



# January 25 Update



Canadian Dairy Farmers Speak About Importance of Supply Management During CDC/CFU Joint Annual Meeting



HANFORD, CA (January 23, 2019) – Canadian dairy farmers David Janssens and Cornelis Hertgers spoke to a large audience of dairy producers from around the state about the Canadian dairy supply management program during the California Dairy Campaign (CDC) and California Farmers Union (CFU) Joint Annual meeting in Hanford, CA this week. The Canadian dairy farmers are board members of the

British Columbia Milk Marketing Board, a provincial member of the Canadian Milk Supply Management Committee. (*Pictured: CFU President Joaquin Contente, CDC Vice President Mark McAfee, British Columbia Milk Marketing Board Members David Janssens and Cornelis Hertgers, Executive Director Lynne McBride, CDC President Joe Augusto*)

"Dairy in Canada is a large industry, and because of supply management it has been a stable and successful industry for decades," explained David Janssens. He added that supply management has had strong support from the Canadian government. "The structure is very effective at creating market stability. Amidst global price fluctuation and a current global depreciated pricing, the Canadian market remains robust," he said. Canadian dairy farmer Cornelis Hertgers added, "Supply management functions as a mechanism that fosters sustainable market growth." "Our members are looking to the Canadian system for solutions to the ongoing dairy crisis because Canadian dairy producers are profitable while US dairy producers are paid milk prices well below production costs," stated California Dairy Campaign President Joe Augusto. Milk prices paid to US dairy producers have been well below production costs for more than four years, causing dairy producers to go out of business at an alarming rate. Over the last 10 years, more than 600 dairies have gone out of operation across California leaving less than 1300 in the state today. The 30 percent drop in the number of dairies in California is consistent with the decline in the number of dairy farms nationwide.

"As I and other dairy producers in California are paid milk prices well below production costs, Canadian dairy farmers are paid more than \$24 per cwt. It is clear that the Canadian dairy supply management system is working for dairy producers there," California Farmers Union President Joaquin Contente explained.

"We thank Cornelis and David for traveling to California to reach out to dairy producers here to explain how the Canadian supply management program benefits dairy producers by establishing a stable and fair milk price," explained Executive Director Lynne McBride. The Canadian system ensures a fair price to dairy producers, enables them to work together to manage milk production to respond to market demand and includes effective dairy trade policy. "We consider the fundamental principles of the Canadian supply management program to be effective policy solutions for California dairy producers who are struggling to remain in business," she concluded.

California Dairy Campaign and California Farmers Union are proposing a **Sustainable Milk Inventory System Act (SMISA)** a three-point plan to foster a strong and sustainable dairy system in the United States that includes: supply management; fair milk prices paid to dairy farmers: and effective dairy trade policy.

## National Farmers Union Supports Dairy Supply Management



National Farmers Union (NFU) Government Relations Representative Matt Perdue traveled from Washington, DC to Hanford for the CDC/CFU Joint Annual Meeting to speak about a range of issues including NFU's strong support for dairy supply management. To address the nationwide dairy crisis, California Dairy Campaign and California Farmers

Union leaders have been participating in a nationwide effort in support of inventory management along with dairy farmers from Wisconsin Farmers Union and many other states called *Dairy Together* to provide solutions to the dairy crisis caused by chronically low milk prices. The nationwide effort open to all dairy farmers began last spring to bring dairy producers from around the country together in support of dairy supply management. Support for dairy supply management is growing as more dairy farmers learn about how a farmer-led supply management plan can better match milk production with market demand, improve milk prices paid to dairy producers and sustain dairies nationwide.

California Dairy Campaign (CDC) is a grassroots organization of dairy farmers who are working to encourage lawmakers and the dairy industry to be more responsive to the needs of the family dairy farm in California. CDC is a member organization of California Farmers Union (CFU) which is comprised of farmers and ranchers across California. CFU advocates policies to lawmakers at the state and national levels on behalf of its membership throughout California. CFU is a state chapter of National Farmers Union, which represents more than 200,000 members nationwide.

# AMMP Workshop Tuesday, January 29 in California Dairy Campaign Turlock office



California Dairy Campaign will host a workshop for dairy producers in its Turlock office on Tuesday, January 29, 2019 at 10:00 a.m. All are welcome to join to learn more about AMMP and work on their applications. Contact CDC Office Coordinator Bertha Medina to RSVP at 209-632-0885.

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. 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 AMMP is funded through a \$99 million appropriation 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: <u>https://www.cdfa.ca.gov/oefi/ammp/DemoProject.html</u>

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>.

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: <u>https://www.cdfa.ca.gov/oefi/sweep</u>

### 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: <u>https://www.cdfa.ca.gov/oefi/HealthySoils/DemonstrationProjects.html</u>

### 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: <u>https://www.cdfa.ca.gov/oefi/ddrdp/DemoProject.html</u> (CDFA News Release)

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



Join Us at the WORLD AG EXPO in Tulare February 12-14, 2019

California Dairy Campaign will be hosting two events at the WORLD AG EXPO to discuss supply management with Dairy Farmers of Canada Board Member Ralph Dietrich, a dairy farmer from Ontario.

<u>Guest Speaker:</u> Dairy Farmers of Canada Board Member Ralph Dietrich will speak about how the Canadian Dairy Inventory Management System Ensures a Fair Milk Price

> <u>Date:</u> Tuesday, February 12, 2019 <u>Time:</u> 12 noon until 1 p.m. <u>Location:</u> Seminar Trailer 1

<u>Date:</u> Wednesday, February 13, 2019 <u>Time:</u> 2:00 p.m. <u>Location:</u> Agriculture Commissioner Auditorium located across from the Heritage Center

California Dairy Campaign will also have a booth in the Dairy Center. We hope you can stop by our booth and participate in our upcoming workshops on supply management.

California Dairy Campaign Booth #6410

Contact Bertha Medina at 209-632-0885 to for more information.

