

# 2023 BC Dairy Industry Conference Coping Through Challenging Times



WMP Chair,  
Henry  
Holtmann  
– “Better  
Together –  
For Canadian  
Dairy”



New WMP  
CEO Nolan  
Berg – heard  
loud and  
clear the  
challenges  
faced by BC  
producers.



DFC  
President,  
David Wiens  
made  
compelling  
arguments  
for keeping  
the industry  
united  
against  
outside  
threats.



DFC CEO,  
Jacques  
Lefebvre  
said the  
industry must  
speak up for  
itself and not  
let others  
define us.

## Tars Cheema

A sombre mood dampened the **normally** exuberant conditions at this year's BC Dairy Conference in Vancouver on November 22-23. But these are anything but **normal** times. It was impossible to side-step the brutal economic conditions that BC dairy producers have been crushed by this year. And as resilient as producers have proven to be over many decades, the current confluence of increasing costs intersecting with constrained/delayed milk price increases and eastward-flowing P10 transfer payments (revenue pooling), have made this a 'crisis' situation, as was heard over and over.

While leaders from all organizations acknowledged the extraordinarily difficult situation, there are no quick or simple solutions. The producer-only 'Cost of Production' meeting held on Wednesday afternoon, which included representatives from DFC, WMP and CDC, was an important moment for BC producers to express directly the dire economic situation that called into question the very survivability of some farms. David Wiens, Manitoba dairy producer and DFC President, remarked in his address the next day that producers' concerns had been 'heard.'

The BC Dairy Governance Meeting held Wednesday morning presented the findings of the regional input sessions at the Fall Producer Meetings. Input received will be presented at the Spring Producer Meetings. The road to Western Milk Pool transformation is also not simple, as governance and legislated roles must be respected, yet integrated, for eventual efficiency.

The previous day, BC Dairy Chair Holger Schwichtenberg had conveyed during the online AGM that the bylaws allowed for 8-11

directors, and they had decided to leave three positions vacant, resulting in eight directors going forward. By the following day, more changes had to be made, with Holger's resignation from the BC Dairy board. Casey Pruim became the Board Chair, Brian Janzen became Vice-chair and Sarah Sache moved into the DFC rep role with David Taylor stepping down from that demanding position after five years (since DFC's July AGM). Directors Ken Miller and John Kerkoven also stepped down from the Board, while the BCMMB announced that their election returned Jeremy Wiebe and Tom Hoogendoorn as Directors for three year terms.

These were some of the heavy situations which preceded the main day of Dairy Conference presentations.

### State of the Industry Presentations

Christine Terpsma masterfully handled the MC responsibilities throughout Thursday, endeavouring to maintain positive momentum while managing the schedule to ensure a timely conclusion. BC Milk Board Chair Janice Comeau articulated her 'deep concern' for the cost of production, promising to 'dig deep into those variables.' She also thanked the sponsors for their support of the Conference, recognizing that many of them are also experiencing the downstream effects of producer economic strain.

Fourth generation dairyman from Manitoba and Chair of the Western Milk Pool, Henry Holtmann reminded the audience that the WMP actually started in 1997, as an equitable platform for a single western dairy market. He reinforced the value of the vision statement: Better Together for Canadian Dairy, saying the goal of improving dairy interests must

work for all Canadian producers and not just for some. He recognized that organizations must have sound working dynamics to function well and not rely upon personalities to advance priorities. "Provinces are the foundation of the WMP, with jurisdictional responsibilities," Henry stated.

He underscored the strategic importance of the WMP in risk reduction, pooling and efficiency gains.

The new WMP CEO, Nolan Berg, reiterated that the dire sentiments shared by producers at the previous day's producer meeting had been **heard**. He went on to explain the strengths of the WMP – Risk Reduction, Pooling, Efficiencies. "With the need to reduce costs, all aspects will be considered," he assured. "We are laser-focused on transportation." He expects to announce a new transportation plan by the end of this year which will "put dollars back into producer pockets." His DIW update explained that the plant will have a 300 million litre capacity, built on the 15 acre parcel allowing for future expansion. "For every four trucks that take milk in, only one comes out," Nolan explained the sustainability strength of the plant. Ultra-filtration and reverse osmosis technologies will yield a variety of *value-added* concentrated products, such as concentrated whole, skim, cream and other products. "We understand the need to add cost efficiencies, in BC especially," he concluded.

### DFC Update – Win-Win and the Sword/Shield Approach

David Wiens, Manitoba dairy producer and new DFC President, provided the DFC update along with CEO, Jacques Lefebvre.

"We must have win-win," David said in referring to his commitment to ensuring cooperation across the country. He thanked Holger for his years of commitment to the industry, always putting the best interest of producers first. He went on to welcome Sarah Sache in her new role as DFC rep from BC, and thanked Dave Taylor for his dedicated service on many DFC committees including proAction technical and the audit committee. Taylor will continue carrying some DFC responsibilities for an interim period.

"We must remain united to withstand the challenges – there are forces that oppose us," he warned. He made comparison between Canada's largest dairy at about 3000 cows, and his recent visit to a 30,000 cow USA dairy – the perspective is not lost on the audience.

"Keeping the industry together is a goal we must support. The WMP has an opportunity to demonstrate true collaboration across four provinces and as an example to DFC and others," Wiens stated. "Regional costs vary significantly and the industry needs to tackle the current crisis," he emphasized.

The recent federal announcement of \$333M in funding to address gaps in processing was welcome news, especially in addressing the very costly SNF surplus which has exploded since the restrictive trade deals. DFC's Net Zero by 2050 carbon-neutral commitment is a proactive position to ensure progress is made before risking government interventions as witnessed in the Netherlands (and elsewhere) where their government is dictating farming practices. "We have been doing a lot of good things for years – it's time that we

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tell everyone! We are stewards of the land. We have started telling our story - 'We're In.' People will listen to our story - when it comes directly from farmers," Wiens concluded with sincerity.

Jacques Lefebvre, DFC's CEO since 2018, told the audience that the industry has 'sword' and 'shield' issues to address. "We need a shield approach to defend against powerful interests that work against us," he told the audience. With near certainty, the election cycle in the US generates pressure on the trade dispute panel against Canada. The sword approach is one of offence - where the industry takes the lead in "telling our story." "Canada's reputation for dairy and our stewardship is a 'best kept secret' - we have to tell this and not let others define us," he advanced. While DFC takes the lead on advertising dairy's image from coast to coast, product advertising is a more regionally targeted approach. The blue cow logo continues to be an excellent symbol of Canadian dairy; producers must continue to adapt to changing demographics, work with processors and educate the public on nutrition and value - particularly in this time of food inflation agitation. "Politicians and governments must also be educated on the value of rural Canada and the economic strength generated," Jacques concluded.

In her comments concluding the Conference, BC DFC rep, Sarah Sache offered her thoughts on the renewed hope through a strong voice in the west - to find solutions to the issues that we face particularly in BC. She thanked the producers for making the time and arrangements back home that allowed them to come and connect with others across the industry during difficult times.

"I want to specifically acknowledge our sponsors - these are tough times for you also - we want to thank you for your support, especially in these difficult economic times," she emphasized. "We can't solve these problems in a day, but by coming together, we can shine light on the path forward - **we are better together.**"

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