



# Dairy Industry Restructuring (Raw Milk) Amendment Regulations 2010

Anand Satyanand, Governor-General

## Order in Council

At Wellington this 26th day of April 2010

Present:

His Excellency the Governor-General in Council

Pursuant to sections 115 and 116 of the Dairy Industry Restructuring Act 2001, His Excellency the Governor-General, acting on the recommendation of the Minister of Agriculture and on the advice and with the consent of the Executive Council, makes the following regulations.

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## **Regulations**

### **1 Title**

These regulations are the Dairy Industry Restructuring (Raw Milk) Amendment Regulations 2010.

### **2 Commencement**

These regulations come into force on 1 June 2010.

### **3 Principal regulations amended**

These regulations amend the Dairy Industry Restructuring (Raw Milk) Regulations 2001.

### **4 Interpretation**

(1) The definition of **additional cost of winter milk** in regulation 3(1) is amended by omitting “total payout per kilogram of milksolids” and substituting “farm gate milk price”.

(2) Regulation 3(1) is amended by inserting the following definitions in their appropriate alphabetical order:

“**additional cost of organic milk** means the cost to new co-op of organic milk supplied to new co-op in a season per kilogram of milksolids minus the farm gate milk price in that season

“**distribution** has the same meaning as in the Companies Act 1993

“**farm gate milk price** means the total cost of milk divided by kilograms of milksolids

“**total cost of milk** means the total calculated by—

“(a) getting a sum by adding together all payments to which all the following apply:

“(i) the payment is made by new co-op and interconnected bodies corporate of new co-op; and

“(ii) the payment is made to a shareholding farmer; and

“(iii) the payment is made to the farmer in the farmer’s capacity as a farmer supplying milk to new co-op

- and not in the farmer's capacity as a shareholding farmer; and
- “(iv) the payment is for the milk that the farmer supplies to new co-op in a season; and
- “(b) deducting from the sum—
- “(i) distributions in the season to farmers in their capacity as shareholding farmers and not in their capacity as farmers supplying milk to new co-op; and
- “(ii) the new co-op retention for the season; and
- “(iii) the total organic milk premium for the season; and
- “(iv) the total winter milk premium for the season

“**total organic milk premium** means the total premium paid to shareholding farmers for the supply of organic milk to new co-op and interconnected bodies corporate of new co-op in a season”.

- (3) Regulation 3(1) is amended by revoking the definitions of “annualised share value” and “total payout”.
- (4) Regulation 3(2)(b) is revoked.
- (5) Regulation 3(2)(e) is revoked and the following paragraphs are substituted:
- “(e) milksolids:
- “(ea) new co-op:”.

## 5 Price of raw milk

The formula in regulation 8(6) is revoked and the following formula substituted:

farm gate milk price + \$0.10 per kilogram of  
milksolids

## 6 Regulation 9 revoked

Regulation 9 is revoked.

## 7 Other terms of supply

Regulation 10 is amended by omitting “6(2)(b) or regulation 7(2)(a)(ii) or (b)(ii)” in each place where it appears and substituting “6(2)(b) or 7(2)(b)” in each case.

**8 Obligations to publish information**

- (1) Regulation 16(1)(a) is amended by omitting “payout” and substituting “cost of milk”.
- (2) Regulation 16(1) is amended by inserting the following paragraph:  
“(aa) the farm gate milk price for the season; and”.
- (3) Regulation 16(1)(d) is amended by omitting “season.” and substituting “season ; and”.
- (4) Regulation 16(1) is amended by adding the following paragraph:  
“(e) the additional cost of organic milk for the season.”
- (5) Regulation 16(4)(a) and (b) are revoked.
- (6) Regulation 16(4)(c) is amended by omitting “payout” and substituting “cost of milk”.
- (7) Regulation 16(4) is amended by inserting the following paragraph:  
“(ca) the farm gate milk price for the season; and”.
- (8) Regulation 16(4) is amended by inserting the following paragraph:  
“(fa) the additional cost of organic milk for the season; and”.
- (9) Regulation 16(5) is revoked.

Rebecca Kitteridge,  
Clerk of the Executive Council.

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**Explanatory note**

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations provide for the specification of the price that independent processors of raw milk must pay Fonterra for supplying them with the milk.

The regulations come into force on 1 June 2010.

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**Dairy Industry Restructuring (Raw Milk)  
Amendment Regulations 2010**

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Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 29 April 2010.

These regulations are administered by the Ministry of Agriculture and Forestry.

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