

Producer Component Prices

The producer component prices for the month of April are as follows: BF=\$17.0660, PT=\$2.5569, OS=\$0.6975. The average BC producer hectoliter return for the month is \$81.9838 compared to \$84.8693 in March, a decrease of \$2.8855.

In April, the COVID-19 pandemic continued to have significant impact to the demand of dairy products as with most all food and beverages for the province and country with the closure of food outlets, hotels and schools. As a result, production limits were in place for BC producers to limit payment for only their “daily quota” production to try to curb supply to meet the decreased demand of dairy products overall. Producers’ return for April decreased despite strong fluid processing at nearly 43% of BC’s processing volumes most significantly because of an excess of cream and some raw milk that needed to be disposed of in the month. Cream disposal is currently minimized in the province and demand seems to have stabilized with the current supply levels which should ease the downward trend in producer returns for May 2020.

Continuous Quota			BC Continuous Quota Position
Cumulative Over/Under Production (with limits) as of March 2020			March 2020 Actual 0.49%
	Kg of BF	%*	
NL	(482,342)	-19.47%	
P5	(1,543,656)	-0.54%	
WMP	(993,265)	-0.99%	
P10	(3,019,263)	-0.78%	
BC	172,406	0.49%	
*Cumulative Over/Under Production (with limits) expressed as a % of the most recent 12 months total quota.			

Provincial Freight			Producer Payment Dates		
The producer freight rate calculations for the months of March and April are summarized below:			Participants in the May June July Pools will receive payments as follows:		
Freight Rates (\$/hl)	March	April	Month of Production	Advance Payment	Final Payment
Zone Transportation Costs	3.25	3.18	May	Jun 1	Jun 17
Less: Vendor Billings	(0.10)	(0.10)	June	Jul 2	Jul 20
Gross Provincial Freight Rate	3.15	3.08	July	Aug 4	Aug 20
Add: Train/Volume Discounts	0.35	0.34	Please go to bcmilk.com to view all 2019-2020 Producer Payment Dates		
Less: Stop/Extra Pick-Up Charges	(0.13)	(0.14)			
Transportation Department Costs	0.00	0.00			
Adjustments from Prior Period	(0.01)	0.23			
Net Provincial Freight Rate	3.36	3.51			

Quota Management: Credit Transfer Average Prices			Milk Quality Report		
Effective April 1	Conventional	Organic	The provincial averages and quality bonus data based on the official milk quality tests for March and April are:		
Average Price	\$8.27	\$5.83			
<i>A Summary of Credit Transfer Statistics can be found at bcmilk.com with other credit transfer documents.</i>					
Quota Management: Important Dates			Milk Quality Data	March	April
Application Deadlines	Date & Time	Effective Date(s)	Individual Bacteria Count	21,244	22,150
Quota Exchange	Jun 1@ 1 PM	Jul 1	Somatic Cell Count	151,919	146,281
CDQ Buy/Sell of Credits	May 25@1 PM	May 1 or Jun 1	Quality Bonus Qualifiers (%)	81.37%	82.00%
<i>If you have any questions, please contact:</i>					
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