



June 25, 2008

## **DIRECTIVE NO. 2008-103 CONVERSION TO A MANDATORY CANADIAN QUALITY MILK PROGRAM (CQM)**

Pursuant to sections 26 and 27 of the *Marketing of Agricultural Products Act* and section 9 of the *Alberta Milk Marketing Regulation*, Alberta Milk converts the Canadian Quality Milk program to a condition of a producer licence and introduces applicable transition procedures.

### **Definitions**

- 1 The definitions in the *Alberta Milk Marketing Regulation* apply to the interpretation of this directive.
- 2 “Canadian Quality Milk (CQM)” means the on-farm food safety program recognized by the Canadian Food Inspection Agency that is designed to help producers prevent, monitor and reduce food safety risks on their farms as varied from time to time.
- 3 “Levy” means the collection of levies from producers for the purposes of operating the *Alberta Milk Plan Regulation*, and to encourage the adoption of the Canadian Quality Milk program prior to August 1, 2009.
- 4 “Quality bonus” is determined monthly and applied to the hectolitre price if the producer meets standards for milk quality and is in compliance with the Canadian Quality Milk Program.

### **Procedures**

- 5 The CQM program is based on Hazard Analysis Critical Control Points (HACCP) principles, which is an internationally recognized food safety system that is designed to prevent and reduce food safety risks. Producers on the program implement best management practices on their farms and keep records to monitor critical areas of food safety.

The CQM program is technically recognized by the Canadian Food Inspection Agency as adhering to HACCP principles and being scientifically sound.

During the Alberta Milk Annual General Meeting in November 2006 the decision was made to make the program mandatory as a condition of a producers licence by August 1, 2009. It was also agreed that the move to mandatory should be phased in during the period August 1, 2008 to July 31, 2009 through the use of a refundable levy.

The levy is a transitional provision to encourage producers to enroll and gain recognition under the program.

Although not only a transitional provision an incentive for being recognized under the program a milk quality bonus will be paid to all producers meeting the milk quality criteria and being recognized under the CQM program.

## **Transition Provisions**

- 6 Producers must comply with all technical requirements and be registered under the Canadian Quality Milk Program by August 1, 2008, or be assessed a levy on a quarterly basis as follows:

August 31, 2008

- Producers recognized on CQM by this date will not be assessed a levy.
- Producers not recognized on CQM by this date will be assessed a \$1/hL levy on their milk shipped in August.

November 31, 2008

- Producers recognized on CQM by this date will be refunded their August levy.
- Producers not recognized on CQM by this date will lose the opportunity to receive their August levy refund AND will be assessed a \$2/hL levy on their milk shipped in November.

February 28, 2009

- Producers recognized on CQM by this date will be refunded their November levy.
- Producers not recognized on CQM by this date will lose the opportunity to receive their November levy refund AND will be assessed a \$3/hL levy on their milk shipped in February.

May 31, 2009

- Producers recognized on CQM by this date will be refunded their February levy.
- Producers not recognized on CQM by this date will lose the opportunity to receive their February levy refund AND will be assessed a \$4/hL levy on their milk shipped in May.

August 31, 2009

- Producers recognized on CQM by this date will be refunded their May levy.
- Producers not recognized on CQM by this date will lose the opportunity to receive their May levy refund.

## **Milk Quality Bonus Criteria**

- 7 In addition to the conditions referred to in subsection (A) producers who comply with all technical requirements and are registered under the Canadian Quality Milk Program may be eligible for a bonus determined monthly and applied to the hectolitre price if the producer also meets standards for milk quality as set out below:

To receive the milk quality bonus each month, producers will need to meet the following criteria (as a minimum):

- Individual bacteria count must be 30,000 cells per ml or less;
- Somatic cell count of 250,000 per ml or less;
- No positive inhibitor tests;
- Freezing points must be -0.530 H or lower.

## **Effective Date**

- 8 This Directive comes into force August 1, 2008.

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Bill Feenstra, Chairman

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Mike Southwood, General Manager

SIGNED ORIGINAL ON FILE