

Producer Component Prices and Standard Blend

The producer component prices for the month of June are as follows: BF=\$9.8036 PR=\$7.9480, OS=\$1.6498 or an equivalent return of \$70.3650 per standard hectolitre. This return compares to \$76.7878 in May 2016 with a difference of \$6.4228/std.hL. The blend price was significantly affected by adjustments for BC processors for Class 4M.

The P10/WMP equalization charged to the producer pool in June for the production month of May was \$4,541,978. The equalization payment consists of shared costs across the P10 with respect to special class processing, over quota and changes to Class 4M prices.

For more information on Class 4M and Blend Price Changes please see the July 15, 2016 Notice to Producers.

Quality and Component Testing

Producers are encouraged to review the Notice to Producers of June 27, 2016 which provides a complete outline of quality and component testing, including quality bonus and penalty thresholds. It may be beneficial to print these charts off and keep in your dairy office as a reference.

If you have any questions please contact Kelly Harris at kharris@milk-bc.com

BCMMB welcomes new Chair-Ben Janzen

The BC Milk Marketing Board is very pleased to welcome Ben Janzen as the new Chair of the BC Milk Marketing Board. Ben is a former dairy producer, who previously served as an elected member of the Board (1996-2012).

Mr. Janzen has been appointed as Chair by the BC government (Order in Council) for a term, effective July 31, 2016 to July 31, 2018.

Notice to Producers

For all recent Notice to Producers
Please visit www.milk-bc.com

BC Continuous Quota Position

as of
May 2016 = 0.12%
June 2016 *forecasted = 0.07%

Farewell, from Jim Byrne

I have come to the end of my six year appointment as Chair and must say that not only has the time passed quickly but that I thoroughly enjoyed serving the industry as best I could. In August 2010, we introduced Continuous Daily Quota (CDQ) which was a milestone shift in the way we managed our business. We subsequently changed the limit on quota credit transfer, which further tightened our milk production. We have not only secured how milk is produced but went on to expand the Graduated Entry Program (GEP) such that we are within sight of eliminating the current wait list of future producers. Our organic milk industry has expanded and continues to grow as we add more producers to fill consumer demand. New Lifestyle milk products have been created with the commitment of processors and producers who see the opportunities to fill a growing market segment. I'm pleased with the additional quota we have acquired and the opportunities for further growth in the industry. We have reached an agreement in principle with processors for an ingredient strategy that will provide direction for strengthening the Canadian dairy industry as world-wide activity influences and affects Supply Management in Canada. I believe the industry is stronger today with more growth opportunities, and that in some way I contributed to this success.

I wish to acknowledge the people that I have worked with including Board members, producers, processors, legislators, CMSMC members and the staff of the BCMMB. Only with the commitment of these people dedicated to the health of the industry could we be successful. I also wish to thank my wife Bernie for accommodating my frequent absences as I travelled on behalf of the industry.

The Board and staff at the BCMMB wish to thank Jim for his tireless dedication to the growth and sustainability of the dairy industry.

Provincial Freight

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

Freight Rates (\$/hl)	May	June
Zone Transportation Costs	2.91	2.97
Less: Vendor Billings	(0.12)	(0.11)
Gross Provincial Freight Rate	2.79	2.86
Add: Train/Volume Discounts	0.32	0.32
Less: Stop/Extra Pick-Up Charges	(0.16)	(0.15)
Transportation Department Costs	0.00	0.00
Adjustments from Prior Period	0.05	0.00
Net Provincial Freight Rate	3.00	3.03

Continuous Quota

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

	May 2016	
	Kg of BF	%*
NL	-548,502	-21.94%
P5	2,650,724	1.06%
WMP	-792,120	-0.98%
P10	1,310,102	0.39%
BC	35,293	0.12%

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

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	June
Individual Bacteria Count	24,212	22,616
Somatic Cell Count	163,734	178,768
Quality Bonus Qualifiers(%)	73.28%	70.42%

Producer Payments

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

Month of Production:	Advance Payment	Final Payment
June	Jul 4	Jul 20
July	Aug 2	Aug 18
August	Sep 1	Sep 20

Credit Transfer Average Prices

Effective Jun 1	Conventional Organic	
Average Price	\$9.48	\$5.78

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 2 @ 1:00pm	Sep 1
CDQ Buy/Sell of Credits	Jul 25 @ 1:00pm	Jul 1 Aug 1

If you have any questions, please contact:

Kathy Wallis 604.854.4471 kwallis@milk-bc.com
Pam Gregory 604.854.4474 pgregory@milk-bc.com

Producers should be aware that the BCMMB is subject to FIPPA (BC)

Because it is a “public body,” the BC Milk Marketing Board is obliged to provide access to recorded information, if requested; and the Board is also required to ensure that it follows strict legislated guidelines regarding the “collection, use and disclosure of personal information.” These guidelines are outlined in BC’s *Freedom of Information and Protection of Privacy Act* (FIPPA). Access to information is an important democratic tool that helps to ensure accountability of public bodies. FIPPA also specifies several *exceptions* to the disclosure of recorded information that must also be respected by all public bodies.

Under FIPPA, individuals may make Freedom of Information (FOI) requests to public bodies for specific or general records. The BCMMB has recently been asked to provide copies of its 2015 animal welfare inspection reports. Although not a formal FOI request, the Board is providing the requested information—note that names, addresses, and IRMA #s have been redacted from these reports.

Producer Licences – Effective August 1, 2016

New Producer Licences have now been mailed out. Effective August 1st please remember to replace the previous copy with the new one. Your Producer licence must be displayed in the milk house, preferably next to your current Dairy Farm Licence issued by the BC Ministry of Agriculture, Livestock Health Management and Regulation.

If you have any questions with respect to your licence please contact Kathy kwallis@milk-bc.com or 604.854.4471.

IAMCA 80th Annual Meeting - Vancouver

Now in its 80th year the International Association of Milk Control Agencies (IAMCA) annual meeting is the largest and most diverse gathering of dairy market regulators in North America. IAMCA’s common goal is to provide safe, nutritious, dairy products to consumers, with sustainable farm practices.

The meeting is being held in Vancouver from July 24-27, 2016 at the Westin Bayshore Resort and Marina.

CMSMC, WMP CC/P5 meetings will be held from July 27-29, 2016 at the Westin Bayshore Resort and Marina following the IAMCA annual meeting.

