



Review of the Dairy Industry Restructuring (Raw Milk) Regulations: Options for addressing industry concerns

April 2008

Submission form

MAF welcomes written feedback in response to the discussion document Review of the Dairy Industry Restructuring (Raw Milk) Regulations: Options for addressing industry concerns and the questions in it.

When preparing your feedback, please be as specific as possible in your responses to the questions posed, drawing on your own experience and observations of the Raw Milk Regulations.

Please note

All submissions are subject to the Official Information Act 1982, which specifies that information is to be made available to anyone who requests it, unless there are grounds for withholding it. If you wish your submission or any part of it to be withheld, please indicate what grounds you are claiming. The Ministry of Agriculture and Forestry will take the request into account when determining whether or not to release information. Note that any decision by MAF to withhold information can be reviewed by the Ombudsman.

Send your completed submission, ensuring it arrives by 16 May 2008, to:

Review of Raw Milk Regulations

MAF Policy

Ministry of Agriculture and Forestry

PO Box 2526

Wellington

Email: rawmilkreview@maf.govt.nz

Your details

Name

Position:

Organisation:

Address:

Email:

Are you responding as:

an individual?

on behalf of a group or organisation?

If you are responding on behalf of a group or organisation, please briefly describe it here:

Our questions

Consultation options

We would like to know:

What are your views on replacing the current formula with the Fonterra farm gate milk price?

What are your views on the addition of an X to the Fonterra farm gate milk price?

What is your view on using an auction process to determine X rather than a formulaic process?

Winter milk issues

We would like to know:

What are your main concerns in relation to the calculation of the additional cost of winter milk required under the Raw Milk Regulations?

What would be your preferred method of calculating the additional cost of winter milk: option A or option B or option C or retaining the status quo?

What affect would the above winter milk options have on your business?

Do you have a preference whether winter milk is handled within or outside of the auction process? What are the reasons for that preference?

Do you have any alternative suggestions, or wish to raise additional points, regarding the integration to winter milk with the preferred allocation mechanism?

The 20% rule

We would like to know:

Suppliers: What are the key reasons the 20% rule is not being used now?

Independent processors: What are the key barriers to using the 20% rule?

Finding a fair and efficient milk price

We would like to know:

If option 1 or 2 was adopted, do you prefer:

- setting a figure for X in regulations; or
- having a yearly or bi-annual review process.

Setting the volume cap

We would like to know:

Do you agree with the cap being fixed at 600 million litres?

If you don't agree, why not?

If you don't agree, what is the suggested alternative?

Do you agree that the quantity of raw milk available should not be indexed to Fonterra's total supply?

Managing excess demand

We would like to know:

In principle, do you favour quantity rationing or price rationing for determining the ultimate allocation of the regulated milk supply amongst eligible processors?

Contractual issues

We would like to know:

Do you agree that take or pay provisions should apply to regulated milk? If not, why not?

Any other concerns?

If you have any other concerns or issues that you think this document should have covered, please tell us what they are.

Where to send submissions

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