

# DAIRY FARMER UPDATE



## Dairy Farmers of Ontario to implement Milk Ingredient Class

The Ontario Farm Products Marketing Commission (Commission) approved Regulation 753 implementing Ontario's new ingredient class, known as Class 6. The new regulation comes into effect on April 1, 2016.

With this effective date, Dairy Farmers of Ontario (DFO) plans to implement the new class for Ontario milk deliveries in April 2016.

The Milk Industry Advisory Committee met on March 7, 2016 to review the Ingredient Program. The Milk Industry Advisory Committee is chaired by the Ontario Farm Products Marketing Commission with members appointed by the Ontario Dairy Council (ODC) and DFO. The committee addressed the details of the new program and provided a valuable forum for feedback and input by industry stakeholders.

While the national negotiations for a national ingredients strategy are on-

going, DFO has decided to proceed, as the Ontario class and ingredient program is expected to immediately strengthen the industry and stimulate needed investment in the industry.

One of the primary objectives of the Ontario Ingredients Program is to make the Class 6 ingredients competitive. Current industry and market conditions have only reinforced that new investment in ingredient capacity is absolutely necessary.

While implementing the Ontario ingredient strategy is very important, particularly as it relates to much needed investments, there remain other issues that need to be resolved at the national level. DFO sees the need for and supports the benefits of a national solution.

DFO is scheduling processor orientation and training meetings to review changes to milk and ingredient utilization reporting arising from the implementation of the new class.

## Charges laid against B.C. dairy farm

British Columbia's crown counsel laid animal cruelty charges against Chilliwack Cattle Sales LTD. and some of its employees in early March. The charges are a result of a BC SPCA investigation after it received a video in June 2014 showing employees at the farm abusing cows.

Seven company employees were each charged with causing distress under the *Prevention of Cruelty to Animals Act* (PCA) and one count of failing to care and protect an animal from distress. Three employees will also face an additional two charges specifically related to taking part in the lifting by a chain, kicking, and hitting of a cow,

causing it to be in distress.

The farm owners have each been charged under the Act with causing or permitting animals to be or to continue to be in distress which imposes a positive duty on the part of a person responsible to adequately care and protect animals from circumstances that are likely to cause an animal distress. This is the first time a B.C. company has been held accountable for acts of animal cruelty on a farm.

Maximum sentences for each count under the Act is a fine of up to \$75,000, up to a two-year jail term and up to a lifetime ban on owning animals.

## Second facility no longer permitted on same property

Producers are no longer permitted to set up a second licenced dairy facility on the same parcel of land. The new policy came into effect Feb. 24, 2016. Existing producers with two licenced dairy facilities on one parcel of land would be grandfathered and permitted to transfer both licences within family only.

## Resources for preventing barn fires available

Barn fires have struck horse, pig, cattle and goat farms across Ontario this winter. In early February, a dairy farm located in Elgin Country lost 85 cows to a barn fire. Farm and Food Care Ontario (FFCO) and the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) have many free materials for producers to understand and address risk of fires on their farm.

OMAFRA has a self-assessment checklist available in its *Reducing your Risk of Barn Fire* guide. The publication discusses causes of barn fires, preventive maintenance, preventing fire spread and reducing the impact of fire.

FFCO has factsheets available to its members on:

- accident prevention;
- barn fires involving animals;
- dealing with the aftermath of a barn fire;
- farm animals on the loose;
- after a fire at a livestock facility.

For more information, visit [www.livestockwelfare.com/emergency-response/](http://www.livestockwelfare.com/emergency-response/).

FFCO recommends producers write a fire prevention plan for their farms and review with family and staff annually. Producers can also contact their local fire department officials and have them tour their facility so they can familiarize themselves with their operation. They can also share plans of their farm that includes location of water sources.

DAIRY FARMERS OF ONTARIO  
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<b>March 2016 Quota Exchange Offers and Bids</b> <b>Quota Price Cap = \$24,000/kg</b>	
Amount bid for	11,686.74 kg
Amount purchased	362.00 kg
Amount offered/sold	362.16 kg
Number of producers buying	1,055
Number of producers selling	29
Quota purchased by new entrants (with assistance)	n/a
Quota purchased by new producer	35.00 kg
Maximum quota by allotment round(s)	0.20 kg
Buyer proration	1.027%
Non-saleable quota as of March 1, 2016	0 %

<b>Explaining Changes to This Month's Blend Price</b>			
	<b>February 2016</b>	<b>January 2016</b>	<b>Difference</b>
		<i>(Figures in \$ per hectolitre)</i>	
Revenue From Processors	\$84.12	\$80.49	\$3.63
Contribution from Over-Quota	\$0.57	\$0.70	-\$0.13
Pool Adjustments	-\$1.35	-\$2.73	\$1.38
Other	-\$6.11	-\$3.24	-\$2.87
<b>Producer Blend Price</b>	<b>\$77.23</b>	<b>\$75.22</b>	<b>\$2.01</b>

## To Place a Bid or Offer on the Quota Exchange

### OPTION 1 - Producer Self-Service ([www.milk.org](http://www.milk.org))

- (a) Bids and offers are accepted from the 20<sup>th</sup> of a month to 11:59:59 p.m. on the first of the following month. It is recommended that you submit your bid or offer a few days prior to the deadline (the first day of each month) so that, if there is an error or error message, there is adequate time for you to provide the additional information to the Quota Administrator in advance of the exchange closing.
- (b) To place a bid or offer on the quota exchange yourself or have it placed by someone on your behalf, go to [www.milk.org](http://www.milk.org) and select **Login**. When prompted, enter your **Username** (your licence number) and your primary **Password**. Select **Quota Exchange** and then **Buy or Sell Quota**. Follow the screen instructions to submit your bid or offer.

### OPTION 2 - Customer Service Representative (CSR)

Have your most recent milk statement available so that the CSR can verify the caller is the licence holder or licence holder's representative.

- (a) Bids and offers are accepted from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding holidays, from the 20<sup>th</sup> of the month to the first of the following month.
- (b) Write down your bid or offer in the space below before making your call.  
Buy \_\_\_\_\_ kg of quota at \_\_\_\_\_ dollars per kilogram. Advise if you will be paying by **cheque** or milk proceeds **deduction**. (Note: You can ask the CSR to put **10%** in the kg section and the kg will automatically be calculated.)

**OR**

Sell \_\_\_\_\_ kg of quota at \_\_\_\_\_ dollars per kilogram. (Note: You can ask the CSR to put **ALL** in the kg section if you are selling your total quota.)

- (c) Call **1-866-518-2525** and a CSR will take your buy or sell information. Record the confirmation number provided by the CSR at the end of your call with your written bid or offer information.