Capitalizing on the Protein Market: Is It Right for Me?

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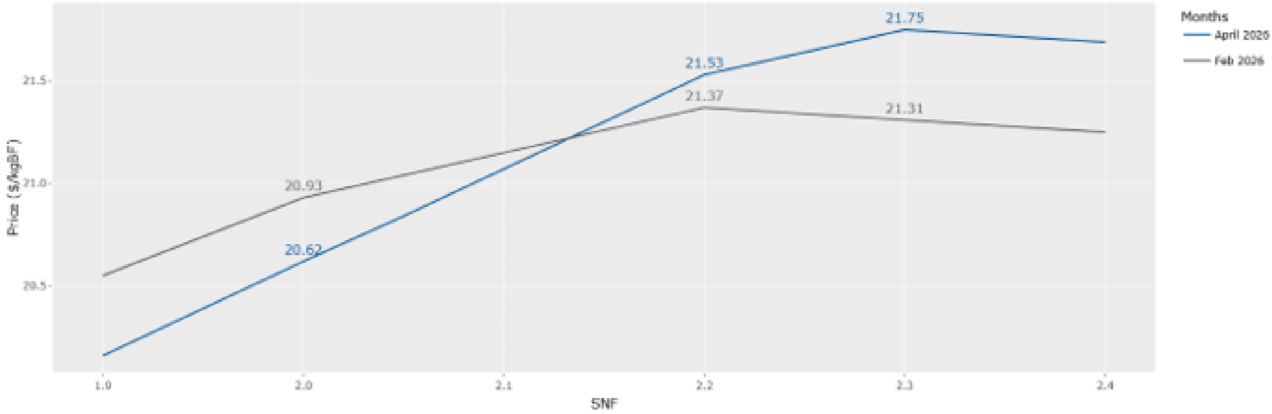
With the change in milk payment policy announced for April 2026, the message from the P5 marketing boards is clear: opportunities to increase income will primarily come from protein. They are looking for anyone willing to supply more protein to meet market demand.

The first—and simplest—reaction or solution is to try to increase your protein content. But as most experts and industry stakeholders will tell you, that's easier said than done! Nevertheless, the markets are demanding protein—at least for the next few years—the marketing boards have decided to pay significantly more for protein starting in April, and that is where the majority of opportunities for milk income growth will lie in the coming years.

Figure 1 . Milk prices as a function of the solids-non-fat (SNF) ratio. [1]



So, what strategy should we adopt?

Do nothing? I'll admit that if you're already swamped, it might be tempting. Especially if your SNF ratio is already above 2.12 and you're coming out ahead from the policy change anyway, without lifting a finger! But when you have time to think it over, you might realize that the incentives are impressive. The market wants protein, and it's willing to pay for it!

And if your ratio is below 2.0, you might feel a slight wave of panic upon learning that you're at a disadvantage under the new policy. That said, don't try to overdo it. Meeting your quota remains a priority, and reducing fat content remains a winning strategy if, and only if, you can offset the lower fat content with an increase in volume, number of cows, or protein.

[1] The prices for June 2025 and January 2026 are those published by the PLQ. The price for April 2026 is a projection based on the January 2026 price, adjusted for the new policy and the 2.3% increase expected to take effect in February 2026.

If you're skeptical, we invite you to do your own calculations using our online milk pay calculator.

Possible solutions:

1. Optimize protein production.

    - Are we producing as much protein as our cows' genetics allow? Nutrition experts talk about rumen health, grain grinding, effective fiber, and balancing protein sources and amino acids. Take a look at industry benchmarks (Quebec herd data only) for milk protein and fat to gauge where your herd stands.
2. Reduce fat content and increase volume and/or protein.
    - Some experts mention basic strategies here, such as bringing average Days in Milk (DIM) closer to standard levels for those with high average DIM, since cows in early lactation have higher SNF ratios. Others discuss feeding strategies or products that modify ruminal fermentation to lower the fat content or increase milk volume and protein, with varying results. Others suggest increasing milking frequency early in lactation or switching to three milkings. All could be viable options, depending on your circumstances.
3. Lower the fat content and increase the number of milking cows.
    - A very counterintuitive proposal! Producing the same quota with fewer cows is usually a good thing. But if you have the space, labor, and available forage, producing your quota and more protein with more cows could be a winning strategy starting in April 2026.
4. In the long term, we can also consider genetic selection that includes minimum protein content targets.
    - The return on investment will depend on protein market trends over the medium term (3 to 5 years). However, in many cases, it appears possible to improve protein content at a low cost, that is, without significantly having to compromise on other genetic traits. For details on the April 2026 adjustments to the relative emphasis on Fat Yield and Protein Yield within the Production subindex of the Lifetime Performance Index (LPI), refer to this article.

DOWNLOAD - Benchmarks – Total protein & fat in milk

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