

April 2, 2020

## Impacts on the Dairy Supply Chain During Covid-19

SaskMilk, along with Dairy Farmers of Canada, continues to closely monitor the Covid-19 situation. Food, as an essential service, takes these issues very seriously and is working to mitigate impacts felt through the supply chain.

Like many other commodities, the COVID-19 pandemic has also created fluctuations in the dairy market. Processors and retailers are adjusting to these fluctuations and as the sector adjusts to this, consumers may see some fluctuations in offerings. However, the current fluctuations are not the result of a lack of production capacity at the farm, but rather reflect some real time adjustments in processing of the milk.

A dairy farm cannot decrease the amount of milk it produces overnight. A cow produces a certain amount of milk per day and farmers must continue to milk them to keep them comfortable and well. As a result, due to the rate of change in the market, there are situations where milk will be dumped. While every effort is made to make use of all milk produced, it is not always possible for all milk to be pasteurized and packaged at this time.

With the current situation ahead, SaskMilk is collaborating with our partners to utilize as much milk as possible, including donating to food banks and those who need it most.

This is not a situation that is unique to Canada. Around the world, farmers are seeing the impact of changing demand as the Covid-19 situation develops.

In Canada, every effort is being made to adjust to the unpredictable demand brought on by these unprecedented times. Dairy farmers are committed, as they always have been, to producing a consistent supply of safe, high-quality milk for Canadians.