

1994 BILL 11

---

Second Session, 23rd Legislature, 43 Elizabeth II

---

THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 11

DAIRY INDUSTRY AMENDMENT ACT, 1994

---

---

THE MINISTER OF AGRICULTURE,  
FOOD AND RURAL DEVELOPMENT

---

---

First Reading .....

Second Reading .....

Committee of the Whole .....

Third Reading .....

Royal Assent .....

---

---

*Bill 11*

## **BILL 11**

1994

### **DAIRY INDUSTRY AMENDMENT ACT, 1994**

*(Assented to \_\_\_\_\_, 1994)*

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*2 Sections 31 and 35 are repealed.*

## Explanatory Notes

**1** Amends chapter D-1.1 of the Statutes of Alberta, 1981.

**2** Sections 31 and 35 presently read:

*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.*

*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).*

*(1) If the Minister finds that a holder of a licence for a dairy manufacturing plant omits to account to or make settlement with producers 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 producers 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*

**3 Section 58 is amended**

*(a) in subsection (1)(m) by adding “and” at the end of subclause (iii), striking out “, and” at the end of subclause (iv) and repealing subclause (v);*

*(b) in subsection (2)*

*(i) in clause (c) by striking out “a levy against dairy manufacturing plants” and substituting “levies against dairy manufacturing plants or producers or both”;*

*(ii) in clause (d) by adding “or producers or both” after “plants”;*

*(iii) in clause (g) by adding “or producer or both” after “plant”;*

*(iv) in clause (j) by adding “the procedure to be followed in the payment of claims,” after “amount of payment of claims,”.*

- (a) *contain or refer to a statement of account showing particulars of the indebtedness, and*
  - (b) *specify the documents, if any, by which the statement of account can be substantiated.*
- (3) *The Minister may at any time request from the producer the documents 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 producers' 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 producers.*
- (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 or the sum realized on the sale of the security to the trustee in bankruptcy*

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

**3** Section 58 presently reads in part:

*58(1) The Lieutenant Governor in Council may make regulations*

- (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 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);*

*4 This Act comes into force on Proclamation.*

*(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 claim, 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.*

#### **4** Coming into force.