

United Kingdom Milk Prices and Composition of Milk

The latest national statistics produced by Defra on UK milk prices and composition of milk were released on 30th August 2012 according to the arrangements approved by the UK Statistics Authority.

This monthly notice will be updated at 09:30 on 27th September 2012

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Key points

This release shows the latest monthly information on the average UK farm gate milk prices and the UK average butterfat and protein of milk delivered to dairies.

- In July 2012 the UK average farm gate price of milk (excluding bonuses) was 26.38 pence per litre, 0.83 pence per litre lower than in July 2011
- In July 2012 the average butterfat content of UK milk was 3.94 per cent, compared with 3.92 per cent in July 2011
- In July 2012 the average protein content of UK milk was 3.20 per cent, compared with 3.23 per cent in July 2011

This notice and additional information is available at:

<http://www.defra.gov.uk/statistics/foodfarm/farmgate/milkprices/>

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Section 1: UK farm gate milk price (pence per litre)

Table 1 shows average UK farm gate milk prices calculated from monthly surveys of milk purchasers conducted in England and Wales by Defra, in Scotland by RERAD and in Northern Ireland by DARD. These surveys together account for approximately 91% of UK milk bought by milk purchasers this month.

Table 1: UK farm gate price of milk (pence per litre)

		Excluding retrospective bonus payments made by purchasers	Including retrospective bonus payments made by purchasers
2006		17.94	17.95
2007		20.66	20.67
2008		25.91	25.93
2009 (a)		23.71	23.73
2010		24.65	24.67
2011*		27.35	27.36
2011*	Jul	27.21	27.22
	Aug	27.59	27.60
	Sep	28.13	28.14
	Oct	29.09	29.10
	Nov	29.45	29.46
	Dec	29.33	29.34
2012*	Jan	28.97	28.98
	Feb	28.89	28.90
	Mar	28.65	28.65
	Apr	27.83	27.85
	May	26.94	26.95
	June	26.16	26.17
	July	26.38	26.38

(*) provisional figures

(a) Milk prices during 2009 were affected by Dairy Farmers of Britain going into receivership. The annual average milk price for 2009 excluding milk purchased by DFoB was 24.00ppl.

Section 2: Composition of milk in the UK

Average butterfat and protein contents are derived from information provided by milk purchasers via the monthly returns to the Rural Payments Agency with additional protein data from Defra's monthly survey of milk purchasers in England and Wales.

Table 2: Average Butterfat and Protein Content of UK Produced Milk

	Butterfat %				Protein %			
	2009/10	2010/11	2011/12*	2012/13*	2009/10	2010/11	2011/12*	2012/13*
Apr	4.04	3.94	4.02	4.06	3.23	3.23	3.22	3.27
May	3.93	3.80	3.90	3.97	3.26	3.27	3.24	3.24
Jun	3.78	3.76	3.94	3.93	3.24	3.25	3.23	3.22
Jul	3.83	3.82	3.92	3.94	3.22	3.22	3.23	3.20
Aug	3.90	3.85	4.00		3.26	3.25	3.26	
Sep	4.00	3.92	4.10		3.32	3.33	3.31	
Oct	4.04	4.03	4.13		3.36	3.36	3.32	
Nov	4.08	4.11	4.18		3.34	3.36	3.33	
Dec	4.10	4.15	4.20		3.32	3.37	3.31	
Jan	4.11	4.03	4.14		3.30	3.28	3.27	
Feb	4.07	3.99	4.13		3.26	3.25	3.26	
Mar	4.04	4.08	4.10		3.24	3.24	3.24	
Average	3.99	3.95	4.06		3.28	3.28	3.27	

(*) provisional figures

Sources: RPA, Defra

Section 3: Methodology, Notes and Revisions Policy

1. The information in this notice is used by the UK government and the EU as evidence for assessing market conditions and evaluating agricultural policy. The prices are also required by the EU under regulation 479/2010, Article 2 (3)(a). Other users include the food and farming industry, academia and the general public. Contact details are available on the front page of this notice, for you to send feedback or ask questions about the information provided.
2. Average UK farm gate milk prices: Defra runs a monthly survey of registered milk purchasers in England and Wales. It is a statutory sample survey of 35 respondents that collects information on the volume, value and protein content of milk purchased from farms in England and Wales. All major milk purchasers (those purchasing over 2 million litres of milk a year) take part in the survey. Similar surveys are run by RERAD in Scotland and DARD in Northern Ireland.
3. The published farm gate prices are weighted according to the volume of milk purchased by purchasers. The averages are strongly influenced by the larger milk purchasers, and smaller purchasers have little influence on the UK weighted average. The farm gate price is the average price received by producers, net of delivery charges. No deduction is made for superlevy. Some purchasers pay bonuses retrospectively to producers. When this happens the bonus is split across the relevant months, and applied to the "including bonus" prices shown in Table 1.
4. The total volume of milk recorded by the surveys is compared with information from the Rural Payments Agency on the volume of milk delivered to dairies (information which is collected under milk quota regulations). The milk prices surveys account for over 90 per cent of milk purchased from farms in the UK.
5. Composition of milk: The Rural Payment Agency collects information on the butterfat content of milk delivered to dairies under the milk quota regulations. The information is published on the RPA website (www.rpa.gov.uk) and is repeated here for convenience. The RPA also collects information on the average protein content of milk, but only from larger purchasers. This information is supplemented with information from the Defra milk prices survey to obtain a UK average. As for the average prices the average butterfat and protein contents are weighted according to the volume of milk purchased.
6. The data are subject to a variety of validation checks which identify inconsistencies in the data. All data are cleaned prior to publication in discussion with the survey respondents.

Revisions policy

7. Figures in this notice are provisional and subject to revision. We will provide information about any revisions we make to previously published information in this statistics notice, and the associated datasets. Revisions could occur for various reasons, including:
 - a. if we have not received survey data from respondents we make an estimate based on their previous returns. These estimates are replaced with actual figures when they are received.
 - b. survey respondents occasionally supply amended figures for previous periods.
 - c. receipt of amended data from Scotland and Northern Ireland.
 - d. payment of retrospective bonuses which affect the "including bonus" price.
8. **This month there are minor revisions to previously published figures from April 2012 due to amended survey data.**