

### Producer Component Prices & Standard Blend

The producer component prices for the month of May are as follows: BF=\$11.0571, PR=\$7.1703, OS=\$1.6448 or an equivalent return of \$72.3352 per standard hectolitre. This return compares to \$73.7941 in April 2017 with a difference of \$1.4589 per standard hectolitre. The average producer return for the province is \$77.7631 per hectoliter.

The P10/WMP equalization charged to the producer pool in May for the production month of April was \$2,499,075. The equalization payment consists of shared costs across the P10 with respect to special class processing, over quota processing, class 7 pooling and transition costs for the implementation of Class 7.

### BC Continuous Quota Position

as of April 2017: -1.30%

**May 2017 \*forecasted: -1.04%**

### Notice to Producers

**For all recent Notice to Producers**

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

### Quota Tools Assessment Review: Stage 2 | Completed

On May 19, 2017, the BC Milk Marketing Board (BCMMB) initiated Stage 2 of the Quota Tools Assessment Review (QTAR). Industry participants were invited to review policy options developed from Stage 1 of the consultation and provide feedback on options that would benefit the future of the industry. The deadline for Stage 2 submissions was June 2, 2017.

**QTAR Stage 2 is now completed.** The Board will now develop policy recommendations for submission to the FIRB. The deadline for the BCMMB submission is June 30, 2017. The final submission will be made available online following June 30, 2017. For all documents related to the QTAR consultation please visit BC Dairy Quota Tools Assessment Review (QTAR).

### Notice to Producers: Important Policy Reminder Credit Transfer Application Submission

The Board would like to remind all producers that Continuous Daily Quota (CDQ) Buy/Sell Credit Transfer Application forms submitted to the KPMG automated Quota Exchange System **will not be accepted**. The KPMG system is exclusively in place for Producers submitting application forms to participate on the Board's Quota Exchange.

If you have any questions with respect to Credit Transfer Application submissions, please contact Pam Gregory at 604.854.4474 or [pgregory@milk-bc.com](mailto:pgregory@milk-bc.com) or Kathy Wallis at 604.854.4471 or [kwallis@milk-bc.com](mailto:kwallis@milk-bc.com).

To see this Notice to Producer please visit [milk-bc.com](http://milk-bc.com) and click on the June 15, 2017 [Notice to Producers – Important Policy Reminder Credit Transfer Application Submission](#)

### Note from the Chair

Since early Spring, the Board has been holding consultations with producers and other industry stakeholders, including regional meetings and multiple committee meetings. In addition, the Board asked for written submissions from producers to ensure fulsome input.

Given that producers are also hard at work on their farms, ensuring good animal care and keeping production high, I would just like to thank producers for taking the time to engage in this important process.

The response has been excellent. I would also like to thank Milk Board staff for their continued good work on the process.

### Provincial Freight

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

Freight Rates (\$/hl)	April	May
Zone Transportation Costs	3.05	3.05
Less: Vendor Billings	(0.12)	(0.13)
Gross Provincial Freight Rate	2.93	2.92
Add: Train/Volume Discounts	0.33	0.33
Less: Stop/Extra Pick-Up Charges	(0.15)	(0.14)
Transportation Department Costs	0.00	0.00
Adjustments from Prior Period	(0.00)	(0.00)
<b>Net Provincial Freight Rate</b>	<b>3.11</b>	<b>3.11</b>

### Continuous Quota

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

	April 2017	%*
	Kg of BF	
NL	-475,459	-18.69%
P5	6,862,969	2.63%
WMP	-3,701,109	-4.27%
P10	2,686,401	0.77%
BC	<b>-399,675</b>	<b>-1.30%</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 April and May are:

Milk Quality Data	April	May
Individual Bacteria Count	20,063	20,969
Somatic Cell Count	155,581	168,057
Quality Bonus Qualifiers(%)	79.18%	74.90%

### Producer Payments

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

Month of Production:	Advance Payment	Final Payment
May	Jun 1	Jun 19
June	Jul 4	Jul 20
July	Aug 1	Aug 18

### Credit Transfer Average Prices

Effective May 1	Conventional   Organic
Average Price	\$6.62   \$7.29

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	Jul 4 @ 1:00pm	Aug 1
CDQ Buy/Sell of Credits	Jun 23 @ 1:00pm	Jun 1   Jul 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)

### Producer Licences

The annual licence fee and levies for new producer licences effective August 1, 2017 will be deducted from the final June producer milk pay to be deposited on July 20, 2017. New Licences effective August 1<sup>st</sup> will be mailed out in late July. Current licences must be displayed in clear view for the transporter, in the milk house preferably next to your 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 Wallis: [kwallis@milk-bc.com](mailto:kwallis@milk-bc.com) or 604.854.4471.

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

### Flexible Incentive Days

Incentive Day(s) are issued by the Board during specific months in order to encourage additional production. A producer must be CQM certified (or on 6 month grace period) to be eligible to participate.

In order to provide more production flexibility for farm management, producers have the opportunity to determine when the incentive days are produced during the five month period of July through November 2017.

**Producers are limited to a total of 8 incentive days between July and November, with the following maximum monthly limits:**

<b>July</b>	Maximum of 3 days
<b>August</b>	Maximum of 3 days
<b>September</b>	Maximum of 3 days
<b>October</b>	Maximum of 3 days
<b>November</b>	Maximum of 3 days

**\*The total number of days from July to November cannot exceed 8 days**

### Upcoming Flexible Incentive Days – Important Reminders

- An incentive day provides the producer an opportunity to ship additional day(s) of production **as long as they have shipped at least 100% of that “month’s quota” → CDQ X ship days**
- Quota is utilized during an “Incentive Day” month(s) for production as follows:  
**Month Quota → Incentive day(s) → Over production credits**
- Eligibility for an incentive day is only based on the actual current month’s production and not on your over/under credits position.
- Credits cannot be sold in order to meet the production requirement to access an incentive day(s).

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