

# NEW BRUNSWICK FARM PRODUCTS COMMISSION

## ORDER NO. 2020-03

Pursuant to section 11(2) of the *Natural Products Act*, the New Brunswick Farm Products Commission makes the following Order:

### SHORT TITLE

1. This order may be cited as the **“Board-Processor Sales Order”**.

### DEFINITIONS

2. In this Order, unless the context otherwise requires:

**“Board”** means the Dairy Farmers of New Brunswick;

**“Commission”** means the New Brunswick Farm Products Commission;

**“Multiple Component Pricing”** means pricing milk on the basis of its components, as set out in the Commission’s Producer Pricing Order.

**“Processor”** means a milk dealer licensed by the Commission, a federally registered industrial milk plant, or a milk processing plant licensed by the Province of New Brunswick.

**“Transporter”** means a carrier by any means of milk on a highway, as defined in the *Highway Act*, in the Province.

### JURISDICTION

3. This Order is effective in the Regulated Area as defined in the New Brunswick Regulation 2002-85, the *Milk Plan and Levies Regulation - Natural Products Act*.

### SALE AND TRANSPORT OF MILK

4. (1) The Board shall sell to a processor and a processor shall purchase from the Board all milk required by the processor.
- (2) A processor shall receive milk supplied by the Board and delivered by transporters designated by the Board.
- (3) A processor may refuse milk that does not meet the quality standards set out in N.B Regulation 2010-19 – the Milk Quality Regulation or the quality standards of the plant with respect to adulteration, flavour, smell, appearance, inhibitors, and temperature.

## **SCHEDULING**

5. (1) Fluid processors shall submit their weekly volume requirements to the Board no later than the 2<sup>nd</sup> working day of the previous week. The Board shall schedule deliveries to fluid plants based on the requirements submitted.
- (2) In the event that there is insufficient milk produced in the province, the Board will schedule the required volumes to be delivered within 48-hours of the requested date.
- (3) Should a processor require additional milk, the processor shall notify the Board in writing of the amount of milk required, providing at least 48 hours notice. The Board shall make every effort to provide the additional milk as requested.
- (4) Should a processor's milk volume requirements change (either increase or decrease), and the processor is unable to give the Board 48-hours notice as required in subsection 5(3), the Board may charge the processor a late route change fee.
- (5) The notice referred to in subsection 5(3) and 5(4) may be given verbally or in writing, but if given verbally, such notice shall be confirmed by the processor in writing.

## **BULK MILK PICK-UP SLIPS**

6. (1) The driver of a bulk milk tank truck shall keep complete records of the volume of milk collected at each of the farms on a route on a form supplied by the Board to be referred to as the Bulk Milk Pick-up Slip.
- (2) The driver of a bulk milk tank truck shall complete all portions of the form, including the following information:
  - i. the producer # of the producer whose milk was collected;
  - ii. the volume of milk collected at each farm as measured by the dipstick method;
  - iii. the temperature of the milk in the bulk tank at the time of collection;
  - iv. the dipstick reading corresponding to the level of milk in the producer's bulk tank.
- (3) On arrival at the processing plant, the driver and the plant's milk receiver shall both sign the completed Bulk Milk Pick-up Slip in the spaces provided. The driver shall provide the processor with the two copies of the completed form.
- (4) The processor shall keep one copy of the signed Bulk Milk Pick-up Slip for the plant's own records and shall forward the other copy to the Board with the corresponding Bulk Milk Receipt for the periods and by the dates outlined in 7(1) and (2) below.

## **BULK MILK RECEIPTS**

7. (1) The processor shall maintain a complete record of the volume of milk delivered to and received by the plant. This record shall be referred to as the Bulk Milk Receipt and shall cover the following the periods of time:
  - (a) from and including the first day of any month, up to and including the 15<sup>th</sup> day of that month;
  - (b) from and including the 16<sup>th</sup> day of any month, up to an including the last day of the month.
  
- (2) The processor shall forward to the Board the Bulk Milk Receipt and Milk Pick-up Slips for the periods mentioned in 7(1)(a) and (b) above, by the following dates:
  - (i) for the period described in 7(1)(a), not later than the third working day following the 15<sup>th</sup> day of that month;
  - (ii) for the period described in 7(1) (b), not later than the third working day following the last day of the month.
  
- (3) The processor shall list the following information on the Bulk Milk Receipt:
  - i. date the milk delivery was received;
  - ii. the route number;
  - iii. the volume of milk delivered by the transporter, in litres, as recorded on the Bulk Milk Pick-up Slip;
  - iv. the volume of milk received by the processor, in litres, as measured by the plant's meter.

## **PLANT UTILIZATION REPORT**

8. Processor shall provide the Board with a plant utilization report not later than the 7<sup>th</sup> working day of the following month. This report shall be a detailed record of the amount of milk received and used by the processor during the period in question. Processors shall declare their raw milk utilization based on the butterfat used to make each product in a class and on the protein and lactose and other solids contained in these products, as estimated using the pure skim milk formula.

## **PAYMENT TO THE BOARD**

9. In the event that a processor fails to furnish the Board with any of the statements required by sections 6, 7, and 8 by the dates specified in said paragraphs, the Board may determine that all milk received by the processor in any of the periods mentioned in any of the said paragraphs, has been used by the processor as fluid requirements, and the processor shall pay the Board for such milk at the highest fluid class price.

10. The Board shall furnish a processor with a statement of the amounts owing by the processor to the Board for milk supplied to the processor in any month not later than the 12<sup>th</sup> working day of the following month.
11. The Board shall calculate the amount owing on the basis of multiple components pricing as per the current Commission Producer Pricing Order and shall include on the statement a list of the loads of milk received by the processor during the period in question and the corresponding weighted average of components for each load.
12. For payment purposes, the Board shall determine the weighted average of components (butterfat, protein, lactose and other solids) of individual producers' milk using the results of the compositional analysis performed by a laboratory approved by the Commission.
13. For milk supplied to the Fluid processor by the Board in any month, the Fluid processor shall calculate and pay the Board the amounts owing not later than the third working day subsequent the following periods of time:
  - a. From and including the first day of any month, up to and including the 15<sup>th</sup> day of that month;
  - b. From and including the 16<sup>th</sup> day of any month, up to and including the last day of that month.
14. For milk supplied to the Industrial processor by the Board in any month, the Industrial processor shall calculate and pay the Board the amounts owing not later than the last day of the month subsequent the following period of time:
  - a. From and including the first day of any month, up to and including the 15<sup>th</sup> day of that month, shall be paid not later than the last day of that month.
  - b. From and including the 16<sup>th</sup> day of any month, up to and including the last day of that month, shall be paid not later than 15 days subsequent.
15. A processor shall pay the Board the amount owing to the Board, as shown by the statement, not later than the last day of the month following the month covered by the statement.
16. If a processor fails to pay to the Board any amount payable to the Board under the terms of this Order when the same falls due, the Board may refuse to deliver any milk to the processor on other than a daily payment basis, until all amounts payable by the processor to the Board have been paid.

#### **MILK DELIVERY AT PLANT**

17. A processor shall provide adequate space and facilities for unloading bulk milk truck tanks and shall provide for or arrange for adequate facilities for washing and sanitizing the inside of the bulk truck tanks, cleaning the outside of milk tank trucks and all parts of the equipment of such truck tanks which have come in contact with milk.

18. (1) Milk shall be delivered to a processor on the days and at the times agreed upon by the Board and the processor.
  - (2) The Board and a processor shall schedule the orderly unloading of bulk transport in consultation with the transporter.
  - (3) The transporter shall unload the milk in accordance with the policies and procedures established by the processor for the plant.
19. A processor may be supplied with single-service, sterile sample containers which will be distributed to the transporters transporting milk to the processor for the collection of milk samples for quality and composition testing from the bulk tank of each producer collected on a route.
20. A processor shall accept from the transporter samples of individual producers' milk in the containers mentioned in section 19, and retain such samples at a temperature of not more than 4° Celsius, and not less than 0° Celsius, for the duration of the sample period, as prescribed by the Commission.
21. The care and transfer of all milk samples mentioned in this Order shall be the responsibility of an employee of the processor who is the holder of a bulk tank grader's licence issued by the Commission.
22. The Commission may relieve the processor of responsibility for the care and transfer of samples mentioned in section 19.
23. The Board and Processors shall hold in confidence all information it receives relating to the production, milk utilization by class, class prices and any associated sales and any associated financial transactions.
24. Commission Order 2019-08 is hereby repealed.
25. This Order shall come into effect on June 1, 2020.

Dated at Fredericton, New Brunswick this 20<sup>th</sup> day of May 2020.



May 20, 2020  
Date

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Robert Shannon, Chair