



Province of Alberta

MARKETING OF AGRICULTURAL PRODUCTS ACT

ALBERTA MILK PLAN REGULATION

Alberta Regulation 150/2002

With amendments up to and including Alberta Regulation 138/2016

Office Consolidation

© Published by Alberta Queen's Printer

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(Consolidated up to 138/2016)

ALBERTA REGULATION 150/2002
Marketing of Agricultural Products Act
ALBERTA MILK PLAN REGULATION

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Definitions

- 1 In this plan,
 - (a) "Act" means the *Marketing of Agricultural Products Act*;
 - (b) "agricultural product" means agricultural product as designated in section 2;
 - (c) "Alberta Milk" means the corporation established under section 7;

- (d) “annual meeting” means an annual general meeting of the directors and delegates;
- (d.1) “assets” means economic resources controlled by the body as a result of past transactions and from which future economic benefits may be obtained;
- (d.2) “auditor” means a person registered under the *Regulated Accounting Profession Act* or a firm or partnership of those persons;
- (e) “communal living group” means a community of not fewer than 50 individuals in which
 - (i) the members live and work together in an agricultural enterprise,
 - (ii) a member is not permitted to own property in the member’s own right, and
 - (iii) the members devote their working lives to the activities of the communal group;
- (f) repealed AR 73/2003 s2;
- (g) “Council” means the Alberta Agricultural Products Marketing Council;
- (h) “dairy animal” means a female animal of the *Bos taurus* species kept for the purposes of milking;
- (i) “dairy farm” means a premises where one or more dairy 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 and land occupied or used in connection with the production of milk;
- (j) “dairy product” means
 - (i) milk,
 - (ii) a product of milk that contains no oil or fat other than that of milk and contains a minimum of 50% milk ingredients by weight,
 - (iii) a product of milk that is prescribed by a standard for dairy products in the regulations under the Canada Agricultural Products Act (Canada), and
 - (iv) milk products;

- (k) “delegate” means a person elected or appointed as a delegate, under Part 2, to represent a region;
- (l) “director” means a director of Alberta Milk, whether elected or appointed as a director from a region or at large;
- (m) repealed AR 46/2012 s2;
- (m.1) “investment” means a commitment of assets in order to gain a financial return but does not include an expenditure of assets for the purposes of research and development or current operations;
- (n) “licensed producer” means a person who holds a producer licence issued by Alberta Milk;
- (o) “marketing” means buying, owning, selling, offering for sale, storing, grading, assembling, packing, transporting, advertising or financing, distributing, reselling and pricing;
- (p) “milk” means the normal lacteal secretion from a dairy animal;
- (q) “milk product” means processed milk in the form of standard milk, homogenized milk, 2% partly skimmed milk, 1% partly skimmed milk, skim milk, chocolate partly skimmed 2% milk, chocolate partly skimmed 1% milk, chocolate milk, flavoured milk, buttermilk, 6% cream, 10% cream, 18% cream, whipping cream, heavy cream, eggnog or any other processed milk product;
- (r) “minimum price” means the price to be paid for regulated product, subject to any deduction or adjustments authorized under the Act, the *Dairy Industry Act* or the regulations under either Act;
- (s) “person” means a person as defined in the *Interpretation Act* and includes
 - (i) a corporation and the heirs, executors, administrators or other legal representatives of a person,
 - (ii) a partnership as defined in the *Partnership Act*,
 - (iii) an unincorporated organization that is not a partnership referred to in subclause (ii), and
 - (iv) any group of individuals who are carrying on an activity for a common purpose and are neither a partnership referred to in subclause (ii) nor an

- unincorporated organization referred to in subclause (iii);
- (t) “plan” means the Alberta Milk Plan that is established under section 3;
 - (u) “processing” means
 - (i) with respect to milk, to pasteurize, homogenize or treat milk so that the milk’s form or composition is altered in any manner, and includes the cleaning and sanitizing of any surface, including the surface of equipment that comes into contact with the milk while it is being pasteurized, homogenized, packaged or treated, and
 - (ii) with respect to dairy products other than milk, to manufacture, modify, pasteurize, prepare, reconstitute, package or store dairy products, and includes the cleaning and sanitizing of any surface, including the surface of equipment that comes into contact with the dairy product while it is being manufactured, modified, pasteurized, prepared, reconstituted, packaged or stored;
 - (v) “processor” means any person who receives or processes for sale, 50 litres or more of milk or dairy products, or both, on any day, but does not include a retail establishment that operates or uses a freezing device to freeze a frozen dairy product mix;
 - (w) “producer” means a person who sells or supplies for sale the regulated product that has been produced by one or more dairy animals owned or controlled by that person;
 - (x) “quota” means the privilege allocated by Alberta Milk to a producer to market regulated product.
 - (y) “raw milk” means milk that comes from a dairy farm and has not been pasteurized within the meaning of the *Dairy Industry Act*;
 - (z) “regulated product” means milk;
 - (aa) “special meeting” means a special general meeting of the directors and of the delegates.
 - (bb) repealed AR 147/2008 s2.
AR 150/2002 s1;73/2003;147/2008;28/2011;46/2012;170/2012

Designation

2 Milk and dairy products are designated as an agricultural product for the purposes of the Act.

AR 150/2002 s2;46/2012

Part 1 General Operation of Plan

Division 1 Plan

Establishment of plan

3 The Alberta Milk Plan is hereby established.

Termination of plan

4 The plan does not terminate at the conclusion of a specific period of time and must remain in force unless otherwise terminated pursuant to the Act.

Application of the plan

5(1) The plan applies

- (a) to all of Alberta,
- (b) to all persons who produce or market the regulated product, and
- (c) for the purposes of section 9(1)(b), (c), (d), (e), (g), (j) and (l) and 9(2)(c), (i), (j), (k), (l), (m), (n), (o), (p), (q), (r), (s), (t), (u), (v), (w), (x) and (y), to processors,
- (d) repealed AR 73/2003 s3.

(2) Despite subsection (1), a person who has not been allocated a quota under the plan is exempt from the plan if

- (a) the person produces less than 50 litres per day of regulated product,
- (b) the person ordinarily resides on the same parcel of land on which the production facilities where the regulated product is produced are located, and
- (c) not more than 50 litres per day of the regulated product is produced on the land where the production facilities are located.

(3) Repealed AR 73/2003 s3.

(4) Repealed AR 147/2008 s3.

AR 150/2002 s5;73/2003;254/2007;147/2008

Purposes of the plan

6 The purpose of the plan is

- (a) to provide for the effective control and regulation of the production and marketing of the agricultural product and to initiate and carry out programs to commence, stimulate, increase or improve the production or marketing, or both, of the agricultural product, and
- (b) without limiting the generality of clause (a), to accomplish the following:
 - (i) to fix and allot quotas for the production and marketing of the regulated product,
 - (ii) to maintain a fair and stabilized price for the regulated product,
 - (iii) to establish and maintain pools for the distribution of all money payable to producers from the sale of the regulated product,
 - (iv) to develop and maintain the orderly marketing of the regulated product,
 - (v) to provide a consistent supply of high quality regulated product for the market,
 - (vi) to promote the regulated product and agricultural product,
 - (vii) to fund research and development in connection with the regulated product and agricultural product,
 - (viii) to fund education in connection with the regulated product and agricultural product, and
 - (ix) to work with marketing boards and organizations having similar objectives,

(c) repealed AR 73/2003 s4.

AR 150/2002 s6;73/2003;28/2011

Division 2 Responsibilities of Alberta Milk

Creates Alberta Milk

7(1) A board with the name “Alberta Milk” is hereby established consisting of the directors elected or appointed in accordance with this Regulation.

(2) Alberta Milk must operate pursuant to the plan.

Responsibilities

8 Alberta Milk without limiting the generality of section 16 of the *Interpretation Act*

- (a) is, subject to the Act, responsible for the operation, regulation, supervision and enforcement of the plan;
- (b) may appoint officers and agents, prescribe their duties and fix and provide for their remuneration;
- (c) must open one or more bank accounts and designate any officers, employees and other persons necessary to
 - (i) sign cheques and other negotiable instruments,
 - (ii) transact the business of Alberta Milk with its bank, trust corporation, credit union, treasury branch or other depository, and
 - (iii) generally do all things incidental to or in connection with the transaction of the business of Alberta Milk with its bank, trust corporation, credit union, treasury branch or other depository;
- (c.1) when investing its assets must make prudent investments in accordance with the requirements of section 3 of the *Trustee Act* respecting the investment of assets and may delegate to an agent in accordance with section 5(1) to (3) of that Act;
- (c.2) must establish policies respecting the management of its assets as required by the *Operation of Boards and Commissions Regulation* (AR 26/99);
- (d) must maintain books and records, including financial records that are required to be kept pursuant to the Act that relate to the Alberta Milk, regulated product or agricultural product;

- (e) must maintain an office and notify each licensed producer, licensed processor and the Council of the location of the office;
- (f) subject to the Act, may issue administrative orders and directions governing the internal operations of Alberta Milk;
- (g) may become a member of and may contribute funds to, any organization that promotes the interest of the industry;
- (h) may retain earnings and revenues from year to year to finance the purposes of the plan.

AR 150/2002 s8;28/2011

Regulations to operate the plan

9(1) For the purposes of enabling Alberta Milk to operate the plan, Alberta Milk may be empowered by the Council, pursuant to section 26 of the Act, to make regulations

- (a) requiring producers engaged in the production or marketing, or both, of the regulated product to register their names and addresses with Alberta Milk;
- (b) requiring any person who produces, markets or processes the regulated product to furnish to Alberta Milk any information or record relating to the production, marketing or processing of the regulated product that Alberta Milk considers necessary;
- (c) requiring persons to be licensed under the plan before they become engaged in the production, marketing or processing, or any one or more of those functions, of the regulated product;
- (d) prohibiting persons from engaging in the production, marketing or processing of the regulated product except under the authority of a licence;
- (e) governing the issuance, suspension or cancellation of a licence;
- (f) providing for
 - (i) the assessment, charging and collection of service charges, levies and licence fees from producers for the purposes of the plan, and
 - (ii) the taking of legal action to enforce payment of the service charges, levies and licence fees;

- (g) requiring any person who receives any regulated product from a producer
 - (i) to deduct from the money payable to the producer any service charges, licence fees or levies payable by the producer to Alberta Milk, and
 - (ii) to forward the amount deducted to Alberta Milk;
- (h) providing for the use of any class of service charges, licence fees, levies or other money payable to or received by Alberta Milk for the purpose of paying its expenses and administering the plan and the regulations made by Alberta Milk;
- (i) providing for the payment to a Canada Board of money that is payable under a Canada Act;
- (j) requiring persons who produce, market or process a regulated product to mark the containers of their products to show the place of origin or place of production to the satisfaction of Alberta Milk;
- (k) permitting Alberta Milk to exercise any one or more of the powers that are vested in a cooperative association under the *Co-operative Associations Act* and under the *Cooperatives Act*;
- (l) providing for classifying producers, processors and others into groups for the purposes of the plan.

(2) For the purposes of enabling Alberta Milk to operate this plan, Alberta Milk may be empowered by the Council, pursuant to section 27(1) of the Act, to make regulations

- (a) requiring that the production or marketing, or both, of the regulated product be conducted pursuant to a quota;
- (b) governing
 - (i) the fixing and allotting of quotas,
 - (ii) the increase or reduction of quotas,
 - (iii) the cancelling of quotas, and
 - (iv) the refusal to fix and allot quotasto producers for the production or marketing, or both, of the regulated product on any basis that Alberta Milk considers appropriate;

- (c) respecting the regulation of the supply of a regulated product by producers to processors, including but not restricted to the transportation, delivery and supply of the regulated product to processors, entitlement of processors to the regulated product and transferring of the regulated product among processors;
- (d) governing the transferability or non-transferability of quotas;
- (e) establishing
 - (i) a formula for determining the volume, weight, components, contents, amount or number of regulated product deemed to have been produced or marketed by a producer, and
 - (ii) the period of time in respect of which the formula is to be applied,

for the purpose of determining the amount of regulated product produced or marketed by a producer during a period of time;
- (f) requiring any person who provides any agricultural product to a producer under the plan to furnish to Alberta Milk any information requested by Alberta Milk;
- (g) determining the quantity, weight and volume of each class, variety, size, grade, components and contents of the regulated product that shall be produced or marketed, or both, by each producer;
- (h) requiring a producer who produces the regulated product to market the regulated product through Alberta Milk or through a designated agency;
- (i) directing, controlling or prohibiting the production or marketing, or both, of the regulated product or any class, variety, size, grade or kind of the regulated product in a manner that Alberta Milk considers appropriate;
- (j) regulating and controlling the production or marketing, or both, of the regulated product, including the times and places at which the regulated product may be produced or marketed;
- (k) determining from time to time the minimum price or prices that shall be paid to producers for the regulated product or any class, variety, size, grade, volume, weight,

components, contents or kind of the regulated product and determining different prices for different parts of Alberta;

- (l) governing the priority of use for the regulated product or any class, variety, size, grade, volume, weight or kind of the regulated product;
- (m) requiring that the money payable or owing to a producer for the regulated product be paid to or through Alberta Milk;
- (n) providing for the payment to a producer of the money payable or owing for the regulated product, less any service charges and levies owing to Alberta Milk by the producer, and fixing the time or times at which or within which the payments must be made;
- (o) respecting the amount, manner and time of payments to producers by processors and requiring the making of statements and other documents accompanying payments and respecting the information to be contained in the statements and other documents;
- (p) respecting the payment to the producer of the money payable or owing for the regulated product, less the cost of any inspection, grading or testing costs and other costs required to ensure proper operation of the plan;
- (q) providing
 - (i) for the operation of one or more pools for the distribution of all money payable to the producers from the sale of the regulated product,
 - (ii) for the deduction of reasonable and proper disbursements and expenses with respect to the operation of the pool, and
 - (iii) for the deduction of service charges and levies, including but not restricted to inspection costs, transportation, testing and grading costs and other costs required to ensure the proper operation of the plan;
- (r) providing for the collection from any person by legal action of money owing to a producer for the regulated product;
- (s) governing

- (i) the furnishing of security or proof of financial responsibility by any person engaged in the production, marketing or processing of the regulated product, and
 - (ii) the administration and disposition of any money or securities so furnished;
- (t) establishing grades for a regulated product, respecting the grading of the regulated product and providing for deductions from the price based on grade, and providing for netting out, in conjunction with pools, all amounts payable among producers, processors and Alberta Milk;
 - (u) respecting the use of a regulated product based on the class, weight or volume available of the regulated product;
 - (v) requiring purchasers of a regulated product and processors of the regulated product and agricultural products to provide information in a form acceptable to Alberta Milk respecting the source, weight and volume of the regulated product and of the agricultural products used to process and produce additional agricultural products and the class, volume, contents, components, weight and amount of those agricultural products and providing for the assessment, charging and collection of service charges respecting the verification of the information;
 - (w) prohibiting any person from marketing or processing any of the regulated product that has not been sold by or through Alberta Milk or designated agency;
 - (x) providing for the terms and conditions on which a person may market the regulated product in excess of the quota fixed and allocated to the person;
 - (y) permitting or prohibiting the transfer of the regulated product from one producer to another and permitting or prohibiting the transfer of the regulated product from one processor to another.
- (3) If an agricultural product is not a regulated product under the plan but is instrumental with respect to the production or marketing of the regulated product, the Council may, with the approval of the Minister, authorize Alberta Milk to make regulations
- (a) governing that agricultural product as if it were a regulated product under the plan;

- (b) governing, with respect to that agricultural product, the producers of the regulated product under the plan as if it were a regulated product under the plan;
 - (c) establishing and governing a formula for determining the amount or number of a regulated product produced or deemed to have been produced from that agricultural product.
- (4)** If Alberta Milk makes regulations under subsection (3), those regulations apply with respect to the agricultural product only
- (a) while that agricultural product is in the possession or under the control of the producer of the regulated product, or
 - (b) while payment with respect to the regulated product is owing to the producer, processor or Alberta Milk for that agricultural product or verification of end use of the agricultural product is required to finalize transactions between the producer, processor and Alberta Milk.
- (5)** If an agricultural product is not a regulated product under the plan but is used to produce an agricultural product, the Council may, with the approval of the Minister authorize Alberta Milk to make regulations
- (a) governing, with respect to that agricultural product, the producers and processors of the regulated product under the plan in the same manner as if the agricultural product were the regulated product under the plan;
 - (b) establishing and governing a formula for determining the size, volume, weight, components or number of agricultural product produced or deemed to have been produced from the size, volume, weight, components or number of the regulated product.
- (6)** If Alberta Milk makes regulations under subsection (5), those regulations apply with respect to the agricultural product only while the agricultural product is owned or controlled by a processor or while payment with respect to the regulated product is still owing to a producer, processor or Alberta Milk or if verification of the ultimate use of the regulated product is required to determine money owing to a producer, processor or Alberta Milk in respect of the regulated product.

AR 150/2002 s9;46/2012

Financing the plan

10(1) In accordance with the regulations this plan must be financed by the charging and collection of service charges, licence fees and levies.

(2) Service charge revenue must be accounted for in at least the following 3 categories:

- (a) marketing and nutrition education;
- (b) research;
- (c) administration for the proper administration of the plan.

(3) Subject to subsection (4), Alberta Milk may change the amount of a service charge.

(4) A change to a service charge respecting marketing and nutrition education and research is not effective until the change has been approved by a vote of the majority of licensed producers present at the annual or special region meetings held throughout Alberta.

(5) A vote under subsection (4) must be held in each region at an annual or special region meeting and the total number of votes shall be tallied to determine if a majority of producers present at the meetings held throughout Alberta have voted to approve the change to the service charge.

AR 150/2002 s10;147/2008

Remuneration

11 The remuneration to be paid to the directors and delegates must be fixed by a vote of the directors and delegates at an annual meeting or special meeting.

Appointment of auditor

12(1) The directors and delegates must appoint an auditor for Alberta Milk.

AR 150/2002 s12;46/2012

(2) The appointment of an auditor must be made at an annual meeting or a special meeting.

Authority from a Canada Act

13 Alberta Milk is empowered to accept and exercise any power and authority delegated to it by or pursuant to the *Canadian Dairy Commission Act* (Canada), the *Agricultural Products Marketing Act* (Canada) and the *Farm Products Agencies Act* (Canada).

Funds established

14(1) Alberta Milk may establish one or more funds under section 34 or 35 of the Act.

(2) In order to finance the funds, Alberta Milk may raise amounts in accordance with section 34 and 35 of the Act.

Part 2 Governance of Plan

Division 1 Licensed Producers

Licensed producers, directors and delegates

15 In accordance with this plan, a licensed producer is entitled, as a matter of right,

- (a) to attend annual region meetings and special region meetings;
- (b) to attend annual meetings and special meetings;
- (c) to make representations and to present resolutions on any matter pertaining to this plan, Alberta Milk and the directors;
- (d) to vote in an election for delegates within the licensed producer's region;
- (e) if elected as a delegate, to vote in an election for that region's region director;
- (f) if elected as a delegate, to vote in an election for directors at large;
- (g) if elected, to hold office as a delegate or director;
- (h) to vote in any plebiscites of producers held under the Act.

AR 150/2002 s15;46/2012

Eligibility

16 In order to be elected to serve as a delegate or a director a person must be elected or appointed under this Part, and

- (a) if the delegate or director is an individual, the delegate or director must be
 - (i) a licensed producer,

- (ii) allocated quota by Alberta Milk, and
 - (iii) at least 18 years old,
- or
- (b) if the delegate or director is not an individual, the delegate or director must be
 - (i) an officer of a company that is a licensed producer and allocated quota by Alberta Milk,
 - (ii) a partner in a partnership that is a licensed producer and allocated quota by Alberta Milk,
 - (iii) an officer of a company that is a partner in a partnership that is a licensed producer and allocated quota by Alberta Milk,
 - (iv) a co-venturer in a joint venture that is a licensed producer and allocated quota by Alberta Milk,
 - (v) an officer of a company that is a co-venturer in a joint venture that is a licensed producer and allocated quota by Alberta Milk, or
 - (vi) a designate of a communal living group that is a licensed producer and allocated quota by Alberta Milk.

Producers who are not individuals

17(1) If a licensed producer is not an individual, that licensed producer may, only in accordance with this section, exercise the rights of a licensed producer referred to in section 15.

(2) A licensed producer to which this section applies must appoint an individual to be the representative of the licensed producer.

(3) A representative appointed by a licensed producer under this section is, subject to this plan, to exercise on behalf of the licensed producer the rights referred to in section 15.

(4) If a licensed producer is

- (a) a corporation, it must appoint an individual who is a director, shareholder, member, officer or employee of the corporation as its representative,
- (b) a partnership, it must appoint an individual who is a partner or employee of the partnership as its representative, or

- (c) an organization, other than a corporation or a partnership, it must appoint an individual who is a member, officer or employee of the organization as its representative.
- (5) An appointment of a representative under this section must be
- (a) in writing, and
 - (b) filed with Alberta Milk.
- (6) An individual who is the representative of a licensed producer shall not cast a vote under this plan unless
- (a) the individual presents a document signed by the licensed producer indicating the name of the person who may vote for the licensed producer, or
 - (b) subject to subsection (7), the individual makes a statutory declaration in writing stating that
 - (i) the individual is a representative of the licensed producer, and
 - (ii) the individual has not previously voted in the election or on the matter in respect of which the individual wishes to cast a vote.
- (7) A statutory declaration must be made in writing before the returning officer or the deputy returning officer prior to the vote being cast.
- (8) An individual cannot at any one time be a representative under this section for more than one licensed producer.
- (9) An individual who is appointed as a representative of a licensed producer must not vote in an election or on any other matter or hold office under this plan in the individual's own capacity as a licensed producer.
- (10) A representative must not vote or hold office before the representative's appointment is filed in accordance with subsection (5) or the representative has complied with subsection (6).

Division 2 Regions, Delegates and Region Committees

Regions

- 18(1)** For the purpose of this plan, Alberta is divided into 3 regions.

(2) The area included in each region is as set out in the Schedule to this plan.

(3), (4) Repealed AR 46/2012 s7.

AR 150/2002 s18;46/2012

Region delegates

19(1) Each region is to be represented by delegates elected in accordance with section 24.

(2) The number of delegates to represent each region is as follows:

- (a) for the North Region, 11 delegates;
- (b) for the Central Region, 11 delegates;
- (c) for the South Region, 9 delegates.

AR 150/2002 s19;46/2012;138/2016

Region committees

20(1) The delegates for a region and the directors for the region form the region committee for that region.

(2) The chair of the region committee is to be elected by the region committee.

Region committee meetings

21(1) Delegates must conduct region committee meetings

- (a) at the call of the chair of the region committee, or
- (b) at the request of Alberta Milk.

(2) Alberta Milk must pay the reasonable expenses of region committee meetings.

Quorum re region committee meetings

22 The quorum for a region committee meeting is a majority of the delegates within the region then holding office.

Qualifications re delegates

23 A delegate must

- (a) be a licensed producer, and
- (b) carry on production of the regulated product in the region that the delegate is elected to represent,

(c) repealed AR 46/2012 s9.

AR 150/2002 s23;46/2012

Election of delegates

24(1) At each region's annual region meeting or meetings, the licensed producers in the region are to elect delegates to represent the licensed producers assigned to that region in accordance with section 19(2).

(2) If no more than the required number of licensed producers have been nominated to fill the required number of positions of delegates for a region, the returning officer must declare the licensed producers nominated as being elected by acclamation.

(3) If less than the required number of delegates for a region have been declared elected by acclamation, the delegates in that region who have been declared elected may appoint licensed producers, who are eligible to be elected as delegates for that region, to the remaining delegate positions and the licensed producers so appointed hold office as if elected.

AR 150/2002 s24;46/2012

Terms of office of delegates

25(1) Each delegate is to be elected for a term of 3 years.

(2) The term of office of a delegate

(a) commences on the conclusion of the annual general meeting that follows the annual region meeting at which the delegate was elected, and

(b) expires on the conclusion of the annual general meeting that follows the annual region meeting that takes place in the year that the delegate's term of office is to expire.

AR 150/2008 s25;147/2008

Non-eligibility

26(1) A person is disqualified from acting as a director or delegate if that person

(a) is a represented adult as defined in the *Adult Guardianship and Trusteeship Act* or is the subject of a certificate of incapacity that is in effect under the *Public Trustee Act*;

(b) is a formal patient as defined in the *Mental Health Act*;

- (c) has been found to be a person of unsound mind by a court elsewhere than in Alberta;
- (d) has the status of a bankrupt;
- (e) is not a resident of Alberta;
- (f) ceases to be a licensed producer or a representative of a licensed producer;
- (g) is absent for 3 consecutive meetings without the prior approval of Alberta Milk;
- (h) has had that person's term of office expire;
- (i) ceases to be allocated quota;
- (j) resigns that person's office.

(2) Despite subsection (1)(d), (e), (f), (g), (h), (i) and (j), a director or delegate may remain in office until a replacement is found.

AR 150/2002 s26;147/2008;152/2010;138/2016

Vacancy re delegates

27(1) If a delegate ceases to hold office before the expiry of that delegate's term of office, the remaining delegates from that region may appoint another licensed producer, who is eligible to be elected as a delegate for that region, as a delegate to replace the delegate who ceased to hold office.

(2) If a person is appointed as a delegate under subsection (1), that person is to serve for the unexpired portion of that term of office.

AR 150/2002 s27;46/2012

Functions of delegates

28 In addition to what a licensed producer may do under the plan, a delegate may

- (a) attend any annual meeting and any special meeting;
- (b) make representations and resolutions and may bring forward resolutions from regional meetings on any matter pertaining to the plan or the operation of Alberta Milk;
- (c) vote on each matter put to the question;
- (d) vote in any election for region director within the delegate's region and vote in any election for a director at large;

- (e) be appointed by the directors to sit as a member of a committee established by Alberta Milk;
- (f) be appointed by Alberta Milk to represent Alberta Milk on any task force, committee, group or organization of which Alberta Milk is a member.

Division 3 Region Meetings

Annual region meeting

29(1) Alberta Milk must, before the commencement of the annual meeting, hold, in each region, an annual region meeting of the licensed producers who carry on production of the regulated product within the region.

(2) At an annual region meeting the licensed producers in the region are to be provided with

- (a) information with respect to Alberta Milk, and
- (b) an opportunity, when necessary, to conduct delegate elections for that region.

(3) More than one annual region meeting may take place in a region to facilitate producer attendance.

(4) If more than one annual meeting is held pursuant to subsection (3), the combination of the meetings held constitutes the annual regional meeting.

AR 150/2002 s29;46/2012

Special region meetings

30 Alberta Milk must

- (a) hold a special region meeting of the licensed producers who carry on production of the regulated product within the region on the request of the region director or the region committee, or
- (b) hold a special region meeting on written request of 10 licensed producers from within the region.

Financing of general region meetings

31 The annual region meetings and any special region meetings are to be organized and financed by Alberta Milk.

Calling of general and special region meetings

32(1) The time, place and day of any annual region meeting and of any special region meeting is to be set by Alberta Milk.

(2) Alberta Milk must publish a notice of any annual region meeting and of any special region meeting

- (a) in the newsletter published by Alberta Milk,
- (b) in a newspaper having general circulation within the region, or
- (c) by direct mail, fax or any electronic means.

(3) Despite subsection (2), Alberta Milk may publish or otherwise publicize notice of a meeting in any other manner that Alberta Milk determines.

(4) A notice of a meeting must set forth the time, location, day and purpose of the meeting.

Quorum re general region meeting

33(1) The quorum for an annual region meeting or a special region meeting is not fewer than 10 of the licensed producers who carry on production of the regulated product within the region in respect of which the meeting is being conducted.

(2) Where more than one annual region meeting or special region meeting takes place within a region for the same purpose, the quorum is the combined attendance at the meetings.

Division 4 Directors

Directors

34 The board of directors of Alberta Milk consists of the following members:

- (a) 6 region directors elected under section 36;
- (b) 5 directors to be elected at large under section 37.

AR 150/2002 s34;46/2012

Responsibility of the directors

35(1) The responsibilities of Alberta Milk, the authority delegated to Alberta Milk by the Council and the direction, administration and management of the work of Alberta Milk, its business and affairs, including the control and management of all the assets

owned, held and acquired by Alberta Milk, are vested in the board of directors.

(2) The board of directors has the power to do all things necessary to carry out the purpose of this plan and the responsibilities and authority of Alberta Milk.

(3) The board of directors may authorize any person, entity or committee to exercise any of the powers of the directors as set forth in this plan or otherwise.

(4) If a person, entity or committee is authorized under subsection (3) to exercise a power,

- (a) that person, entity or committee must report back to the directors with respect to the exercise of that power, and
- (b) the directors must retain a supervisory function to oversee the actions of that person, entity or committee in the exercise of that power.

Election of region directors

36(1) The election of directors to represent a region is to be carried out by means of a vote conducted by the region committee following the announcement of the results of the delegate election, but before the commencement of the annual meeting.

(2) Each region must be represented by 2 region directors.

Election of directors at large

37(1) At each annual meeting, the region delegates must elect from among themselves directors at large and do so in accordance with the terms of office, removal, vacancy and transitional provisions of this plan.

(2) If less than or only a sufficient number of region delegates have been nominated to fill the required number of director at large positions, the returning office must declare the region delegates nominated as being elected by acclamation.

(3) If less than the required number of directors at large have been declared elected by acclamation under subsection (2), the region directors and the directors at large that have been elected must appoint a region delegate to the remaining positions and the region delegate so appointed must hold office as if elected.

(4) Repealed AR 46/2012 s14.

AR 150/2002 s37;46/2012

Qualifications re director

38(1) To be eligible for election as a director to represent a region, a licensed producer must be an elected delegate and must carry on production of the regulated product in that region.

(2) To be eligible for election as a director at large, a licensed producer must be an elected delegate and must carry on production of the regulated product in Alberta.

Functions of directors

39 In addition to any function that a region delegate may carry out under this plan, a region director or director at large may

- (a) attend meetings of the board of directors;
- (b) at meetings of the board of directors
 - (i) make representations and present resolutions and motions on any matter pertaining to this plan or the operation of Alberta Milk, and
 - (ii) vote on any matter under this plan;
- (c) vote at an election for the chair, vice-chair or 2nd vice-chair of Alberta Milk;
- (d) hold office as the chair, vice-chair or 2nd vice-chair of Alberta Milk;
- (e) be elected or appointed by the directors as the chair, vice-chair, 2nd vice-chair or as a member of any committee established by Alberta Milk;
- (f) be elected or appointed by the directors to represent Alberta Milk on any task force, committee group or organization of which Alberta Milk is a member.

AR 150/2002 s39;147/2008

**Division 5
Executive****Chair, vice-chair, etc.**

40(1) The first meeting of the board of directors must be held after the region directors have been declared elected following the annual region meeting and directors at large have been declared elected at the annual meeting.

(2) At the first meeting of the board of directors, the region directors and directors at large must elect from among themselves a chair, vice-chair and 2nd vice-chair of Alberta Milk.

(3) If only one director, whether a region director or a director at large, has been nominated for the position of chair, vice-chair or 2nd vice-chair of Alberta Milk, the director so nominated is declared elected by acclamation.

AR 150/2002 s40;147/2008

Directors' meetings

41 The board of directors shall hold meetings of the board of directors at least 4 times each year.

(2) In addition to the meetings required under subsection (1), the board of directors may, at the call of the chair or of not fewer than 3 directors, conduct meetings of the board of directors.

AR 150/2002 s41;46/2012

Quorum re directors' meetings

42(1) The quorum for a meeting of the board of directors is a majority of the directors.

(2) In determining a quorum under subsection (1), a vacant director's position on board of directors is not to be considered.

Term of office of director

43(1) Subject to subsection (1.1), each director is elected for a term of 3 years.

(1.1) In 2016, the region committee for the North Region shall elect one region director for a term of 3 years and one region director for a term of one year.

(2) Subject to subsection (3), the term of office of a director

- (a) in the case of a director at large,
 - (i) commences on the conclusion of the annual meeting that takes place at which the director was declared elected, and
 - (ii) expires on the conclusion of the annual meeting that takes place in the year that the director's term of office is to expire;
- (b) in the case of a director to represent a region,

- (i) commences on the conclusion of the annual general meeting following the annual region meeting at which the director was elected, and
 - (ii) expires on the conclusion of the annual general meeting following the annual region meeting that takes place in the year that the director's term of office is to expire.
- (3) The term of office of a director expires if the director ceases to be a delegate.
- (4) A licensed producer may not serve for more than 3 consecutive 3-year terms as a director.
- (5) If a licensed producer serves for 3 consecutive terms as a director, that licensed producer is not eligible to serve again as a director until one year has expired following the expiry of that licensed producer's last term of office as a director.
- (6), (7) Repealed AR 175/2010 s2.

AR 150/2002 s43;147/2008;175/2010;138/2016

Removal from office

43.1 The Board may, on a motion passed by two thirds of the directors currently in office at a Board meeting, remove a director from office if the director fails to abide by any of the Board's policies, administrative directives or orders.

AR 152/2010 s3

Vacancy re directors

44(1) If a vacancy occurs on the board of directors, the board of directors may, with the approval of the Council, appoint another delegate who is eligible to be elected as a director to fill that vacancy for the unexpired portion of the term.

(2) If a person is appointed as a director under subsection (1), that person is to serve for the unexpired portion of the term.

(3) If a person is appointed under this section, a term of less than 18 months is not considered a term under section 43.

AR 150/2002 s44;46/2012

Division 6 Alberta Milk Meetings

Annual meetings

- 45(1)** Alberta Milk must hold an annual meeting at least once in each calendar year.
- (2) Not more than 16 months may elapse between annual meetings.
- (3) A special meeting of Alberta Milk
- (a) may be called by the board of directors at any time, and
 - (b) must be called by the board of directors on the written request of the Council or of 10 or more delegates.
- (4) The time and place of an annual meeting or a special meeting must be fixed by the board of directors.

Notification of Board meetings

- 46(1)** If an annual meeting or a special meeting is to be held, Alberta Milk must in writing notify each licensed producer of the meeting by forwarding the notice by ordinary mail, e-mail or facsimile to the licensed producer at the latest address or in accordance with the contact information for the licensed producer that is on the records of Alberta Milk.
- (2) A notice given under this section
- (a) must be forwarded to the licensed producer at least 14 days before the meeting is to take place, and
 - (b) must set out
 - (i) the time, place, date and purpose of the meeting, and
 - (ii) any other information as determined by Alberta Milk.

AR 150/2002 s46;46/2012

Quorum at annual and special meetings

- 47** The quorum necessary under this plan in the case of an annual meeting or special meeting is 20 persons who are delegates and directors.

Part 3 Voting and Elections

Division 1 Voting by Licensed Producers

Voting

48(1) A licensed producer who is eligible to vote may

- (a) vote once on each matter, and
- (b) in the case of an election of delegates, vote for any number of candidates not exceeding the number of members to be elected at that meeting for the region in which the producer is eligible to vote,

despite that the licensed producer may manage or operate or own, lease or hold equity in 2 or more operations that are licensed separately with Alberta Milk.

(2) A licensed producer is entitled to vote in any election for a delegate where the licensed producer

- (a) resides within the region that the delegate is to represent, and
- (b) has not voted at a previous local meeting within the region during the current election.

(3) Despite subsection (2), if a licensed producer

- (a) does not reside within the region in which the producer wishes to vote for a delegate or director, but
- (b) resides in any region that is adjacent to the region in which the licensed producer wishes to vote,

the licensed producer may apply in writing to Alberta Milk, not less than 10 days prior to the day of the election in which the licensed producer desires to cast a ballot, to be registered for the purposes of voting in that adjacent region.

(4) On receipt of the written approval of Alberta Milk of an application made under subsection (3), the licensed producer is, subject to subsection (5), eligible

- (a) to vote in the adjacent region in any election held subsequent to the approval being received by the licensed producer, and

- (b) during the time that the licensed producer is eligible to vote in that adjacent region, to nominate persons to hold office and to hold office as a region director or delegate to represent the licensed producers in that adjacent region in the same manner and under the same conditions as if that licensed producer resided in that adjacent region.

(5) If a licensed producer has received approval pursuant to subsection (4) to vote in a region in which the licensed producer does not reside, the licensed producer may, for a future election apply in writing to change to the region in which the licensed producer resides, but the licensed producer is not entitled to vote in the region in which the licensed producer resides for the election immediately following change in status of the licensed producer.

(6) If a licensed producer has received approval pursuant to subsection (4) to vote in an adjacent region, Alberta Milk must assign that producer to that region.

AR 150/2002 s48;46/2012

Voting in regions

49(1) Voting for the delegates must occur at each region annual meeting and must be by secret ballot.

(2) At each region annual meeting where a delegate election is to take place, each licensed producer must receive one delegate ballot for the region in which the producer is eligible to vote.

(3) There must be only one ballot issued per licence.

(4) No licensed producer is entitled to more than one ballot, even though the licensed producer may have been issued more than one licence.

(5) No licensed producer is entitled to vote in more than one region, even though that licensed producer may have been issued more than one licence.

(6) If the licensed producer is not an individual and the licensed producer's representative has been appointed under section 17, the representative is entitled to vote on behalf of the licensed producer.

AR 150/2002 s49;46/2012

Voters list

50(1) If a delegate election is to be conducted, the returning officer must prepare, not less than 30 days before the election is to be held, a list of the licensed producers who are eligible to vote in the delegate election.

(2) The voter's list must be available to any person for inspection before, during and after a delegate election.

Nominations

51 Nomination forms for candidates for election as delegates at region meetings must

- (a) be signed by at least 2 licensed producers who carry on production of the regulated product in that region,
- (b) be signed by the candidate,
- (c) contain an acknowledgement by the candidate that the candidate has reviewed the policies of Alberta Milk with respect to the responsibilities and conduct of delegates and directors and that the candidate undertakes to comply with those policies in the event that the candidate is elected, and
- (d) be delivered to the returning officer not less than 45 days prior to the first region meeting at which the candidate is seeking election as a delegate.

AR 150/2002 s51;152/2010;46/2012

Name must be on current list of licensed producers

52(1) If a licensed producer is entitled to vote under this plan, the licensed producer must not cast a vote unless the licensed producer's name appears on the current list of licensed producers.

(2) Despite subsection (1), a licensed producer may cast a vote if the licensed producer makes a statutory declaration in writing before the returning officer or deputy returning officer stating that the licensed producer is a licensed producer and has not previously voted in the election or on the matter in respect of which the licensed producer wishes to cast a vote.

Eligibility to vote re delegates and directors

53(1) Every delegate and director is eligible to vote on any question put to a vote at an annual meeting or a special meeting if the delegate or director is present at the meeting at which the vote is held.

(2) Unless a licensed producer is a delegate or a director, that licensed producer is not entitled to vote on any question put to a vote at an annual meeting or a special meeting.

(3) Despite subsection (2), a licensed producer who is not a delegate or a director may, if so directed by the board of directors,

vote on a question put to a vote at a special meeting if the licensed producer is present at the meeting at which the vote is held.

Eligibility to vote re licensed producers

54(1) Subject to sections 29, 48, 49 and 51, a licensed producer is eligible to vote in an election for a delegate and on any question put to a vote at an annual region meeting or a special region meeting if the licensed producer

- (a) carries on production of the regulated product in the region, and
- (b) is present at the meeting at which the vote is held.

(2) A delegate is eligible to vote in an election for a director if,

- (a) in the case of an election of a director to represent a region, the delegate carries on production in the region for which the election is taking place and is present at the meeting at which the election is being held, and
- (b) in the case of an election of a director at large, the delegate carries on production in Alberta and is present at the meeting at which the election is being held.

(3) Neither

- (a) a licensed producer, nor
- (b) a representative of a licensed producer provided for under section 17,

may vote more than once on each matter even though the licensed producer or the agent may manage or operate or own, lease or hold equity in 2 or more operations.

Insufficient attendance for an election

55(1) If an election is held under this plan and there is an insufficient number of persons who are eligible to vote at the election,

- (a) the election is void, and
- (b) the position for which the election was held is vacant.

(2) Even though a position is vacant under subsection (1), the term of office of the position is deemed to have commenced as if a person has been elected to the position.

(3) If a position is vacant under subsection (1), the board of directors may, with the approval of the Council, fill the position by appointing, from persons eligible to be elected to that position, a person to fill that position.

(4) A person appointed under subsection (3) is to serve for the unexpired portion of the term that runs to the next annual meeting following the person's appointment, at which time

- (a) the person ceases to hold office, and
- (b) an election is to be held to fill the office for the unexpired portion, if any, of the term of the vacant position.

(5) An appointment under this section is not considered a term of office.

Tie vote

56(1) Subject to subsection (3), if there are more than 2 nominations for a position and a tie vote occurs between 2 or more of the candidates that received the largest number of votes, the candidates with the smaller number of votes shall be eliminated and a 2nd election for the position shall be immediately held among the tied candidates.

(2) Subject to subsection (3), if there are only 2 nominations for a position and a tie vote occurs, a 2nd election for the position shall be immediately held among the tied candidates and, if a tied vote occurs again, the returning officer shall immediately select, by draw, the candidate for the position and that person is deemed to have been elected to the position.

(3) If in any region more than one annual region meeting is held and a 2nd election cannot be held as required under subsection (1) or (2), the returning officer shall immediately select, by draw, the candidate for the position and that person is deemed to have been elected to the position.

AR 150/2002 s56;147/2008;138/2016

Division 2 Returning Officer

Returning officer

57(1) The board of directors must appoint a returning officer for the purposes of and in connection with any election or vote taken under this plan.

- (2) The returning officer may appoint individuals as deputy returning officers to assist in the conduct of elections and votes under this plan.
- (3) The returning officer
- (a) must compile and maintain a voters' list of licensed producers who are entitled to vote under this plan,
 - (b) is to ensure that a person does not cast a vote, except in accordance with this plan, and
 - (c) must permit scrutiny of the actions of the returning officer and the deputy returning officers by a scrutineer in respect of the conduct of an election or a vote taken under this plan.
- (4) Unless otherwise directed by the Council, no person shall destroy any records or ballots in respect of a vote or election held under this plan until 90 days have elapsed from the day on which the vote was taken.

Division 3 Controverted Elections

Controverted elections

- 58(1)** A licensed producer may, within 15 days of an election, apply to the Council in writing to have the election of a delegate declared invalid on one or more of the following grounds:
- (a) the eligibility of a delegate candidate;
 - (b) the eligibility of a voter;
 - (c) a matter relating to a ballot or the tabulation of ballots;
 - (d) an irregularity with respect to the conduct of the election.
- (2) If, within the 15-day period referred to in subsection (1), the Council has not received an application under subsection (1), a person elected at the election is deemed to be duly elected.
- (3) If an application is received in accordance with subsection (1), the Council shall order a new election if in the opinion of the Council
- (a) the candidate was not eligible, or
 - (b) the matter complained of materially affected the result of the election.

- (4) Despite that an election is declared void and a position is declared vacant under subsection (3)(c), the term of office of the position declared vacant is nevertheless deemed to have commenced on the day that the voided election was held.
- (5) If the Council declares an election to be void and the position vacant, the Council may
- (a) order that, within the time that the Council considers proper, a special region meeting be held and an election be conducted to fill the vacant position, or
 - (b) direct that a licensed producer be appointed to the position under section 27 or 44, as the case may be, to fill the vacant position.
- (6) If a person fills a position under subsection (5), the person is to serve for the unexpired portion of the term.

AR 150/2002 s58;46/2012

Part 4

Review and Coming into Force

59, 60 Repealed AR 152/2010 s6.

Review

61 In compliance with the on-going regulatory review initiative, this Regulation must be reviewed on or before February 28, 2019.

AR 150/2002 s61;16/2008;147/2008;46/2012

Coming into force

62 This Regulation comes into force on the coming into force of the *Dairy Industry Omnibus Act, 2002*.

Schedule

For the purposes of the Plan, the 3 regions are as follows:

1 North Region:

- (a) all the lands north of Township Road 432 or an extension of it running from the western to the eastern boundary of the province;
- (b) all urban areas within the area described in clause (a).

2 Central Region:

- (a) all the lands south of Township Road 432 or an extension of it running from the western to the eastern boundary of the province, and all the lands north of Highway 1 from the western boundary of the province to the western municipal limits of the City of Calgary and from the eastern municipal limits of the City of Calgary to the western limit of Range Road 230, and all the lands north of Township Road 280 from the eastern limit of Range road 230 to the eastern boundary of the province;
- (b) the City of Calgary;
- (c) all other urban areas within the area described in clause (a).

3 South Region:

- (a) all the lands south of Highway 1 from the western boundary of the province to the western municipal limits of the City of Calgary and from the eastern municipal limits of the City of Calgary to the western limit of Range Road 230, excluding the City of Calgary, and all the lands south of Township Road 280 from the eastern limit of Range Road 230 to the eastern boundary of the province;
- (b) all urban areas, except the City of Calgary, within the area described in clause (a).

AR 150/2002 Sched.;152/2010;46/2012



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