

#### BC Continuous Quota Position

as of August 2016: -0.65 %  
**September 2016 \*forecasted: -0.93%**

Producer Registration  
 is now open.  
 Please go to BCDIC 2016  
 to register.



#### Producer Component Prices and Standard Blend

The producer component prices for the month of September are as follows: BF=\$10.5250 PR=\$8.3337, OS=\$1.7941 or an equivalent return of \$73.2539 per standard hectolitre. This return compares to \$71.4786 in August 2016 with a difference of \$1.7753/std.hL. The P10/WMP equalization charged to the producer pool in September for the production month of August was \$3,376,844. The equalization payment consists of shared costs across the P10 with respect to special class processing, over quota and changes to Class 4M prices.

#### P10 Ingredients Strategy “Agreement in Principle” Consultation

In the fall of 2014, ten provincial boards began discussions with processors to determine the future direction of the dairy industry. Although this is not the first time provincial boards engaged in discussions regarding risks to the industry’s future, it is the first time the process resulted in an “Agreement in Principle” reached in July 2016, nearly two years later.

On July 28/29, 2016, this agreement was introduced to the Canadian Milk Supply Management Committee (CMSMC) at a Vancouver meeting, at which time all ten provinces voted in favour of the “Agreement in Principle.” The Canadian Dairy Commission (CDC) exercised its right to vote as a signatory to the National Milk Marketing Plan and requested time to review the agreement with the Department of Justice. The next meeting of the CMSMC will take place on October 26/27, 2016 in Ottawa, at which time further discussions regarding the “Agreement in Principle” will take place and if the agreement is approved by the CDC, an implementation date will be decided.

The Board started the consultation process in August 2016 following the agreement of ten provinces to move forward on the ingredients strategy. The BCMMB is now beginning the producer consultation process through a series of communications and meetings and intends to continue to provide information in a timely manner to all industry participants. The BCMMB Board members will be attending regional fall meetings in November (as below) to provide an update to the ingredients strategy and an opportunity for producers to engage in discussion. The Board will continue discussions with FIRB throughout producer/processor consultation on the agreement.

#### The BCMMB Consultation Dates:

1	BC Dairy Council	Aug 08, 2016
2	BC Dairy Association	Aug 08, 2016
3	Milk Industry Advisory Committee	Aug 10, 2016
4	Processor Webinar	Sep 20, 2016
5	Milk Industry Advisory Committee	Sep 26, 2016
6	Producer Regional Executive Webinar	Oct 20, 2016

#### Board Attendance: Regional Fall Producer Meetings

Date	Region	Location	Time
Nov 1	Bulkley Valley	Smithers <i>Hudson Bay Lodge</i>	12:00pm
Nov 1	Cariboo & Peace River	Prince George <i>Treasure Cove Hotel</i>	7:00pm
Nov 2	Fraser Valley	Abbotsford <i>Quality Hotel &amp; Conf</i>	7:30pm
Nov 3	Kootenay	Creston <i>Ramada Inn</i>	12:00pm
Nov 8	Okanagan	Salmon Arm <i>Prestige Inn</i>	10:00am
Nov 28	Van. Island	Ladysmith <i>Eagles Hall</i>	7:30pm

### Provincial Freight

The producer freight rate calculations for the months of August and September are summarized below:

Freight Rates (\$/hl)	August	September
Zone Transportation Costs	2.96	2.97
Less: Vendor Billings	(0.14)	(0.14)
Gross Provincial Freight Rate	2.82	2.83
Add: Train/Volume Discounts	0.32	0.32
Less: Stop/Extra Pick-Up Charges	(0.14)	(0.14)
Transportation Department Costs	0.00	0.00
Adjustments from Prior Period	0.01	0.02
<b>Net Provincial Freight Rate</b>	<b>3.01</b>	<b>3.03</b>

### Continuous Quota

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

	August 2016	
	Kg of BF	%*
NL	-161,914	-6.18%
P5	1,095,392	0.43%
WMP	-1,595,954	-1.93%
P10	-662,476	-0.20%
BC	<b>-190,444</b>	<b>-0.65%</b>

\*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 August and September are:

Milk Quality Data	August	September
Individual Bacteria Count	22,203	26,728
Somatic Cell Count	195,181	185,202
Quality Bonus Qualifiers(%)	66.87%	65.46%

### Producer Payments

Participants in the September | October | November Pools will receive their payments as follows:

Month of Production:	Advance Payment	Final Payment
September	Oct 3	Oct 20
October	Nov 1	Nov 18
November	Dec 1	Dec 19

### Credit Transfer Average Prices

Effective Sep 1	Conventional   Organic	
Average Price	\$7.62	\$3.71

A Summary of Credit Transfer Statistics can be found at [www.milk-bc.com](http://www.milk-bc.com) with other credit transfer documents.

### Quota Management: Important Dates

Application Deadlines	Date & Time	Effective Date(s)
Quota Exchange	Nov 1 @ 1:00pm	Dec 1
CDQ Buy/Sell of Credits	Oct 25 @ 1:00pm	Oct 1    Nov 1

If you have any questions, please contact:

**Kathy Wallis** 604.854.4471 [kwallis@milk-bc.com](mailto:kwallis@milk-bc.com)  
**Pam Gregory** 604.854.4474 [pgregory@milk-bc.com](mailto:pgregory@milk-bc.com)

### Notice to Producers

For all recent Notice to Producers  
 Please visit [www.milk-bc.com](http://www.milk-bc.com)



### BCMMB Board & Staff attending 2016 BCDIC

#### BCMMB Board Members attending:

Ben Janzen, Tom Hoogendoorn, Jeremy Wiebe, Cornelis Hertgers, Dick Klein Geltink and Garth Green.

#### BCMMB Staff attending:

Bob Ingratta, Robert Delage, Zahra Abdalla-Shamji, Woody Siemens and Vicki Crites.

The Board and staff look forward to joining BC milk producers and industry affiliates in this great opportunity to gather under one roof. [www.bcdairyconference.ca](http://www.bcdairyconference.ca)

### 2016 BCMMB AGM & Fall Producer Meeting Friday, December 2, 2016

Fairmont Waterfront Hotel  
 Waterfront Ballroom & Lobby  
 900 Canada Place, Vancouver, BC

Producer Registration & Breakfast opens at 7:00 AM

#### 2016 BCMMB AGM

8:45 AM – 9:30 AM

9:30 AM – 10:00 AM – Energy Boost

#### 2016 BCMMB Fall Producer Meeting

10:00 AM – 12:00 PM

### Animal Welfare Update: proAction®

In February 2016, the Board announced its plan to transition its animal welfare inspection program to the BCDA/DFC proAction® program over the coming months. While the Board still continues to carry out inspections for GEP and new producers in the industry and follows up on any animal welfare complaints, it has transitioned its regular inspections program to the BCDA/DFC proAction® program. Please note however, that the Board will continue to maintain its authority to ensure compliance with the Code. A joint Animal Welfare Transition Committee (AWTC), which includes Board members from both the BCDA and the BCMMB, continues to oversee/monitor the transition of the operations of animal care from the BCMMB to proAction®. Further input on the transition will be sought from stakeholders at the Animal Welfare Policy Working Group at the November 8, 2016 meeting.

[www.milk-bc.com](http://www.milk-bc.com)

### Quota Management: CDQ Buy/Sell Credit Transfers

A reminder to Producers regarding the CDQ Buy/Sell Credit Transfer deadline. The application deadline is 1:00 PM on the 25th day of the month; however, if the 25th day of the month is not a business day, then the application deadline is 1:00 PM on the last business day prior to the 25th day of the month.