

1987 BILL 58

Second Session, 21st Legislature, 36 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 58

DAIRY INDUSTRY AMENDMENT ACT, 1987

MR. JONSON

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 58
Mr. Jonson

BILL 58

1987

DAIRY INDUSTRY AMENDMENT ACT, 1987

(Assented to _____, 1987)

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

1 The Dairy Industry Act is amended by this Act.

2 Section 1 is repealed and the following is substituted:

1 In this Act,

(a) “analyst” means a person designated as an analyst under this Act;

(b) “bulk milk grader” means a person licensed or designated as a bulk milk grader under this Act;

(c) “dairy farm” means a premises where 1 or more milking animals are kept and from which a part or all of the milk is sold, offered for sale or supplied for human consumption, and includes all buildings, yards and premises occupied or used in connection with the production of milk;

(d) “dairy manufacturing plant” means an establishment in which a dairy product is manufactured, pasteurized, processed or reprocessed or packed or repacked, but does not include

(i) any place on a producer’s dairy farm in which the producer uses milk he produces to manufacture, pasteurize, process or reprocess or pack or repack a dairy product, if the milk so used constitutes an insignificant part of his total milk production and in no case exceeds 50 litres per day, or

(ii) a retail store that operates or uses a freezing device by means of which a frozen dairy product mix manufactured by a licensed dairy manufacturing plant is frozen;

(e) “dairy product” means milk, cream, butter, cheese, ice cream, condensed milk, evaporated milk, milk powder, dry milk, malted milk, sherbet or any other product manufactured wholly or mainly from milk, and any other product defined as a dairy product in the regulations;

Explanatory Notes

1 This Bill will amend chapter D-1.1 of the Statutes of Alberta, 1981.

2 Section 1 presently reads:

1 *In this Act,*

(a) *“bulk milk grader” means a person licensed as a bulk milk grader under this Act;*

(b) *“dairy manufacturing plant” means an establishment licensed under this Act in which a dairy product is processed, manufactured, reprocessed, packed or repacked;*

(c) *“dairy product” means milk, cream, butter, cheese, ice cream, condensed milk, evaporated milk, milk powder, dry milk, malted milk, sherbet or any other product manufactured wholly or mainly from milk and any other product defined as a dairy product in the regulations;*

(d) *“Director” means the person designated by the Minister as Director under section 2;*

(e) *“fluid milk product” means fluid milk product as defined in the regulations;*

(f) *“grader” means a person licensed or appointed as a grader under this Act;*

(g) *“imitation dairy product” means any food substance other than a dairy product, of whatever origin, source or composition, that is manufactured*

(i) wholly or in part from a fat or oil, other than that of milk,

(ii) for human consumption, and

(iii) for the same or similar use as, and in semblance of, a dairy product,

but does not include margarine as defined in the Margarine Act or any product intended for use as a dessert topping or as a coffee whitener;

(h) *“inspector” means an inspector designated by the Minister under this Act;*

(f) “Director” means the person designated by the Minister as Director under this Act;

(g) “fluid milk product” means fluid milk product as defined in the regulations;

(h) “grader” means a person licensed or designated as a grader under this Act;

(i) “imitation dairy product” means any food substance other than a dairy product, of whatever origin, source or composition, that is manufactured

(i) wholly or in part from a fat or oil, other than that of milk,

(ii) for human consumption, and

(iii) for the same or a similar use as, and in semblance of, a dairy product,

but does not include margarine as defined in the *Margarine Act* or any product intended for use as a dessert topping, coffee whitener or infant formula;

(j) “inspector” means an inspector designated by the Minister under this Act;

(k) “manufactured”, with respect to butter, includes that stage of the operation when butter is packed or placed in a package;

(l) “milk” means the normal lacteal secretion, practically free from colostrum, that is obtained from the mammary gland of an animal;

(m) “Minister” means the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of this Act;

(n) “package” means a container or covering used for the packing, wrapping or covering of a dairy product;

(o) “pasteurizer operator” means a person licensed as a pasteurizer operator under this Act;

(p) “producer” means a person who owns or controls 1 or more animals kept for milk production on a dairy farm;

(q) “producer-distributor” means a producer who distributes, retails or supplies milk or cream to any person, other than to a dairy manufacturing plant, whether or not for gain;

(r) “tester” means a person licensed or designated as a tester under this Act.

3 Section 2(2), (3) and (4) are repealed and the following is substituted:

(2) The Minister may

(a) designate employees of the Government under his administration as Director and as supervisors, graders, analysts, inspectors, weighers or testers,

(i) “manufactured”, with respect to butter, includes that stage of the operation when butter is packed or placed in a package;

(j) “Minister” means the Minister of Agriculture;

(k) “package” means a container or covering used for the packing, wrapping or covering of a dairy product;

(l) “patron” means a person who supplies milk or cream for use by a dairy manufacturing plant;

(m) “tester” means a person licensed or appointed as a tester under this Act.

3 Section 2(2), (3) and (4) presently read:

(2) *The Minister may designate employees of the Government under his administration as a Director, supervisors, analysts, inspectors, weighers or clerks.*

(3) *The Minister may designate persons who in his opinion are qualified as graders or testers for the purposes of this Act.*

(b) designate employees of the Government of Canada as graders, analysts or inspectors, and

(c) designate persons, other than employees referred to in clauses (a) and (b), who in his opinion are qualified as analysts, graders, testers, bulk milk graders or pasteurizer operators

for the purposes of this Act.

(3) A person who is designated

(a) under subsection (2)(a) or (b), or

(b) as an analyst under subsection (2)(c)

need not be licensed under this Act.

4 Sections 3 and 4 are repealed and the following is substituted:

3 The Director, a supervisor and an analyst, inspector, tester, grader or weigher who is an employee of the Government of Alberta or Canada may enter at any reasonable hour any dairy manufacturing plant and any building or premises, other than a private dwelling-house, used by a producer in connection with the operation of his dairy farm, and may examine

(a) the plant or the building or premises,

(b) books, records and documents pertaining to dairy purposes,

(c) dairy products and imitation dairy products, and

(d) animals and equipment used for dairy purposes

for the purpose of determining whether this Act and the regulations are being complied with.

4(1) An inspector may enter at any reasonable hour

(a) a dairy manufacturing plant,

(b) a building or premises, other than a private dwelling-house, used by a producer in connection with the operation of his dairy farm, and

(c) a building, premises or vehicle owned or operated by a manufacturer, vendor, carrier or person engaged in the storage of dairy products, or the agent of any of them,

for the purposes of inspecting, grading, testing, analyzing, weighing or taking samples of a product that he believes on reasonable grounds to be a dairy product, an imitation dairy product or a food containing an imitation dairy product.

(2) When an inspector believes, on reasonable grounds, that an offence against this Act or the regulations has been committed, he may seize, detain and take away all dairy products, imitation dairy products, foods containing imitation dairy products and other things by means of or in relation to which he reasonably believes the offence was committed.

(3) An inspector may order that all dairy products, imitation dairy products or foods containing imitation dairy products seized,

(4) The Minister may designate employees of the Government of Alberta or of the Government of Canada as analysts, graders or inspectors for the purposes of this Act.

4 Sections 3 and 4 presently read:

3(1) A Director, supervisor, analyst, inspector, weigher, grader or tester designated under section 2 may enter at any reasonable hour

(a) any dairy manufacturing plant and its premises, and

(b) any building and premises used for any dairy purpose by a patron, other than a private dwelling house,

to examine books or records pertaining to dairy purposes, dairy products, imitation dairy products, equipment, buildings and premises.

(2) When acting under the authority of this Act, a person designated under section 2 shall carry identification in the prescribed form and present it on request to the owner or occupant of the building or premises referred to in subsection (1) or section 4(1).

4(1) At any reasonable hour, an inspector may enter a dairy manufacturing plant, building used for dairy purposes or the premises of a patron, manufacturer, vendor, carrier, storage company or the agent of any of them for the purpose of inspecting, grading, testing or analyzing, weighing and taking samples of a product that he believes, on reasonable grounds, to be

(a) a dairy product, or

(b) an imitation dairy product.

(2) When an inspector believes, on reasonable grounds, that an offence against this Act or the regulations has been committed, he may seize, detain or take away all dairy products, imitation dairy products and other things by means of or in relation to which he reasonably believes the offence was committed.

(3) An inspector may order that all dairy products or imitation dairy products seized, detained or taken away pursuant to subsection (2) be held until, in the opinion of the inspector, the provisions of the Act and the regulations with respect to the dairy products or imitation dairy products, as the case may be, have been complied with.

detained or taken away pursuant to subsection (2) be held until, in the opinion of the inspector, the provisions of the Act and the regulations with respect to the dairy products, imitation dairy products or foods containing imitation dairy products, as the case may be, have been complied with.

4.1(1) Where the owner, operator, manager or other person in charge of a dairy manufacturing plant, building, premises or vehicle refuses to allow a person referred to in section 3 or 4 to exercise the powers conferred on him under section 3 or 4 or hinders or interferes with such a person in the exercise of those powers, that person may apply by originating notice to a judge of the Court of Queen's Bench for an order directing the owner, operator, manager or other person to do or refrain from doing anything the judge considers necessary in order to enable the person acting under section 3 or 4 to exercise his powers, and the judge may make the order accordingly.

(2) An application under subsection (1) may be made ex parte where the judge considers it proper to do so.

4.2 A person acting under the authority of section 3 or 4 shall carry identification in the prescribed form and present it on request to the owner, operator, manager or other person in charge of a plant, building, premises or vehicle referred to in section 3 or 4.

5 *The following is added after section 8:*

8.1 No producer shall engage in milk production on his dairy farm unless he holds a valid certificate of registration issued under the regulations.

6 *Section 9 is repealed and the following is substituted:*

9 The buildings, premises of and equipment on or in a dairy manufacturing plant or dairy farm that are used for dairy purposes shall be kept in a sanitary condition satisfactory to an inspector.

7 *Section 10(2) and (3) are amended by striking out "Patrons" and substituting "Producers".*

8 *Sections 12 and 13 are repealed and the following is substituted:*

12(1) If, in the opinion of an inspector, grader, bulk milk grader or tester, the milk or cream in

- (a) a producer's can,
- (b) a producer's bulk milk tank, or
- (c) a shipment of milk or cream from a producer

is or appears to be unfit for human consumption, the inspector, grader, bulk milk grader or tester shall reject the milk or cream and add a harmless colouring matter to it.

5 Certificate of registration.

6 Section 9 presently reads:

9 The buildings and premises of a dairy manufacturing plant shall be kept in a sanitary condition satisfactory to an inspector.

7 Section 10(2) and (3) presently read:

(2) Patrons shall use clean and sanitary methods, satisfactory to an inspector, in handling and caring for milk, cream and dairy utensils.

(3) Patrons shall keep their animals from which milk is drawn for human consumption and sale in accordance with the regulations.

8 Sections 12 and 13 presently read:

12(1) If in the opinion of an inspector, a grader, bulk milk grader or tester the milk or cream in a patron's can, farm bulk tank or a shipment of milk or cream by a patron

(a) is unsanitary,

(b) contains any contaminating substance, or

(c) contains milk or cream that is or appears to be unfit for human consumption,

the milk or cream shall be coloured with a harmless colouring matter at a dairy manufacturing plant or at the producer's premises by an inspector, grader or tester.

(2) No person shall use milk or cream that is rejected under subsection (1) for human consumption.

(3) Milk or cream that is rejected under subsection (1) shall

(a) be returned to the producer at his own expense if he so wishes, or

(b) be disposed of in some other manner by the inspector, grader, bulk milk grader or tester.

13(1) Subject to this section, a bulk milk grader may reject milk in a producer's bulk milk tank if, in his opinion, it is abnormal in appearance, flavour or odour.

(2) Where a producer is aggrieved by a bulk milk grader's decision under subsection (1), he may demand a review of the decision by a milk grader employed by the dairy manufacturing plant receiving his milk, who may confirm or reverse the decision of the bulk milk grader.

(3) Where a producer is aggrieved by a decision of the milk grader under subsection (2), he may demand a review of the decision by an inspector, who may confirm or reverse the decision of the milk grader, and whose decision is final.

(4) A dairy manufacturing plant may accept for use in the manufacture of a dairy product milk that is rejected under this section, but shall not do so unless

(a) a milk grader employed by the plant is satisfied that the milk is acceptable for that use, and

(b) the plant has the facilities that are necessary to manufacture that product.

(5) No person shall mix milk rejected under this section with any other milk to be used for human consumption.

9 Section 15 is repealed and the following is substituted:

15(1) No person shall sell, supply, deliver or send to a dairy manufacturing plant or to any premises where milk or cream is collected for sale or shipment to a dairy manufacturing plant

(a) milk that is diluted with water, or

(b) milk or cream that has been adulterated in any way.

(2) No producer shall sell, supply, deliver or send to a dairy manufacturing plant or to any premises where milk or cream is collected for sale or shipment to a dairy manufacturing plant

(a) milk from which cream has been taken,

(b) milk to which cream has been added, or

(c) milk or cream from an animal that the producer knows or reasonably ought to know is diseased.

10 The following is added after section 15:

15.1(1) The owner, operator, manager or other person in charge of a dairy manufacturing plant shall ensure that each load of milk that is delivered to the plant is, on its arrival, tested for inhibitors in accordance with the regulations.

(2) *The milk or cream coloured under subsection (1) may be*

(a) *returned to the patron at the patron's expense, or*

(b) *disposed of in some manner other than use in the manufacture or processing of a dairy product.*

13(1) *A bulk milk grader may reject milk in a patron's farm bulk tank if he suspects it does not conform to the minimum standards for that grade of milk, and the final decision regarding the disposition of the milk shall be made by*

(a) *an inspector, or*

(b) *a grader other than a bulk milk grader employed by the dairy manufacturing plant that is to receive the milk.*

(2) *Milk rejected under subsection (1) may be removed from a patron's farm bulk tank to a milk transportation tank if it is not mixed with any other milk in the milk transportation tank.*

(3) *Milk rejected under subsection (1) may be received by a dairy manufacturing plant if*

(a) *it is not mixed with any other milk at the dairy manufacturing plant, and*

(b) *it is not used or processed by the dairy manufacturing plant until it is found to be acceptable by either a grader employed by the dairy manufacturing plant or an inspector.*

9 Section 15 presently reads:

15 *No person shall sell, supply, deliver or send to a dairy manufacturing plant or to any premises where milk or cream is collected for sale or shipment to a dairy manufacturing plant*

(a) *milk diluted with water or in any way adulterated,*

(b) *milk from which any cream has been taken,*

(c) *milk commonly known as skim milk,*

(d) *milk to which cream has been added,*

(e) *milk from which any portion of that part of the milk known as "strippings" has been retained, or*

(f) *milk from an animal that the person knows to be diseased.*

10 Rejection of milk containing inhibitors.

(2) If a load of milk that is tested under subsection (1) is found to contain an inhibitor, the load of milk shall be rejected and none of the milk shall be used in the manufacture of a dairy product.

(3) No producer shall be paid in respect of any of his milk that is found to contain an inhibitor.

11 *Section 20 is amended by striking out "composite".*

12 *Section 28 is repealed and the following is substituted:*

28 The owner, operator, manager or person in charge of a dairy manufacturing plant shall, in accordance with the regulations, make statistical returns and supply information to the Minister relating to

- (a) the ownership and officers of the plant, and
- (b) the milk and cream received and the dairy products processed by the plant.

13 *Section 31 is repealed and the following is substituted:*

31(1) Security in the form required pursuant to the regulations shall be provided in respect of each person licensed under section 30.

(2) Where security is provided in whole or in part otherwise than by means of a special fund established by regulation pursuant to section 58(2), it shall be provided in the amount determined in accordance with the regulations.

(3) The Minister may at any time require additional security in an amount that he considers necessary and fix the time by which it must be provided.

14 *Section 32 is amended*

(a) by repealing subsection (1) and substituting the following:

32(1) Subject to section 2(3), no person shall act as a

- (a) bulk milk grader,
- (b) grader,
- (c) tester, or

11 Section 20 presently reads:

20 Tests involving a composite sample of milk or cream shall be carried out in accordance with the regulations.

12 Section 28 presently reads:

28 The owner, operator, manager or person in charge of a dairy manufacturing plant shall, in accordance with the regulations, make statistical returns and supply information to the Minister, relating to ownership, officers and patronage dividends.

13 Section 31 presently reads:

31(1) A person who is to be licensed under section 30 shall provide security in the form required by the regulations.

(2) When the issue or renewal of a licence under section 30 is approved by the Minister, the Minister shall fix the amount of the security to be provided by the applicant for the licence and fix the time by which it is to be provided.

(3) The Minister may at any time require additional security in an amount that he considers necessary and fix the time by which it is to be provided.

(4) In order to fix the amount of the security under this section, the Minister may require the applicant for the licence to submit to him a financial statement showing the extent of the dairy manufacturing business carried on or intended to be carried on.

(5) A licence is revoked if

(a) the security is cancelled and new security is not provided on or before the date the cancellation takes effect, or

(b) the Minister requires additional security and it is not provided within the time that he has fixed for it to be provided.

(6) The Minister and every person employed in the administration of the Act shall preserve secrecy with respect to the contents of a statement described in subsection (4) unless the information is required in connection with the administration of this Act.

14 Section 32(1) and (3) presently read:

32(1) No person shall act as a

(a) bulk milk grader,

(b) grader, or

(c) tester

of milk or cream until he has obtained a licence to do so from the Minister.

(d) pasteurizer operator

of milk or cream unless he holds a licence for that purpose issued by the Minister.

(b) in subsection (3) by striking out “accurately use apparatus to grade or test milk or cream” and substituting “engage in the activity to which the application relates”.

15 Section 33 is repealed and the following is substituted:

33(1) The Minister may, on the recommendation of the Director, grant a temporary licence under section 32.

(2) A temporary licence shall be for a period of time fixed by the Minister, not to exceed the maximum period of time prescribed in the regulations.

16 Section 34 is repealed.

17 Section 35 is amended

(a) by adding the following before subsection (1):

35(.01) This section applies only to security provided otherwise than by means of a special fund established by regulation pursuant to section 58(2).

(b) in subsections (2)(b) and (3) by striking out “vouchers” and substituting “documents”;

(c) in subsections (1), (5) and (6) by striking out “patrons” wherever it occurs and substituting “producers”;

(d) in subsection (3) by striking out “patron” and substituting “producer”;

(e) in subsection (4) by striking out “patrons’ ” and substituting “producers’ ”.

(3) The Minister, on the recommendation of the Director, may require an applicant to pass an examination and demonstrate to the satisfaction of the Director that he is competent and qualified to accurately use apparatus to grade or test milk and cream.

15 Section 33 presently reads:

33(1) The Minister, on the recommendation of the Director, may grant a temporary licence to a person to act as a bulk milk grader.

(2) A temporary licence referred to in subsection (1) shall be for a period of time fixed by the Minister but shall not be for a period of time of more than 60 days.

16 Section 34 presently reads:

34(1) A grader licensed under this Act may appoint a person whom he considers capable as a grader for a period not to exceed 10 days.

(2) A tester licensed under this Act may appoint a person whom he considers capable as a tester for a period not to exceed 10 days.

(3) The grader or tester who makes an appointment under this section shall notify the Director within 14 days of making it.

17 Section 35 presently reads:

35(1) If the Minister finds that a holder of a licence for a dairy manufacturing plant omits to account to or make settlement with patrons in accordance with the true value of the milk and cream supplied, the Minister may publish a notice in as many publications that he considers appropriate that circulate in the district where the dairy manufacturing plant is situated requiring the patrons who because of the omissions have claims against the licensee to furnish the Minister, by a date to be specified in the notice, with particulars of their claims verified by statutory declaration or in any other manner that the Minister requires.

(2) A claim furnished to the Minister pursuant to subsection (1) shall

(a) contain or refer to a statement of account showing particulars of the indebtedness, and

(b) specify the vouchers, if any, by which the statement of account can be substantiated.

(3) The Minister may at any time request from the patron the vouchers specified or the statement of account referred to in the claim.

(4) After the date specified in the notice referred to in subsection (1), the Minister may require the sureties to pay the claims against the licensee that the Minister finds to be proved and, in default of payment, the Minister may take proceedings to satisfy the patrons' claims.

(5) If the amount of money derived under subsection (4) is insufficient to pay in full all the claims that the Minister finds to be proved, the money to satisfy the claims shall be paid pro rata to the patrons.

(6) If the licensee becomes bankrupt, the Minister

(a) may assign the security, or

(b) where the security is in the form of a trust deed and the trust deed is not void as against the trustee in bankruptcy, may assign the cash

18 *Section 41 is amended*

(a) in subsection (1)(a) by adding “producer and every” after “every” and by adding “analysts,” after “inspectors,”;

(b) in subsection (2) by striking out “from the respective owners”.

19 *Sections 43 and 44 are repealed.*

20 *Section 45 is amended by striking out “The certificate issued under the regulations by” and substituting “A certificate or report of”.*

21 *Section 46 is amended by striking out “The certificate issued under the regulations by” and substituting “A certificate or report of”.*

22 *Section 50 is repealed.*

23 *Section 51 is amended by striking out “12 or 13” and substituting “12(2) or 13(4) or (5)”.*

or the sum realized on the sale of the security to the trustee in bankruptcy

for the benefit of the patrons who have claims that the Minister finds to be proved.

18 Section 41 presently reads:

41(1) The Minister may assess

(a) every owner of a dairy manufacturing plant for a reasonable proportion of the total cost of the services of the inspectors, graders, testers and weighers appointed under section 2, and

(b) an owner of a dairy manufacturing plant for which a dairy specialist has been appointed under section 40 for the total cost of the services of the dairy specialist

and may fix and determine the time when the costs are payable and the method by which they are to be paid.

(2) All amounts so assessed are a debt due from the respective owners to the Crown.

19 Sections 43 and 44 presently read:

43 The person on whose behalf any milk is sold, delivered, transported, supplied or taken to a dairy manufacturing plant is prima facie liable for any contravention of the Act and the regulations relating to the milk.

44 The person on whose behalf a dairy product or imitation dairy product is manufactured, sold, offered, exposed or held in possession for sale is prima facie liable for contravention of the Act and the regulations relating to the dairy product or imitation dairy product.

20 Section 45 presently reads:

45 The certificate issued under the regulations by a grader of dairy products shall be admitted in evidence as prima facie proof of the grade of any dairy product stated in it without proof of the signature or the official character of the person signing it.

21 Section 46 presently reads:

46 The certificate issued under the regulations by an analyst relating to the analysis or ingredients of any product or material submitted by an inspector or grader to the analyst shall be admitted in evidence as prima facie proof of the facts stated in it without proof of the signature or the official character of the person signing it.

22 Section 50 presently reads:

50(1) A person who operates, either for himself or another, a milk or cream testing apparatus or any other testing apparatus to determine the content of any component of milk or cream prescribed by regulations as a basis of payment for the purpose of purchasing milk or cream and does not hold a licence to act as a grader or tester under section 32 or 33 and has not been appointed as a grader or tester under section 34 is guilty of an offence.

(2) Each test of a sample of milk or cream by a person who is not licensed or appointed as a grader or tester constitutes a separate offence.

23 Section 51 presently reads:

51 A person who contravenes section 12 or 13 is guilty of an offence and liable to a fine of not more than \$1000.

24 *Section 52(1) and (2) are amended by adding “or food containing an imitation dairy product” after “product”.*

25 *Section 54 is repealed and the following is substituted:*

54 A person who

(a) obstructs, hinders or otherwise impedes a person referred to in section 3 or 4 in the carrying out of his duties or the exercising of his powers under this Act or the regulations, or

(b) over-reads or under-reads any test approved by the regulations and made for any of the purposes of this Act or the regulations

is guilty of an offence and liable to a fine of not more than \$1000.

26 *Section 55 is repealed and the following is substituted:*

55 A person who contravenes this Act or the regulations is guilty of an offence and, where a penalty is not otherwise provided by this Act, is liable to a fine of not more than \$500.

27 *Section 57(a) is amended by striking out “of any product” and substituting “or of any other products”.*

28 *The following is added after section 57:*

57.01(1) Where an inspector is satisfied that a producer has contravened section 9, 10 or 15, the inspector may, by notice in writing given to the producer, order the producer to cease supplying milk to a dairy manufacturing plant until the contravention is remedied to the satisfaction of the inspector.

(2) A producer against whom an order is made under subsection (1) shall comply with the order.

(3) The owner, operator, manager or other person in charge of a dairy manufacturing plant shall not accept milk from a producer who he knows or ought reasonably to know is the subject of an order under subsection (1).

29 *Section 57.1 is amended by adding the following after subsection (2):*

(2.1) The council of a municipality that passes or amends a by-law under this section, whether before or after the coming into

24 Section 52 presently reads:

52(1) No person shall manufacture, sell, offer for sale or have in his possession for sale an imitation dairy product.

(2) A person who manufactures, sells, offers for sale or has in his possession for sale an imitation dairy product is guilty of an offence and liable to a fine not exceeding \$5000.

25 Section 54 presently reads:

54 A person who

(a) obstructs, hinders or impedes an inspector from making or attempting to make an inspection or taking or attempting to take a sample pursuant to this Act,

(b) refuses to admit to any premises over which he has control an inspector who

(i) demands admission to the premises for the purpose of making an inspection or taking any samples, and

(ii) is entitled to admission pursuant to this Act,

(c) fails to afford reasonable facilities for the making of an inspection, or

(d) over-reads or under-reads any test approved by the regulations and made for any of the purposes of this Act or the regulations,

is guilty of an offence and liable to a fine of not more than \$1000.

26 Section 55 presently reads:

55 A person who is guilty of an offence under this Act for which a penalty is not otherwise provided is liable to a fine of not more than \$500.

27 Corrects typographical error. Section 57(a) presently reads:

57 In a prosecution for an offence under this Act,

(a) the possession by a person of dairy products of any product the manufacture or sale of which is prohibited by this Act is prima facie proof of the intent to sell or use them in contravention of this Act, the regulations or a licence, and

28 Suspension from market.

29 Section 57.1 presently reads in part:

57.1(1) In this section "pasteurization" has the meaning ascribed to it in the regulations.

force of this subsection, shall file a copy of the by-law or amendment with the Minister

(a) within 60 days after this subsection comes into force, in the case of a by-law or amendment that is subsisting on the date this subsection comes into force, or

(b) within 30 days after the by-law or amendment is passed, in the case of a by-law or amendment that is passed after the date this subsection comes into force.

30 *Section 58 is amended*

(a) *by renumbering it as section 58(1);*

(b) *in subsection (1)*

(i) *in clause (c)(i) by striking out “and prescribing fees for those services”;*

(ii) *by adding the following after clause (c):*

(c.1) prescribing or authorizing the Minister to prescribe fees that may be charged to producers and dairy manufacturing plants for services provided by the Minister under this Act;

(iii) *in clause (g)(i) by striking out “patrons” and substituting “producers”;*

(iv) *by repealing clause (g)(iii) and substituting the following:*

(iii) statistical returns and information provided to the Minister under section 28;

(v) *in clause (h)(iii) and (iv) by adding “dairy” before “farm”;*

(vi) *in clause (j) by striking out “dairy patron’s” and substituting “producer’s”;*

(vii) *by adding the following after clause (k):*

(k.1) authorizing an inspector to prohibit a producer from selling, supplying or offering for sale milk that does not meet milk quality standards prescribed by the regulations;

(viii) *by repealing clause (m)(v) and substituting the following:*

(v) security to be provided by a dairy manufacturing plant or by means of a special fund established pursuant to regulations under subsection (2), or a combination of both, including providing for the procedure to be followed in the payment of claims against a dairy manufacturing plant where the plant is covered by a combination of security provided by it and security provided by means of a special fund established pursuant to regulations under subsection (2);

(ix) *by adding the following after clause (m):*

(m.1) governing all aspects of the issuing of certificates of registration for the purposes of section 8.1 including, without limitation,

(i) the issuing of different classes of certificates,

(2) Subject to this section, the council of a municipality may pass a by-law for the purpose of requiring the pasteurization of all milk sold, offered for sale or delivered within the limits of the municipality before the milk is sold, offered for sale or delivered.

30 Section 58 presently reads in part:

58 The Lieutenant Governor in Council may make regulations

(c) governing

(i) the weighing, grading, sampling, testing and analysing of dairy products and prescribing fees for those services,

(g) governing

(i) statements from dairy manufacturing plants to patrons on milk or cream purchased,

(ii) recording of milk and cream received by a dairy manufacturing plant and the storing of those records, and

(iii) statistical returns under section 28;

(h) providing for

(i) the location, construction, operation and maintenance of dairy manufacturing plants,

(ii) the type, amount and standard of equipment required by any dairy manufacturing plant, and the placement of the equipment,

(iii) the location, construction, remodelling or rebuilding of buildings or structures used or intended to be used for dairying on a farm, and

(iv) the fabrication, capacity, installation and maintenance of equipment used or intended to be used for dairying on a farm;

(j) governing the health requirements of any person employed in a dairy manufacturing plant or dairy patron's premises or in any other capacity that involves the handling of a dairy product or dairy processing equipment;

(m) providing for the

(i) issue of licences,

(ii) classification of licences,

(iii) conditions of a licence,

(iv) fees payable for a licence, and

(v) security to be carried by a dairy manufacturing plant or provided in a special fund or a combination of both;

(p) prescribing forms and their contents;

- (ii) conditions of eligibility,
- (iii) the fee payable,
- (iv) the terms and conditions to which a certificate is subject, and
- (v) cancellation of a certificate;

(x) *by repealing clause (p);*

(c) *by adding the following after subsection (1):*

(2) The Lieutenant Governor in Council may make regulations providing for the establishment of a special fund the purpose of which is to ensure

- (a) that producers are paid for milk and cream supplied by them to a dairy manufacturing plant in accordance with this Act and the regulations, and
- (b) that a dairy manufacturing plant is paid for milk transferred by it to another dairy manufacturing plant at the direction of the Alberta Dairy Control Board pursuant to the *Dairy Board Act*

and, without limitation, the Lieutenant Governor in Council may make regulations

- (c) authorizing the imposition of a levy against dairy manufacturing plants to be paid into the fund;
- (d) prescribing the amount of the levy, or the manner of calculating the amount of the levy, that is payable by dairy manufacturing plants and the times at which and the manner in which the levy is payable into the fund;
- (e) respecting the appointment of a person or body of persons, in this section referred to as “the administrator”, to administer the fund;
- (f) authorizing the payment of remuneration and expenses to the administrator;
- (g) respecting the information or returns that a dairy manufacturing plant must provide to the administrator in connection with a levy;
- (h) requiring that the fund contain a minimum or maximum amount of money and fixing those amounts or the manner in which they are to be calculated;
- (i) establishing rules of practice and procedure for the administrator in administering the fund;
- (j) respecting all aspects related to payment of claims against the fund including, without limitation, the eligibility of claimants, investigation and proof of claims, the manner and amount of payment of claims, the circumstances under which a claim that has been paid must be repaid, and the subrogation of the administrator to the rights of a claimant;
- (k) any other matter incidental to the establishment and administration of the fund.

(3) A special fund established by regulation under subsection (2) may be a designated fund within the meaning of Part 5 of the *Financial Administration Act* and a person may be designated a depositor with respect to that fund for the purposes of that Part.

31 In the following provisions “patron” is struck out wherever it occurs and “producer” is substituted:

section 5(b);
section 14;
section 18;
section 22(2);
section 24;
section 25;
section 26;
section 35(3);
section 47;
section 48(1).

32 This Act comes into force on Proclamation.

31 Consequential.

32 Coming into force.