



September 19, 2017

File: 44200-60 QATE

**DELIVERED BY EMAIL**

Robert Delage  
General Manager  
BC Milk Marketing Board  
200-32160 South Fraser Way  
Abbotsford, BC V2T 1W5

Dear Mr. Delage,

**RE: QUOTA ASSESSMENT TOOLS EVALUATION (QATE) – QUESTIONS  
REGARDING ADDITIONAL INFORMATION PROVIDED**

This letter is in regards to three documents provided by the Chair of the BC Milk Marketing Board to the Chair of the BC Farm Industry Review Board (BCFIRB). These documents were presented to all BCFIRB members at its September 14, 2017 meeting and are attached.

BCFIRB understands that the Milk Board intends that these three documents be considered in conjunction with the Milk Board's June 30, 2017 QATE submission. As such, it is requesting that the Milk Board provide a written response, before the September board-board meeting, to the following questions related to "Analysis of Lost Under Production Shippers".

1. What are the dates that the reported under production is occurring or occurred?
2. Is the Milk Board not meeting its provincial and national production commitments? Why or why not?
3. Is producer size, based on the total amount of quota held by that producer, directly impacting that producer's ability to meet its production commitments? Why or why not?
4. Why are producers who are unable to meet their production requirements subsequently required to accept further growth allocations?
5. What production tools and penalties is the Milk Board utilizing to address the reported 'lost' kilograms of production?

In the interests of transparency, BCFIRB's intention is to post the attached documents to its QATE web page. If the Milk Board has any confidentiality concerns, please advise of any redactions deemed necessary.

**British Columbia  
Farm Industry Review Board**

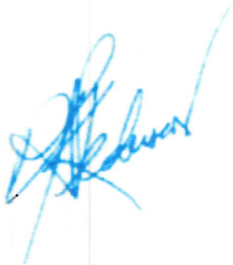
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Website: [www.gov.bc.ca/BCFarIndustryReviewBoard](http://www.gov.bc.ca/BCFarIndustryReviewBoard)

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In closing, I would like to thank the Milk Board on behalf of BCFIRB for your assistance and efforts in answering these questions and for meeting again with BCFIRB to discuss them on September 28, 2017. In the meantime, should you have any questions or wish to discuss any of these items further, please call me at 250-387-3915.

Yours truly,



Kirsten Pedersen  
Executive Director

Cc: BC Farm Industry Review Board  
BC Milk Marketing Board  
Zahra Abdalla, Director, Policy, BC Milk Marketing Board  
BCFIRB Website

Attachment:

### Analysis of Lost Under Production Shippers

# Times Under	# of Producers	Total Quota	Average Quota	Lost Kgs Production	Total CR Purch
12	7	383	54.67	41,520	-
11	2	248	124.20	7,003	-
10	5	555	110.94	38,112	-
9	9	795	88.37	33,097	1,000
8	5	189	37.81	10,319	-
7	5	368	73.69	9,903	-
6	9	993	110.31	37,874	-
5	7	1,118	159.67	12,280	-
4	10	697	69.71	10,062	-
3	19	2,868	150.96	15,023	300
2	24	3,940	164.16	11,622	1,350
1	29	3,545	122.25	3,954	2,972
Total	131	15,699		230,768	5,622



**SUMMARY OF CDQ HOLDINGS**

**JULY 2017**

As of January 2017 the following is a summary of continuous daily quota for small, medium and large farms in British Columbia.

	<b>CDQ (KG/DAY)</b>	<b>Number of IRMA's</b>	<b>Percentage IRMA</b>	<b>Volume of Quota</b>	<b>Percentage of Quota</b>
<b>Small Farm</b>	<100	190	39%	11,343	13%
<b>Medium Farm</b>	100-200	164	34%	23,265	27%
<b>Large Farm</b>	> 200	130	27%	52,914	60%
		<b>484</b>	<b>100%</b>	<b>87,522</b>	<b>100%</b>

The small farms consist of 39% of the IRMA's issued by the Board with 13% of the quota allocated by the Board.

The medium farms consist of 34% of the IRMA's issued by the Board with 27% of the quota allocated by the Board. The

The large farms consist of 27% of the IRMA's issued by the Board with 60% of the quota allocated by the Board.

