



PRINCE EDWARD ISLAND
ÎLE-DU-PRINCE-ÉDOUARD

**NATURAL PRODUCTS MARKETING ACT
DAIRY FARMERS OF PRINCE EDWARD
ISLAND REGULATIONS**

PLEASE NOTE

This document, prepared by the *Legislative Counsel Office*, is an office consolidation of this regulation, current to October 26, 2019. It is intended for information and reference purposes only.

This document is *not* the official version of these regulations. The regulations and the amendments printed in the *Royal Gazette* should be consulted on the Prince Edward Island Government web site to determine the authoritative text of these regulations.

For more information concerning the history of these regulations, please see the *Table of Regulations* on the Prince Edward Island Government web site (www.princeedwardisland.ca).

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NATURAL PRODUCTS MARKETING ACT
Chapter N-3

DAIRY FARMERS OF PRINCE EDWARD ISLAND REGULATIONS

On the recommendation of the Prince Edward Island Marketing Council and under the authority of subsections 4(2) and (3) and section 29 of the *Natural Products Marketing Act* R.S.P.E.I. 1988, Cap. N-3, Council made the following regulations:

1. Definitions

- (1) In these regulations and the Board orders made under them
- (a) “**Act**” means the *Natural Products Marketing Act* R.S.P.E.I. 1988, Cap. N-3;
 - (b) “**Board**” means the Dairy Farmers of Prince Edward Island continued under section 2;
 - (c) “**district**” means the Western District or the Eastern District;
 - (d) “**district milk committee**” means a district milk committee established pursuant to section 20;
 - (e) “**Eastern District**” means the area within the boundaries set out as the Eastern District in the Schedule to these regulations;
 - (f) “**milk**” means milk from a cow;
 - (g) “**milk producer**” means an individual, partnership, corporation, syndicate or business group that produces and markets milk for processing;
 - (h) “**quota**” means a share of the market for milk fixed and allotted by the Board to a milk producer;
 - (i) “**quota holder**” means a milk producer who is allotted a quota, but does not include a milk producer whose quota has been suspended or cancelled by the Board;
 - (j) “**register**” means the register kept pursuant to section 6;
 - (k) “**Western District**” means the area within the boundaries set out as the Western District in the Schedule to these regulations.

Adoption of definitions

- (2) Revoked by EC708/19.

Additional definitions

- (3) The Board may define any term used in a Board order if the term is not defined in the Act, the *Dairy Industry Act* or these regulations. (EC215/04; 708/19)

DAIRY FARMERS OF PRINCE EDWARD ISLAND**2. Board continued**

- (1) The Prince Edward Island Milk Marketing Board established under the Prince Edward Island Milk Marketing Regulations (*EC48/85*) is renamed and continued as the Dairy Farmers of Prince Edward Island.

Purposes

- (2) The Board
- (a) is constituted as a commodity board under the Act for the promotion, control, and regulation of the marketing of milk in the province; and
 - (b) shall represent and protect the interests of the province's quota holders at the provincial and national levels.

Policies and process

- (3) The Board shall, after consultation with the province's quota holders, create policies respecting the roles and responsibilities of the Board and its committees, including a process to be followed by the Board for responding to resolutions passed at annual and special meetings of quota holders.

Powers

- (4) The Board has all the powers contained in subsection 4(3) of the Act.

Transfer of assets and liabilities

- (5) Revoked by EC708/19. (*EC215/04; 420/09; 708/19*)

3. Head office

- (1) The Board shall maintain a head office in the province.

Seal

- (2) The Board shall adopt a common seal, the use of which shall be authenticated by the signature of the chairperson or other person as the Board may authorize by resolution.

Fiscal year

- (3) The fiscal year of the Board shall commence on December 1 of each year and end on November 30 of the following year.

Records and annual audit

- (4) The Board shall keep books of account, in accordance with generally accepted Canadian accounting principles, which shall be audited for each fiscal year by an auditor approved by the Board.

Audited financial statement, report

- (5) A copy of the audited financial statement accompanied by a report of the operations of the Board shall be presented to the Board within four months of the close of the fiscal year at a regularly scheduled meeting or a special meeting called by the chairperson to consider the report. (*EC215/04; 420/09*)



4. Filing of information

The Board shall file with the Council

- (a) a certified copy of the audited financial statement of the Board accompanied by the report of operations of the Board within five months of the close of the Board's fiscal year;
- (b) a certified copy of all agendas, agreements, appointments, awards, minutes, orders, reports, resolutions and rules of the Board within seven days of the Board's approval of them; and
- (c) where the Board appoints an agent, the agent shall file with the Council a certified copy of the audited financial statement and the annual report of the agent within five months of the close of the year of the agent. *(EC215/04; 420/09; 708/19)*

5. Committees

(1) The Board shall establish and maintain the following committees:

- (a) an Executive Committee composed of at least three Board members;
- (b) a Farm Practices Committee composed of at least two Board members and at least three quota holders from more than one district;
- (c) a Research Committee composed of at least two Board members and at least three quota holders from more than one district;
- (d) a Producer Relations Committee composed of at least two Board members and at least three quota holders from more than one district;
- (e) a Promotion Committee composed of at least two Board members and at least two district milk committee members who are not Board members;
- (f) a Dairy Industry Planning Committee composed of at least four Board members and at least six members from dairy industry stakeholders.

Other committees

(2) The Board may establish and maintain other committees as it considers necessary to advise or assist it in its work.

No sub-delegation

(3) The Board shall not delegate any of its powers to any committees established

- (a) by the Board; or
- (b) under these regulations.

Membership

(4) Members of committees established under subsection (2) are not required to be Board members.

Term; re-appointment

(5) The Board

- (a) shall make appointments of members to committees for one-year terms; and
- (b) may re-appoint members to the same or different committees. *(EC215/04; 708/19)*

REGISTER OF QUOTA HOLDERS

6. Register

- (1) The Board shall maintain a current register, by district, listing quota holders and quota holder registration numbers.

Inspection

- (2) The register maintained under subsection (1) shall be available for inspection by quota holders without charge during normal business hours of the Board.

Individual responsible

- (3) Where the Board allots a quota to a corporation, partnership, syndicate or business group, the corporation, partnership, syndicate or business group shall notify the Board in writing of the name of, and any other details required by the Board regarding, the individual responsible, on behalf of the corporation or other entity, for the exercise of rights and responsibilities of a quota holder under the Act and these regulations.

Removal of name from register

- (4) The Board shall remove from the register the name of every person who has ceased to hold a quota for a period of three months, either as a result of the person's own action or inaction.
(EC215/04)

ELECTIONS TO THE BOARD

7. Composition of board of directors

- (1) The Board shall be composed of nine members, elected in accordance with these regulations, of which
- (a) three members shall be quota holders listed in the register who reside or are located in the Western District;
 - (b) three members shall be quota holders listed in the register who reside or are located in the Eastern District; and
 - (c) three members shall be elected at large from all quota holders listed in the register who reside or are located in the province.

Transitional

- (2) On the day this section comes into force, the quota holders who, immediately preceding the coming into force of this section, were members of the Board are deemed to have been elected to represent the Western District or the Eastern District, or elected as a member at large, in accordance with subsection (1) as follows:
- (a) with respect to the two members who, immediately preceding the coming into force of this section, were members of the Board representing the West Prince District,
 - (i) one member determined by the Board is deemed to be a member of the Board referred to in clause (1)(a) for the remainder of the member's term or until the member sooner ceases to hold office, and
 - (ii) one member determined by the Board is deemed to be a member of the Board referred to in clause (1)(c) for the remainder of the member's term or until the member sooner ceases to hold office;



- (b) the two members who, immediately preceding the coming into force of this section, were members of the Board representing the Summerside District, are deemed to be members of the Board referred to in clause (1)(a), each for the remainder of the member's term or until the member sooner ceases to hold office;
- (c) with respect to the three members who, immediately preceding the coming into force of this section, were members of the Board representing the Charlottetown District,
 - (i) two members determined by the Board are deemed to be members of the Board referred to in clause (1)(b), each for the remainder of the member's term or until the member sooner ceases to hold office, and
 - (ii) one member determined by the Board is deemed to be a member of the Board referred to in clause (1)(c) for the remainder of the member's term or until the member sooner ceases to hold office;
- (d) with respect to the two members who, immediately preceding the coming into force of this section, were members of the Board representing the Montague-Souris District,
 - (i) one member determined by the Board is deemed to be a member of the Board referred to in clause (1)(b) for the remainder of the member's term or until the member sooner ceases to hold office, and
 - (ii) one member determined by the Board is deemed to be a member of the Board referred to in clause (1)(c) for the remainder of the member's term or until the member sooner ceases to hold office. *(EC215/04; 708/19)*

8. Vacancy, district member

- (1) Where there is a vacancy on the Board for a member of a district, each quota holder residing or located in the district who is listed in the register is entitled to cast one vote in an election held to fill the vacancy.

Vacancy, member at large

- (2) Where there is a vacancy on the Board for a member at large, each quota holder residing or located in the province who is listed in the register is entitled to cast one vote in an election held to fill the vacancy. *(EC215/04; 708/19)*

9. Returning officer

- (1) Where an election to the Board is to be held, the Board shall appoint a returning officer.

Duties

- (2) The returning officer shall
 - (a) not later than the second Saturday of January in each year in which an election is to be held, ensure that an election notice is
 - (i) published in at least two daily or weekly newspapers in circulation in the district in which an election is being held or, where an election is being held for a member at large, in the province, or
 - (ii) mailed to each quota holder who is eligible to vote in the election at the most recent address provided by the quota holder to the Board; and
 - (b) provide a nomination form to each quota holder who requests a nomination form.

Nomination

- (2.1) A nomination to fill a vacancy on the Board shall be made on a nomination form provided by the Board.

Nomination form

- (3) Every quota holder submitting a nomination form shall ensure that the nomination form
- (a) is signed by at least three quota holders who are eligible to vote in the election to fill the vacancy;
 - (b) is postmarked or received by the returning officer not later than January 31 of the election year.

Nominations

- (4) Revoked by EC708/19.

Notice of acceptance

- (5) Acceptance of a nomination by the nominee shall be by notice in writing from the nominee to the returning officer and the notice shall accompany the nomination.

No nomination received

- (6) If no nomination is received from a district for which an election is being held, the incumbent is deemed elected.

Single nominee

- (7) Where only one eligible quota holder is nominated to fill a vacancy, that quota holder shall be deemed elected.

Close of register

- (8) For the purpose of conducting an election, the register of quota holders shall be closed on January 31. (EC215/04; 412/12; 708/19)

10. Mail-in ballots

- (1) The returning officer shall cause mail-in ballots to be sent to eligible quota holders showing the candidates for the vacancies in the district or at large.

Notice

- (2) Failure by a quota holder to receive a mail-in ballot shall not invalidate any election.

Counterfoil

- (3) The counterfoil of the mail-in ballot shall have the quota holder's name and registration number recorded on it.

Scrutineer

- (4) Each candidate in an election is entitled to appoint one scrutineer to represent the candidate at the opening and counting of the mail-in ballots.

Return of mail-in ballots

- (5) All mail-in ballots shall be returned by mail, with the counterfoil attached, to the returning officer and shall be received by the returning officer or postmarked not later than the last day of February.



Counting mail-in ballots

- (6) The returning officer shall set a date for counting the mail-in ballots for the election.
(EC215/04; 708/19)

11. Witnesses

- (1) The returning officer may appoint any persons necessary to witness the counting of the mail-in ballots.

Council witness

- (2) The Council may appoint a witness to represent the Council at the opening and counting of the mail-in ballots.

Validity

- (3) The failure of a person appointed under subsection (1) or (2) to witness the counting of the mail-in ballots shall not invalidate an election.

Valid ballots

- (4) Mail-in ballots shall only be counted where
- (a) the mail-in ballot is postmarked not later than the last day of February;
 - (b) the quota holder's name and registration number are recorded on the counterfoil; and
 - (c) the counterfoil is removed by the returning officer before it is placed in the ballot box.

Counting

- (5) Mail-in ballots shall be opened and counted by the returning officer in the presence of the persons appointed under subsection (1) or (2).

Valid results

- (6) A complete report of the results of the counting of the mail-in ballots, bearing the signatures of those present, shall be filed with the Board and the Council.

Declaration

- (7) The candidate receiving the greatest number of votes for each vacancy shall be deemed elected by the returning officer.

Resolution of tied vote

- (8) Where, upon the counting of the votes, two or more candidates for a vacancy on the Board have an equal number of votes and none can be declared the winner, the returning officer shall immediately
- (a) write the names of those candidates on separate, identical blank sheets of paper;
 - (b) fold the sheets of paper in an identical manner so that the names are concealed;
 - (c) deposit the sheets of paper in a receptacle and withdraw a sheet to select the candidate to be elected; and
 - (d) declare the candidate whose name appears on the sheet withdrawn to be elected.
(EC215/04; 708/19)

12. Term of office

- (1) Members of the Board shall be elected for a three-year term and shall assume office at the first meeting of the Board following the annual meeting of quota holders.

Staggered terms

- (1.1) Notwithstanding subsection (1), at the next election following the coming into force of this subsection, members of the Board may be elected for staggered terms determined by the Board.

Vacancies

- (2) The Board may declare vacant the office of any member of the Board who has been convicted of any offence under the Act or under the *Criminal Code* (Canada), has resigned or become ineligible, or who has failed to attend three consecutive meetings of the Board without reasonable cause.

Filling vacancy by appointment

- (3) Subject to subsection (4), the Council may appoint an eligible quota holder to complete the remainder of the term of a member of the Board whose office has been declared vacant pursuant to subsection (2).

Consultation with district milk committee

- (4) Where the member whose office is declared vacant pursuant to subsection (2) represents a district, the Council shall consult with the district milk committee in that district before making an appointment pursuant to subsection (3). (EC215/04; 708/19)

13. Officers

- (1) The Board shall, at the first meeting following the annual meeting of quota holders, elect from its members a chairperson, a vice-chairperson and a secretary.

Other officers

- (2) The Board may also appoint a treasurer and other officers and employees as it deems necessary. (EC215/04)

14. Duty of members

- (1) Each member of the Board shall act in the best interests of the quota holders in the province.

Duty of district members

- (2) A member of the Board who is elected to represent a district shall represent all of the quota holders in the district. (EC215/04; 708/19)

MEETINGS**15. Annual meeting**

- (1) The Board shall call an annual meeting of quota holders, which shall be held within five months of the end of the Board's fiscal year.



Financial statement

- (2) At the annual meeting, the Board shall present the audited financial statement for the preceding fiscal year along with the annual report of the Board.

Special meeting

- (3) Where the Board receives a request signed by at least 10% of the quota holders requesting that a special meeting of quota holders be held for discussion of matters respecting the operation of the Board, the Board shall call a special meeting of quota holders within 30 days of the receipt of the request.

Agenda

- (4) A request for a special meeting shall include a suggested agenda.

Notice

- (5) The Board shall give notice, including a copy of the agenda, of a special meeting under subsection (3), 14 days prior to the date of the meeting,
- (a) by written notice to each quota holder sent by ordinary mail; or
 - (b) by publication in at least two daily newspapers in the province.

Discussion limited to agenda

- (6) At a special meeting, only those matters contained in the agenda may be brought before the meeting. *(EC215/04; 420/09)*

FINANCE AND MANAGEMENT

16. Finance

- (1) An order passed by the Board respecting
- (a) the borrowing of money on the credit of the Board;
 - (b) the issuing, selling or pledging securities of the Board;
 - (c) the charging, mortgaging, hypothecating or pledging real or personal property of the Board; or
 - (d) the negotiating for securities or money borrowed, or other debt, obligation or liability of the Board

shall state the purpose for obtaining the money or incurring the debt.

Two-thirds majority

- (2) No order referred to in subsection (1) is effective unless
- (a) a meeting is held to consider the order; and
 - (b) at least two-thirds of the total members of the Board vote in favour of the order. *(EC215/04)*

17. Bond for treasurer

- (1) The Board may require the treasurer to provide a bond for the faithful discharge of the duties of treasurer in any form and with any security the Board may determine.

Bonds for other officers

- (2) The Board may require its other officers, employees and agents to provide bonds for the faithful discharge of their duties in any form and with any security the Board may determine.

Costs

- (3) The Board shall pay the cost of bonds required under subsection (1) or (2). (EC215/04)

18. Investment

The Board shall not invest surplus funds of the Board other than in investment certificates of a chartered bank, trust company, credit union, or the provincial or federal government. (EC215/04)

19. Board may make rules

The Board may make rules governing the calling and conduct of meetings, the procedures for the transaction of its business and matters of management. (EC215/04)

DISTRICT MILK COMMITTEES**20. District milk committees**

- (1) The Board shall establish and maintain a district milk committee in each of the Western District and the Eastern District.

Composition of committee

- (2) A district milk committee shall be composed of six quota holders who reside or are located in the district, of which
- (a) three are elected at the annual meeting of the district; and
 - (b) three are the members of the Board representing that district.

Chairperson, secretary

- (3) The Board shall appoint one of the members referred to in clause (2)(b) as the chairperson of the district milk committee and another of the members referred to in clause (2)(b) as the secretary of the district milk committee.

Terms of office

- (4) The members of a district milk committee referred to in clause (2)(a) shall be elected for two-year terms.

Initial district milk committee

- (5) Notwithstanding subsections (2) and (4), the initial district milk committee in each of the Western District and the Eastern District shall be composed of six quota holders who reside or are located in the district, of which,
- (a) three are appointed by the Board for staggered terms determined by the Board; and
 - (b) three are the members of the Board representing that district.

Transitional

- (6) For greater certainty, the district milk committees of the West Prince District, the Summerside District, the Charlottetown District and the Montague-Souris District, as they existed prior to the coming into force of this section, are dissolved. (EC215/04; 708/19)



20.1 Meetings

Each district milk committee shall hold

- (a) an annual meeting of the quota holders in the district, during the month of March in each year; and
- (b) at least two general meetings of the quota holders in the district in each year. *(EC708/19)*

GENERAL

21. Validity of actions

Notwithstanding any defect or irregularity in the appointment, election or qualifications of any member, the actions of the Board are as valid as if the Board and every member were duly qualified and had been duly appointed or elected. *(EC215/04)*

22. Liability

- (1) No action shall be brought against any person who acts or purports to act in good faith under the authority of the Act, these regulations or a Board order.

Indemnity

- (2) Members or officers of the Board and their heirs, executors and administrators, and assigns shall be saved harmless, and indemnified out of the funds of the Board, against all costs, charges and expenses the member or officer sustains or incurs with respect to any action, suit or proceeding brought, commenced or prosecuted against the member or officer, in respect of any act performed or authorized by the member or officer, in the performance or intended performance of the duties of the member's or officer's office; except any costs, charges or expenses that result from the member's or officer's wilful neglect or default. *(EC215/04)*

23. Remuneration

- (1) Subject to the approval of the Council, the remuneration to be paid to members of the Board shall be any honoraria and daily allowances as the Board may from time to time determine.

Expenses

- (2) The Board shall pay its members travelling or other expenses where the expenses were properly incurred by them in connection with the business of the Board.

Special services

- (3) Subject to the approval of the Council, the Board may by resolution award special remuneration to members undertaking special services on behalf of the Board. *(EC215/04; 708/19)*

24. Compliance with Act, regulations, orders

No person shall produce or market milk contrary to the Act, these regulations, or Board orders. *(EC215/04)*

SCHEDULE

WESTERN DISTRICT:

Shall be bounded as follows: commencing at the intersection of Stanley River (Stanley Bridge) and Route # 6; thence eastwardly along said route to Rattenbury Road (Route # 254); thence southwardly along said road to Route # 2; thence eastwardly along said route to Inkerman Road (Route # 231); thence southwardly along said road to Route # 13; thence westwardly along said route to Westmoreland River; thence southwardly along said river and Victoria Harbour to Northumberland Strait; thence westwardly along said strait and Bedeque Bay to Egmont Bay; thence northwardly along said bay and Northumberland Strait to the Gulf of St. Lawrence at North Point; thence following the gulf southwardly and eastwardly to New London bay; thence southwardly along said bay and the Stanley River to the point of commencement.

EASTERN DISTRICT:

Shall be bounded as follows: commencing on New London Bay at the intersection of Stanley River (Stanley Bridge) and Route # 6; thence northwardly along said river and New London Bay to the Gulf of St. Lawrence; thence eastwardly along the said gulf to the Northumberland Strait at East Point; thence southwardly and westward along said strait to Victoria Harbour; thence northwardly along said harbour and Westmoreland River to Route # 13; thence eastwardly along said route to Inkerman Road (Route # 231); thence northwardly along said road to Route # 2; thence westwardly along said route to Rattenbury Road (Route # 254); thence northwardly along said road to Route # 6; thence westwardly along said road to the intersection of Route # 6 and Stanley River (Stanley Bridge) to the point of commencement.

(EC215/04; 708/19)