



January 11 Update



Canadian Dairy Farmer to Speak About Canadian Dairy System At Annual Meeting on January 23, 2019 in Hanford, CA



Dairy Farmers of Canada Board Member David Janssens, a dairy producer from British Columbia, will serve as keynote speaker during the upcoming California Dairy Campaign and California Farmers Union Join Annual Meeting in Hanford, CA set to take place on January 23, 2019. Janssens is a dairy farmer from British Columbia,

Canada and plans to speak about how the Canadian dairy inventory management program ensures that milk prices paid to dairy producers in Canada are fair and equitable.

California Dairy Campaign leaders have been participating in a nationwide effort in support of inventory management called *Dairy Together* to provide a solution to the dairy crisis facing dairy farmers in California and across the country due to chronically low milk prices. The *Dairy Together* effort began last spring to bring dairy producers from around the country together to support efforts to enable dairy producers to manage their milk inventories to meet market demand and establish fair milk prices for dairy producers. Support for dairy inventory management is growing as more dairy farmers learn about how a farmer-led inventory management plan can better match milk production with market demand, improve milk prices paid to dairy producers and sustain dairies nationwide.

Already dairy farmers in Wisconsin and Michigan have held regional meetings with dairy farmers from Canada to provide details about the Canadian inventory management program to serve as a model for policy changes to US

federal dairy policy. The presentation in Wisconsin is linked **here**.

CDC has scheduled two upcoming meetings to discuss inventory management with Canadian dairy farmer David Janssens and British Columbia Marketing Board Member and dairy farmers Cornelis Hertgers.

In addition to our annual meeting in Hanford on January 23rd we are also holding a meeting with David Jenssens and Cornelis Hertgers to discuss the Canadian dairy system on January 22nd at the Merced County Farm Bureau located at 646 CA-59 in Merced at 6:00 p.m.

We hope you can join us on January 23rd at the Hanford Fraternal Hall located at 1015 N 10th Street in Hanford to learn more about the Canadian system and how the key principles of that system in Canada can be incorporated in US dairy policy.

<u>Upcoming Meetings on Supply Management:</u>

Tuesday, January 22, 2019 at the Merced County Farm Bureau office located at 646 CA-59 in Merced for Dinner and a Discussion at 6:00 p.m.

Wednesday, January 23, 2019 CDC/CFU Joint Annual Meeting at the Hanford Fraternal Hall located at 1015 N 10th Street in Hanford CDC Annual Meeting at 3:00 p.m.

CFU Annual Meeting at 4:00 p.m.

Social Hour at 5:00 p.m.

Dinner at 6:00 p.m.

Please RSVP to either or both events to CDC Office Coordinator Bertha Median at 209-632-0885.

California Dairy Campaign Weekly Price Report

On January 3, the California Federal Milk Marketing Order (CAFMMO) Market Administrator announced the Class and Component Prices for December. The full details about the class prices can be found on the **CAFMMO web site**. The December Class prices: Class 1 \$17.35, Class II \$15.67, Class III \$13.78 and Class IV \$15.09. Since November, the Class III cheese milk price decreased 66 cents per cwt due to market conditions. It is important for dairy producers to recognize that the Class III price is significantly higher than the 4b price calculated in the former state order. According to the **California Dairy Campaign Weekly Price Report** linked here the 4b price would have been \$12.82 per cwt, 96 cents lower than the December Class III price.

The *California Dairy Campaign Weekly Price Report* also includes information about the manufacturing cost allowances or make allowances which are the amount that dairy producers pay to dairy processors to process milk into dairy products The Class III make allowance totals \$3.17 per cwt and the Class IV make allowance totals \$2.17 per cwt. For decades, CDC has called for reform of the make allowance system that requires dairy producers to pay dairy processors to process milk. The manufacturing cost allowances or make allowances were also in place under the former California state order and CDC repeatedly called for reform so dairy processing is more responsive to market

demand instead of a fixed make allowance system. Milk prices paid to dairy producers are well below production costs and yet dairy producers are required to pay make allowances to plants. The fixed manufacturing cost allowance system makes it all the more important for dairy producers to establish a smart efficient farmer-led milk production plan to manage milk inventories so that dairy producers are paid a fair milk price.

More information can be found in the *CDC Weekly Report* that includes information about how milk prices are calculated and a sample statement for dairy producers. The report can be found on the <u>California Dairy</u> <u>Campaign web site.</u>

USDA to Send Trade Relief to JBS, Brazil's Largest Meatpacker



Farmers Union Says Funds Should be Targeted to American Farmers and Ranchers

WASHINGTON - The U.S. Department of Agriculture (USDA) will purchase roughly 1.8 million pounds of pork products from Brazilian firm JBS, one of the world's largest meatpackers, using funds

appropriated by the Trump Administration to help American family farmers and ranchers weather the administration's trade war.

National Farmers Union President Roger Johnson released the following quote in response to the news:

"The irony that this money that is supposed to be supporting American producers is actually going to the behemoth Brazilian meatpacking firm JBS is not lost on the American family farmer. USDA should not be sending money—directly or indirectly —to Brazil, the country that has benefited the most from the President's trade wars. In fact, because of our strained relations with China, Brazilian farmers have received a \$2 price premium on their soybeans compared to American farmers.

"Farmers Union strongly urges USDA to reject bids by companies owned by JBS to receive money from the trade aid program. This money should instead be directed to the American farm families struggling with depressed prices and lost markets because of the administration's reckless trade strategy." (NFU News Release)

<u>Action Alert:</u> Sign Petition Opposing Trade Mitigation Payments to JBS



ACTION ALERT: The Organization for Competitive Markets (OCM) is circulating a petition in opposition to the plan to send trade mitigation payments to JBS.

According to the OCM petition: The U.S. Department of Agriculture plans to award \$5 million in U.S. taxpayer funds to

Brazilian-owned meatpacking corporation, JBS, under the bailout program meant to help American farmers hurt by the trade war.

It is a sad day when our own government will open its doors for global meatpacking corporations while keeping them closed during this government shutdown to America's family farmers. While elected officials are focused on border security, they are paying foreign countries like Brazil and China to

capture our food producing and processing infrastructure, extract our resources, and control our food supply.

In November 2018, Chinese-owned Smithfield Foods withdrew its bid for bailout money after a backlash on Capitol Hill over the award. If you don't think JBS should get bailout money either, please let your elected officials know by **signing our petition**. (Source: Organization for Competitive Markets)

AMMP Application Period December 28 to April 3, 2019



The California Department of Food and Agriculture (CDFA) is now accepting grant applications for climate smart agriculture incentives programs administered by its Office of Environmental Farming and Innovation (OEFI) and funded by SB 5 and California Climate Investments. Appropriations for these four grant programs total \$134 million. The following programs at CDFA are accepting

grant applications:

Alternative Manure Management Program (AMMP)

Applications are due on Tuesday, April 3, 2019 by 5:00 P.M. PT.

The AMMP provides financial assistance for the installation of dairy digesters on commercial dairy operations in California. The DDRDP is funded through a \$99 million appropriation from the CCI, authorized by the Budget Act of 2018. The AMMP will be implemented under two separate sections:

Incentives Program: The AMMP Incentives Program awards competitive grants to California dairy and livestock operations for specific management practices that result in long-term methane emission reductions and maximize environmental benefits.

Detailed information including application process, application requirements, schedule of application assistance workshops conducted by CDFA, and list of third-party technical assistance providers is available

at: https://www.cdfa.ca.gov/oefi/AMMP/

Demonstration Projects: The AMMP Demonstration Projects will fund projects that demonstrate to a wide audience innovation in the implementation of diverse manure management practices that reduce methane emissions and maximize environmental co-benefits on California dairy and livestock operations. Detailed information including application process, application requirements and a schedule of application assistance workshops conducted by CDFA is available at: https://www.cdfa.ca.gov/oefi/ammp/DemoProject.html

Dairy producers interested in more information about the AMMP can contact Joe Melo at 209-216-7615.

More details about the AMMP can be found online at <u>CDFA AMMP web site</u>.

Upcoming AMMP Workshops and Webinars



The California Department of Food and Agriculture (CDFA) is holding workshops to provide application assistance for the Alternative Manure Management Program (AMMP). To assist in the application process, CDFA is providing workshops at the following times and locations including:

Tulare, CA January 23, 2019 – 1:00 PM to 5:00 PM Edison Energy Education Center 4175 South Laspina Street Tulare, CA 93274 Webinar Link*: https://attendee.gotowebinar.com/regist er/7646652967019686658 Eureka, CA January 16, 2019 – 1:00 PM to 3:00 PM Humboldt County Dept. of Agriculture 5630 South Broadway Street Eureka, CA 95503 Webinar Link*: https://attendee.gotowebinar.com/regist er/94091103151834882

Modesto, CA January 24, 2019 – 1:00 PM to 3:00 PM Stanislaus County Dept. of Agriculture 3800 Cornucopia Way, Room ABC Modesto, CA 95358 Webinar Link*: https://attendee.gotowebinar.com/reg

Dairy producers interested in more information about the AMMP can contact Joe Melo at 209-216-7615.

More details about the AMMP can be found online at CDFA AMMP web site.

SWEEP, Healthy Soils, and Dairy Digester Programs

State Water Efficiency and Enhancement Program (SWEEP) Applications are due on Friday, March 8, 2019 by 5:00 P.M. PT.

SWEEP provides farmers and ranchers with grants to implement irrigation systems that save water and reduce greenhouse gas emissions. Projects funded through SWEEP commonly include elements such as soil, plant or weather sensors, micro-irrigation systems, pump retrofits or replacements, renewable energy, and variable frequency drives (among others). SWEEP is funded through a \$20 million appropriation authorized by the Budget Act of 2018 and funded through the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (SB-5).

Detailed information on SWEEP, including application process, application requirements, schedule of application assistance workshops conducted by CDFA and list of third-party technical assistance providers is available at: https://www.cdfa.ca.gov/oefi/sweep

Healthy Soils Program (HSP)

Applications are due on Friday, March 8, 2019 by 5:00 P.M. PT.

The HSP provides financial assistance for implementation of conservation management that improve soil health, sequester carbon and reduce greenhouse gas (GHG) emissions. The HSP is funded through a \$10 million appropriation through SB-5 and \$5 million appropriation from California Climate Investments (CCI), for a total of \$15 million authorized by the Budget Act of 2018. The Healthy Soils Program will be implemented under two separate sections: Incentives Program: The Incentives Program will award grants to farmers and ranchers for implementation of agricultural management practices that improve soil health, sequester carbon and reduce greenhouse gas emissions. Detailed information on HSP Incentives Program, including application process, application requirements, schedule of application assistance workshops conducted by CDFA and list of third-party technical assistance providers is available at is available at:

https://www.cdfa.ca.gov/oefi/healthysoils/IncentivesProgram.html

Demonstration Projects:The Demonstration Projects will award projects that monitor and demonstrate to farmers and ranchers in California, specific management practices in agriculture that improve soil health, sequester carbon, and reduce greenhouse gases.

Detailed information on HSP Demonstration Projects, including application

process, application requirements and a schedule of application assistance workshops conducted by CDFA is available at: https://www.cdfa.ca.gov/oefi/HealthySoils/DemonstrationProjects.html

Dairy Digester Research and Development Program (DDRDP) Applications are due on Tuesday, April 3, 2019 by 5:00 P.M. PT.

The DDRDP provides financial assistance for the installation of dairy digesters on commercial dairy operations in California. The DDRDP is funded through a \$99 million appropriation from the CCI, authorized by the Budget Act of 2018. The DDRDP will be implemented under two separate sections:

Incentives Program: The DDRDP Incentives Program will award grants to provide financial assistance to commercial milk producers and dairy digester developers for implementation of anaerobic digesters that reduce methane emissions from dairy manure management. Detailed information including application process, application requirements, schedule of application assistance workshops conducted by CDFA, and third-party assistance for community outreach assistance is available at: https://www.cdfa.ca.gov/oefi/ddrdp/

Demonstration Projects: The DDRDP Demonstration Projects will award dairy operations and digester developers for the implementation of dairy digester projects that demonstrate innovative technologies to achieve long-term methane emission reductions on California dairies and minimize or mitigate adverse environmental impacts.

Detailed information including application process, application requirements and a schedule of application assistance workshops conducted by CDFA is available at: https://www.cdfa.ca.gov/oefi/ddrdp/DemoProject.html (CDFA News Release)

Contact the CDC office for more information about AMMP, Healthy Soils, SWEEP and DDRDP at 209-632-0885.



Join Us for Our Upcoming Annual Memberhip Meeting In Hanford, CA on January 23, 2019

Each year during our Annual Meeting we come together to look back on our work throughout the year and ahead to set our



California Farmers

policy priorities for the New Year. We invite you to join us for our Annual Meeting on January 23 in Hanford. Friends and family are more than welcome.

California Dairy Campaign and California Farmers Union Joint Annual Meeting

Guest Speaker: Dairy Farmers of Canada Board Member David Janssens will speak about how the Canadian Dairy

Inventory Management System Ensure a Fair Milk Price

Date: Wednesday, January 23, 2019

<u>Location:</u> Hanford Fraternal Hall 1015 N. 10th Street, Hanford, CA

Contact Bertha Medina at 209-632-0885 to RSVP.

For More Information Contact Executive Director Lynne McBride

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