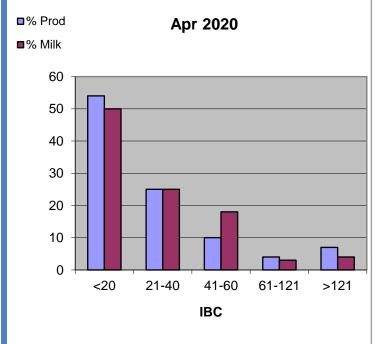
Pain control must be used when castrating.

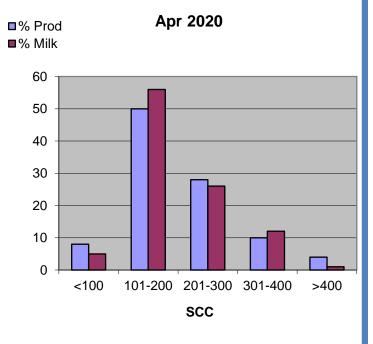
#### RECOMMENDED BEST PRACTICES

- a. castrate calves, if required, at a young age
- b. use anesthetics, sedatives and analgesics to reduce the calf's response to pain.









## 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, 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**

Wanted up to 40 kg quota. Phone (306) 493-7631 or email darcyloewen@live.com

New dairy looking for 60kgs, start up for fall 2020. Possible cows for above quota as well. **Phone (306) 250-9312** 

#### **Reminder!**

The deadline date for Quota Transfer, Quota Exchange, and 10% Transfer Limit Exemptions is the  $6^{th}$  of each month

Your Quota Transfer, and 10% Exemption Applications must be received on or before the 6<sup>th</sup> of the month in order to be effective the 1<sup>st</sup> of the following month

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

#### **BOARD OF DIRECTORS**

Matthew Flaman – Chair (306) 537-9634 flamanmi@gmail.com

Albert Leyenhorst – Vice-Chair (306) 230-0154 albertleyenhorst@gmail.com

Don Feitsma – Alternate Vice - Chair (306) 270-4700 feitsmadairy@gmail.com

Denise Coghill (306) 699-7764 denmars@sasktel.net

John Hylkema (604) 798-6450 jonhylkema@gmail.com

Tom MacKenzie (306) 352-2292 tommymilk@icloud.com

Blaine McLeod (306) 631-8053 rb.mcleod@sasktel.net

Anthony Nienhuis (306) 221-1598 nienhuisanthony@gmail.com

Leonard Wipf (306) 491-0432 leonard.countryclover@gmail.com

For further information, please contact the SaskMilk office.
444 McLeod Street
Regina, Saskatchewan S4N 4Y1

Telephone: (306) 949-6999

Fax: (306) 949-2605

Website: www.saskmilk.ca



# UPCOMING WEBINARS LEARN WITH LELY

To continue the learning opportunities despite COVID-19 restrictions, we would like to invite you to our upcoming webinars! Learn about products that can increase efficiency, animal health and profitability on your farm. Unsure if you can attend? We encourage you to register anyway - we will be sure to touch base with you about any guestions you may have!



## Smart Feeding with Lely May 28th, 2020 10:00am

Join us to discover the benefits of smart feeding with a Lely Vector or the perks of 24/7 automated feed pushing with the Lely Juno.

CLICK HERE to register, or find us on Facebook at facebook.com/westernagsystemsltd

## Automated Calf Feeder 2.0 June 2nd 2020 at 10:00am

Curious about outfitting your barn with an automatic calf feeder? Log on to learn about barn layout, ventilation and maintenance all surrounding automated calf feeders. Featuring Guest Speaker Jan Ziemerink of Forster Technik!

CLICK HERE to register, or find us on Facebook at facebook.com/westernagsystemsltd







#### Swift Current

1551 Chaplin St West Swift Current, SK S9H 0H1 306.773.7999

#### Saskatoon

Bay 18, 3111 Millar Ave Saskatoon, SK S7K 6N3 306.382.0700