

Bill No. 60 of 1950.

A BILL RESPECTING THE MANUFACTURE
AND PROCESSING OF DAIRY PRODUCTS.

NOTE.

This Bill enacts a new Act to be known as "*The Dairy-men's Act, 1950*" which repeals and replaces *The Dairy-men's Act*, being chapter 258 of the Revised Statutes of Alberta, 1942.

Part I of the present Act has been deleted. This Part dealt with the incorporation of associations for the manufacture of butter and cheese or for the purpose of fattening poultry and prescribed rules for the management and operation of such associations. The method of incorporation and operation provided for in these sections is no longer used so this Part has accordingly not been included.

The remaining amendments have been made mainly for the purpose of clarification and simplification of the existing provisions. Some rearrangement and renumbering of sections has taken place to improve the sequence. A few new sections have been added similar to provisions which have proved advantageous in other provinces. The term "dairy manufacturing plant" has been defined as meaning a dairy, cheese factory, creamery, concentrated milk plant, ice cream plant, process cheese plant or skimming station. This avoids considerable repetition throughout the Act in provisions applicable to all of these organizations.

The definition of the term "dairy" has been broadened to include a place that purchases milk for pasteurizing and processing for distribution regardless of the number of patrons. The effect of this change is that the Act will now apply to a few small dairies which were not previously covered by its provisions. As a result they would have to commence purchasing milk and cream on the basis of butter-fat content as determined by the test prescribed in the Act.

No changes have been made in the sections relating to licensing. Creameries, cheese factories and concentrated milk plants are the only ones which are required to be licensed. The Act requires a permit to be obtained before any new dairy manufacturing plant is established. This will enable the Department to obtain information about such plants even though they are not required to be licensed.

Section 3 of the Bill provides for the appointment of the officers, inspectors, graders, testers, weighers and so forth required for the administration of the Act.

Sections 4 to 6 deal with inspection of dairy manufacturing plants and testing or grading of milk or cream by inspectors.

Sections 7 to 11 deal with sanitation in dairy manufacturing plants and in the handling of milk, cream and dairy utensils.

Sections 12 to 24 deal with the sampling, testing and purchasing of milk and cream. All milk or cream is required to be purchased on the basis of butterfat content as determined by the tests prescribed in the Act. Records are required to be kept of tests made and dairy manufacturing plants are also required to keep records of milk or cream purchased and processed. The times and methods of paying for milk and cream and the statements to be supplied to the patrons are prescribed by the Act. The Minister is also authorized to require information and statistical returns from dairy manufacturing plants.

Sections 25 and 26 deal with permits to establish a dairy manufacturing plant.

Sections 27 to 36 deal with licensing. Creameries, cheese factories and concentrated milk plants are required to be licensed. Persons who grade or test milk or cream are also required to be licensed. The methods of applying for and issuing a license are set out in the Act. If any person fails to comply with the provisions of the Act or is found guilty of an offence against the Act the Minister may cancel or suspend his license. The Minister is empowered to appoint advisory boards to inquire into any matter relating to the granting, renewal, cancellation or suspension of a license. The Minister may act on the recommendation of the advisory board. The Minister may require any person who wishes to be licensed as a grader or tester of milk or cream to pass an examination and to demonstrate his ability to use the testing apparatus.

Section 37 prohibits discrimination by persons who purchase milk, cream or butterfat for the purpose of manufacturing or processing for distribution. Discrimination in price as between patrons after making due allowance for differences in grade or in costs of transportation is prohibited.

Section 38 authorizes the Minister to assess owners of dairy manufacturing plants with a reasonable proportion of the cost of the services of inspectors, graders, testers and weighers appointed under section 3. Sections 39 to 45 are general provisions. The Minister, with the approval of the Lieutenant Governor in Council, is authorized to make regulations. The regulations may define grade descriptions and grade standards of dairy products. They may also prescribe requirements in connection with the location, construction, operation, maintenance and equipment of dairy manufacturing plants. Standards of qualification for persons engaged in grading or testing may be fixed. The

regulations may also prescribe price standards and the basis of calculation of such standards. All regulations are required to be published in *The Alberta Gazette*. Provision is made for the delegation of certain powers of the Minister to the Board of Public Utility Commissioners.

Section 41 prescribes penalties for obstructing or impeding an inspector. Section 42 is the general penalty section. Section 43 provides that a justice of the peace having a pecuniary interest in a dairy manufacturing plant shall not hear any complaint under the Act.

KENNETH A. MCKENZIE,
Acting Legislative Counsel.

(This note does not form any part of the Bill but is offered in explanation of its provisions.)

BILL

No. 60 of 1950.

An Act respecting the Manufacture and Processing
of Dairy Products.

(Assented to _____, 1950.)

HIS MAJESTY, by and with the advice and consent of
the Legislative Assembly of the Province of Alberta,
enacts as follows:

Short Title.

1. This Act may be cited as "*The Dairymen's Act, 1950*".

Interpretation.

2. In this Act, unless the context otherwise requires,—
 - (a) "cheese factory" means a place to which milk from the herds of five or more persons is brought for the purpose of being manufactured into cheese for public sale;
 - (b) "Commissioner" means the Dairy Commissioner appointed pursuant to this Act;
 - (c) "concentrated milk plant" means a place at which milk is dehydrated or condensed or evaporated or powdered or converted into casein;
 - (d) "creamery" means a place to which milk or cream from the herds of five or more persons is brought for the purpose of being manufactured into butter for public sale;
 - (e) "dairy" means a place at which milk or cream is purchased or received for the purpose of being pasteurized, standardized or otherwise processed and resold to the wholesale or retail trade;
 - (f) "dairy manufacturing plant" means a dairy, cheese factory, creamery, concentrated milk plant, ice cream plant, process cheese plant or skimming station or any combination thereof;
 - (g) "Department" means the Department of Agriculture;
 - (h) "ice cream plant" means a place at which ice cream or ice cream mix is manufactured for the purpose of sale to retail distributors;
 - (i) "inspector" means an inspector appointed pursuant to this Act;
 - (j) "Minister" means the Minister of Agriculture;

- (k) "patron" means a person who brings or supplies milk or cream to any dairy manufacturing plant;
- (l) "process cheese plant" means a place to which cheese is brought from one or more lots for the purpose of mixing, pasteurizing or emulsifying;
- (m) "skimming station" means a place where milk from the herds of five or more persons is received and creamed by means of a centrifugal cream separator.

Appointment of Officers.

3. Subject to the provisions of *The Public Service Act, 1947*, the Minister, with the approval of the Lieutenant Governor in Council, may appoint a Dairy Commissioner and such supervisors, inspectors, graders, testers, weighers, clerks and servants as are necessary for carrying out the provisions of this Act and may prescribe their duties and fix their remuneration.

Inspection and Grading.

4. Any person appointed under section 3 shall have free access and admission at all reasonable hours to all dairy manufacturing plants and everything contained therein and on the premises thereof and also to the buildings and premises used for any dairy purpose by any patron.

5. An inspector may weigh and take samples of any milk or cream for the purpose of testing or grading whether it is in the possession of the producer, vendor, purchaser, carrier or storage company.

6. The grades, the percentages of butterfat and the weight of milk or cream as determined and reported by any grader, tester, weigher, inspector or supervisor appointed under this Act shall constitute the official grade, butterfat test and weight of the milk or cream and shall be the basis on which final settlement shall be made to the producer.

Sanitation.

7. The buildings and premises of every dairy manufacturing plant shall be kept in a sanitary condition satisfactory to any inspector or officer appointed under the provisions of this Act.

8. All materials entering into the manufacture and processing of dairy products shall be clean and wholesome and the methods employed in manufacturing or processing shall be sanitary.

9.—(1) The methods of handling and caring for milk, cream and dairy utensils used by patrons shall be clean and sanitary and satisfactory to any dairy inspector appointed under the provisions of this Act.

(2) Upon the report of the Dairy Commissioner or any inspector that a dairy manufacturing plant is not in a sanitary condition or that the methods of manufacture are unsanitary, the Minister may order the owner, operator, manager or other person in charge thereof to close the same forthwith and it shall be kept closed until the Dairy Commissioner or inspector reports that such condition and methods are satisfactory.

10. If, in the opinion of an inspector or a licensed grader or tester, any lot or shipment of milk or cream,—

- (a) is unsanitary; or
 - (b) contains any contaminating substance; or
 - (c) is or appears to be unfit for human consumption;
- such milk or cream shall be coloured by the inspector or by the licensed grader or tester at any dairy manufacturing plant with a harmless colouring matter and returned to the patron at his expense or may be disposed of in some manner other than in the manufacture or processing of any dairy product.

11. No person shall deliver to any express, railway or other transportation company any empty milk, cream or ice cream container for shipment, forwarding or delivery unless it has first been thoroughly washed or cleansed and rendered sanitary.

Sampling, Testing and Purchasing Milk and Cream.

12. All milk or cream supplied by a patron to a dairy manufacturing plant shall be purchased on the basis of butterfat content.

13. The percentage of butterfat in milk supplied to a dairy manufacturing plant shall be determined by the Babcock test and the measuring pipette used shall have a marked capacity of 17.6 cubic centimeters.

14. The percentage of butterfat in cream supplied to a dairy manufacturing plant shall be determined by the Babcock test and the cream placed in the test bottle shall weigh 18 grammes.

15. Where a composite test is made to determine by the Babcock test the percentage of butterfat contained in milk supplied to dairy manufacturing plants by any patron, a sample shall be taken from each weighing and the proportion which the sample bears to the weight of the milk from which it is taken shall be maintained in the taking of all other samples entering into such composite test.

16. The sample of milk and cream collected for a composite test from several lots of milk or cream received from one patron shall be kept in a cool place in a separate tightly

stoppered glass bottle or jar plainly labelled with the patron's name or number corresponding to the sample number on the plant record sheet.

17. No sample of milk or cream taken for such composite test shall be adulterated, treated or tampered with in any manner which may affect results of the tests.

18.—(1) The original records of all tests, composite or otherwise, made to determine the butterfat content of milk and cream shall be signed by the person determining same and kept at the dairy manufacturing plant for a period of twelve months.

(2) Any patron or any inspector appointed under this Act shall have the right to examine the record at all reasonable hours.

19. No owner, operator, manager or other person in charge of a dairy manufacturing plant shall, in respect of any milk or cream purchased from a patron, base the purchase price upon a weight, butterfat test, grade or classification other than the correct weight, butterfat test, grade or classification.

20.—(1) The owner, operator, manager or other person in charge of a dairy manufacturing plant shall keep a record on the premises where the milk or cream is received,—

- (a) of the amount of milk or cream received each day from each patron;
- (b) of the disposition made thereof; and
- (c) of the weight in pounds or quantity in gallons, as the case may be, of all dairy products manufactured or processed daily.

(2) Such records shall be kept for a period of twelve months and any inspector appointed under this Act shall have the right to examine them at all reasonable hours.

21. The owner, operator, manager or other person in charge of a dairy manufacturing plant shall make and deliver with every payment to each patron from whom cream has been purchased, and in any event at intervals of not more than sixteen days, a statement showing among other details,—

- (a) the name and address of the issuer;
- (b) either the name and address of the person to whom it is issued or a serial number corresponding to a similar number on the settlement cheque and the plant record sheet;
- (c) the period which the statement covers;
- (d) the quantity, in pounds, of cream supplied by him during the period;
- (e) the butterfat test of the cream;

- (f) the butterfat content, in pounds, of the cream;
- (g) the grade of the cream;
- (h) the rate of payment per pound of butterfat;
- (i) the total amount paid.

22. The owner, operator, manager or other person in charge of any dairy manufacturing plant shall make and deliver with every payment to each patron from whom milk has been purchased, and in any event at intervals of not more than sixteen days, a statement showing among other details,—

- (a) the name and address of the issuer;
- (b) either the name and address of the person to whom it is issued or a serial number corresponding to a similar number on the settlement cheque and the plant record sheet;
- (c) the period which the statement covers;
- (d) the quantity in pounds of milk supplied by him during the period;
- (e) the grade of the milk if payment is based on grade;
- (f) the butterfat test of the milk;
- (g) the basis and rate of payment per pound of butterfat or per one hundred pounds of milk, as the case may be;
- (h) the total amount paid.

23. The production of the statements required in sections 21 and 22 shall be *prima facie* evidence of the facts contained therein.

24. The owner, operator, manager or other person in charge of a dairy manufacturing plant shall make such statistical returns and supply information as to ownership, officers and patronage dividends in such form and at such times as the Minister may require.

Permit to Establish Plant.

25. Any person desiring to establish a dairy manufacturing plant in the Province shall make application in writing to the Minister for a permit to do so.

26. No person, for the purpose of operating a dairy manufacturing plant, shall erect a building or establish a plant in any building already erected until the site and the plans and specifications have been approved by the Minister.

Licenses.

27.—(1) No person shall operate any creamery, cheese factory or concentrated milk plant or act as the grader or tester of milk or cream until he has obtained from the Minister a license to do so.

(2) The Minister, upon the application of any person licensed to operate a creamery, cheese factory or concentrated milk plant, may issue a permit in writing authorizing the person so licensed to transfer or forward any milk or cream purchased by him from his patrons to some other point to be manufactured or resold.

28.—(1) Every application for a license shall be in writing and shall be accompanied by such particulars as the Minister may from time to time require, together with the fee payable in respect of the license.

(2) The Minister, in his discretion, may grant or refuse to grant any license.

(3) Every license shall expire on the thirty-first day of December following the date of issue.

(4) The Lieutenant Governor in Council, from time to time by regulation, may prescribe the conditions subject to which any license is issued under this Act and the fees payable in respect thereof.

29. In case it is made to appear to the Minister that the holder of any license issued under this Act is guilty of any offence against this Act or has failed to comply with any provision of this Act or the regulations, the Minister, in his discretion by writing under his hand, may cancel or suspend such person's license.

30.—(1) The Minister, from time to time, may appoint one or more advisory boards each consisting of a chairman and not more than two other members.

(2) The chairman and members of an advisory Board,—

(a) shall hold office during the pleasure of the Minister; and

(b) shall receive such expenses as may be approved by the Minister; and

(c) shall not receive any remuneration for their services.

31.—(1) An advisory Board, when requested to do so by the Minister, shall inquire into any application for the granting or renewal of any license in respect of a creamery, cheese factory or concentrated milk plant or shall inquire into the propriety or otherwise of suspending or cancelling any license in respect of a creamery, cheese factory or concentrated milk plant and shall report its recommendations in writing to the Minister.

(2) For the purpose of making any such inquiry an advisory board shall have all the powers that may be conferred upon a commissioner appointed under *The Public Inquiries Act*.

32.—(1) The Minister,—

- (a) in any case which he has referred to an advisory board, upon the recommendation of that board; and
- (b) in any other case when he thinks fit;

may refuse any application for the granting or renewal of any license or permit or may cancel or suspend any license or permit.

(2) The Minister, upon being satisfied by the report of the Dairy Commissioner or an advisory board or an inspector or otherwise,—

- (a) that any place in respect of which a license has been issued has ceased to conform to any of the requirements of this Act or of the regulations; or
- (b) that the business conducted thereon is not operated in conformity with the provisions of this Act or the regulations;

may, in his discretion, either cancel the license or suspend it until such time as he is satisfied that the place does conform to the requirements and that adequate measures have been taken for the future operation of the business in such a way as to comply with the provisions of this Act and the regulations.

33. Every person who operates any creamery, cheese factory or concentrated milk plant who is not for the time being the holder of a valid and subsisting license under this Act shall be guilty of an offence and liable on summary conviction to a fine of ten dollars per day for every day upon which he has so operated without a license, together with costs, and in default of payment to imprisonment for not more than sixty days.

34.—(1) No person shall operate a milk or cream testing apparatus to determine the percentage of butterfat in milk or cream for the purpose of purchasing the same either for himself or for another without first securing a license from the Minister authorizing him to operate the apparatus.

(2) The testing of each lot of milk or cream by any unlicensed person shall constitute a separate offence.

(3) Notwithstanding subsection (1), any licensed person may appoint a capable substitute for valid reasons for a period not to exceed ten days.

35.—(1) Any person desiring to secure a license to operate a milk or cream testing apparatus shall make application therefor on a form prepared and provided by the Minister.

(2) The Minister may require the applicant to pass an examination and to prove by actual demonstration that he is competent and qualified to use the apparatus properly and to make an accurate test with it.

36. The fees collected under the provisions of this Act shall be paid into the General Revenue Fund of the Province by the Minister.

Discrimination.

37.—(1) In the purchasing of milk, cream or butterfat for the purpose of manufacturing or processing for distribution, no person shall discriminate in the prices paid by purchasing such commodity at a lower price from one patron than is paid by such person for the same commodity at the same time to another patron, after making due allowance for any difference in grade or in cost of transportation from the point of production to the point of manufacture or processing.

(2) Any person violating any provision of this section shall be guilty of an offence and liable upon summary conviction to a fine of not less than fifty dollars and not more than five hundred dollars.

Assessments.

38.—(1) The Minister may assess every owner of any dairy manufacturing plant with a reasonable proportion of the total cost of the services of the inspectors, graders, testers and weighers appointed under section 3, and in his discretion, may fix and determine the proportion, the times when it is payable and the method by which it is to be paid.

(2) All such assessments shall be a debt due from the respective owners to the Crown.

(3) The assessments when received by the Minister shall be deposited in a chartered bank or treasury branch in a special trust fund to be called "The Provincial Treasurer's Dairying Service Account".

(4) The Dairy Commissioner shall pay all proper expenditures or charges for those services out of The Provincial Treasurer's Dairying Service Account.

General.

39.—(1) For the purpose of carrying into effect the provisions of this Act, the Minister, with the approval of the Lieutenant Governor in Council, may make regulations,—

- (a) defining grade descriptions and grade standards of dairy products;
- (b) specifying the conditions upon which dairy products may be graded for the producers, manufacturers or owners thereof;
- (c) providing for the weighing of lots or shipments of dairy products and the issue of weight certificates in respect thereof, and prescribing the form of such certificates and the conditions upon which the same may be issued;

- (d) prescribing requirements to be complied with in the location, construction, operation and maintenance of dairy manufacturing plants;
 - (e) prescribing the type, amount and standard of equipment required in any dairy manufacturing plant;
 - (f) prescribing methods of manufacturing, processing, dealing with or handling milk or cream in any dairy manufacturing plant;
 - (g) prescribing standards of qualification for persons engaged in the grading, testing, manufacturing and processing of dairy products and providing for the issuance of licenses and permits;
 - (h) prescribing maximum and minimum standards of price for milk, cream and butterfat or any of them or any grade or grades thereof;
 - (i) prescribing the basis of calculation of standards of price having regard to all or any of the following circumstances, namely,—
 - (i) the prevailing market price of the commodity or of other commodities manufactured therefrom;
 - (ii) the manner of delivery;
 - (iii) the cost of delivery;
 - (iv) any advantage in the nature of a bonus or dividend which accrues or may accrue to the vendor in respect of the sale.
 - (v) any other circumstance which has any effect on the price;
 - (j) prohibiting the sale of milk, cream and butterfat or any of them at a price which is greater than the maximum price or less than the minimum price prescribed in respect thereof;
 - (k) governing generally all such matters as the Minister may consider necessary, advisable and convenient for the purpose of carrying into effect the provisions of this Act.
- (2) Every regulation shall be published in *The Alberta Gazette* and shall come into force either on the date of publication or on such later date as may be prescribed for that purpose and upon so coming into force shall have the same force and effect as if the same had been expressly enacted as a part of this Act.

40. Whenever in this Act anything is directed to be done by the Minister with respect to any matter, the Lieutenant Governor in Council, upon the recommendation of the Minister, may refer the matter to the Board of Public Utility Commissioners who thereupon shall have the same powers to act in the matter as are conferred upon the Minister by this Act or such of them as may be delegated to the Board.

41. Any person who,—

- (a) obstructs, hinders or impedes any inspector making or attempting to make any inspection or taking or attempting to take any sample pursuant to this Act; or
- (b) refuses to admit to any premises over which he has control any inspector who demands admission to the premises for the purpose of making any inspection or taking any samples, being premises to which an inspector is entitled to admission by virtue of this Act; or
- (c) fails to afford reasonable facilities for the making of any inspection; or
- (d) over-reads or under-reads any Babcock test made for any of the purposes of this Act;

shall in each case be guilty of an offence and liable on summary conviction to a penalty of not less than ten dollars nor more than one hundred dollars together with costs, and in default of payment to imprisonment for a term of not more than sixty days.

42. Any person who contravenes any of the provisions of this Act or of any regulation for which no penalty is specifically provided shall be guilty of an offence and liable on summary conviction to a fine of not more than fifty dollars and costs and in default of payment to imprisonment for not more than thirty days.

43. No justice of the peace having any pecuniary interest in a dairy manufacturing plant shall hear or determine any complaint under this Act.

44. *The Dairymen's Act*, being chapter 258 of the Revised Statutes of Alberta, 1942, is hereby repealed.

45. This Act shall come into force on the first day of July, 1950.

No. 60

THIRD SESSION
ELEVENTH LEGISLATURE

14 GEORGE VI

1950

BILL

An Act respecting the Manufacture
and Processing of Dairy Products.

Received and read the

First time

Second time

Third time

HON. MR. URE.
