



Issues Update July 2012

Volume 17 No. 12 -For the June 2012 Production Month

November 28 – 30, 2012

Mark your Calendars!

Registration Information

Coming soon!

bcdairyconference.ca



Producer Component Prices and Standard Blend Price

The producer component prices for the month of June are as follows:

BF= \$9.9692, PR= \$8.8048, OS= \$1.8386 or an equivalent return of \$74.8041 per standard hectolitre. This return compares to \$74.6801 in May 2012, with a difference of \$0.1240/std.hL. The P10/WMP equalization transfer for June was \$1,796,852.

Please refer to the BCMMB Statistics for the month of June 2012 for more details.

Notice to Producers

The following is a list of recent notices sent out to producers:

- **Notice to Producers**-Policy Changes Incentive Days-June 20, 2012
- **Notice to Producers**-Organic Sleeve-June 26, 2012
- **Notice to Producers**-Central Securities Register (CSR) & Register of Directors (ROD) -June 26, 2012

To see these notices and a complete list of all other Notice to Producers please go to milk-bc.com. If you have any questions or concerns regarding any notices please contact Zahra at zabdalla@milk-bc.com



IMPORTANT | Consolidated Order Changes - Canadian Quality Milk Program

The Board through consultation with the BC Dairy Association has made the following changes to Section 25 of the August 1, 2010 Consolidated Order

Canadian Quality Milk Program

Section 25.1

(1) From and after January 31, 2013, every Producer must be registered with, and duly certified under, the Canadian Quality Milk On-Farm Food Safety Program developed by the Dairy Farmers of Canada and approved by the Canadian Food Inspection Agency.

(2) Every producer who contravenes subsection (1) is, throughout the period of the contravention, ineligible to:

- (a) receive the Milk Quality Bonus;
- (b) buy or sell Continuous Daily Quota on the Quota Exchange or otherwise;
- (c) receive a general allotment of Continuous Daily Quota by the Board; and
- (d) receive Incentive days

(3) **This Order comes into effect on August 1, 2012.**

After January 31, 2013, for Whole Farm Transfers, the seller does not need to be CQM certified but the buyer **must be CQM certified**.

Please contact Carla Soutar at the BC Dairy Association at 604.294.3737 or csoutar@bcdairy.ca with any questions regarding the CQM program.

IMPORTANT | Request for Central Securities Register (CSR) & Register of Directors (ROD)

It is essential for the Board to have this up to date information in our records in order to best serve the industry.

The Deadline for submission of the documents is Wednesday, August 1, 2012.

Failure to provide these documents by the specified deadline will result in a suspension of all quota transactions (Quota Exchange, Credit Transfers) and participation in Incentive Days until such time as the documents have been submitted to the Board office.

IMPORTANT:

- Corporate Producers **who HAVE NOT submitted** the requested CSR and ROD by the August 1, 2012 deadline **will NOT BE eligible** to participate on the **August 2012 Quota Exchange**.
- These standard corporate documents can be obtained from either your company accountant or lawyer.
- Documents are required to be submitted even if no changes have been made since they were last submitted.
- Documents can be emailed directly to kwallis@milk-bc.com or faxed to 604.556.7717.

If you have any questions please contact kwallis@milk-bc.com or call reception at 604.556.3444 ext 200.

Provincial Freight

The producer freight rate calculations for the months of May and June are summarized below:

Freight Rates (\$/hl)	May	Jun
Zone Transportation Costs	3.10	3.09
Less: Vendor Billings	(0.08)	(0.08)
Less: I/P Freight Cost Recovery	(0.09)	(0.03)
Gross Provincial Freight Rate	2.93	2.98
Add: Train/Volume Discounts	0.30	0.29
Less: Stop/Extra Pick-Up Charges	(0.15)	(0.15)
Transportation Department Costs	0.01	0.01
Adjustments from Prior Period	(0.02)	(0.02)
Net Provincial Freight Rate	3.07	3.11

Continuous Quota

Cumulative Over/Under Production (with limits) as of:

	May 2012	%*
	Kg of BF	
NL	-145,391	-7.19%
P5	-1,020,092	-0.43%
WMP	229,832	0.31%
P10	-930,651	-0.30%

BC **131,402** **0.50%**

**Cumulative Over/Under Production (with limits) expressed as a % of the most recent 12 months total quota.*



Producer Licences

The annual licence fee and levies for Producer Licences effective August 1, 2012 will be deducted from the producer payments to be deposited on July 19, 2012.

Licences will be mailed out in late July and must be displayed in the milk house, preferably next to your Dairy Farm Licence issued by the BC Ministry of Agriculture and Lands.

If you have any questions please contact Kathy at kwallis@milk-bc.com or 604.854.4471.

General Inquiries

For General Inquires and assistance please contact reception at

T. 604.556.3444 Ext. 200
 Lisa Gruban Lori Sharpe
 Direct 604.854.4470 Direct 604.854.4481
lgruban@milk-bc.com lsharpe@mik-bc.com

Milk Quality Report

The provincial averages and quality bonus data based on the official milk quality tests for May and June are:

Milk Quality Data	May	Jun
Individual Bacteria Count	19,886	16,244
Somatic Cell Count	172,758	175,769
Quality Bonus Qualifiers (%)	59.73%	59.07%

Producer Payments

Participants in the June, July and August Pools will receive their payments as follows:

Month of Production:	Advance Payment	Final Payment
June	Jul 3	Jul 19
July	Aug 1	Aug 20
August	Sep 4	Sep 20

Credit Transfer Average Prices

2nd Set-Effective June 1st **Conventional/Organic**
Average Price **\$11.10/\$2.60**

A Summary of Credit Transfer Statistics can be found at www.milk-bc.com with other credit transfer documents.

Quota Management-Important Dates

Application Deadlines	Date & Time	Effective Date(s)
Quota Exchange	Aug 1 @ 4:30pm	Sep 1
CDQ Buy/Sell of Credits	Jul 25 @ 4:30pm	Jul 1 Aug 1
If you have any questions please contact Kathy Wallis 604.854.4471 kwallis@milk-bc.com		

www.milk-bc.com

Quota Management

Please keep in mind the following **BANK LETTER REQUIREMENT details**, as many applications continue to be received by the BCMMB office without a current financial commitment letter and risk being disqualified from participation on the Quota Exchange:

- **A current bank letter covering the full settlement amount of your bid must be on file or received by the BCMMB office NO LATER than the Quota Exchange deadline.**
- **Bank letters are reduced by all previous quota exchange purchases covered by that letter, regardless of the method of payment used for payment of the balance due.**
- **The bank letter must not expire prior to the settlement date for balances due for current quota exchange purchases.**

If you are unsure of the status of your bank letter, please contact our office and we will be happy to check your file for you.