

Milk Classification Order*

Regulation 78/2005
Registered June 1, 2005

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Definition

1 In this regulation, "**components of milk**" means butterfat, protein, and other solids contained in raw milk, measured in kilograms, sold to a processor and used in the manufacture of dairy products, dairy ingredients, animal feed and non-food products.

Application of *The Dairy Act* and the *Canada Agricultural Products Act*

2 The compositional standards of dairy products as set out in the regulations made under *The Dairy Act* and the *Canada Agricultural Products Act* apply to this regulation.

Classification of milk

3 Components of milk which are sold to processors are classified as follows:

(a) "**Class 1a Milk**" means the volume of sales by a processor of milk and milk beverages, partly skimmed or skimmed, whether or not treated for lactose intolerance, whether flavoured or not, with or without vitamins or minerals added, egg nog, cordials, and cultured milk, for retail and food services.

(b) "**Class 1b Milk**" means the volume of sales by a processor of all types of cream with a butterfat content not less than 5% for retail and food services.

* This Order is made under the *Dairy Farmers of Manitoba Marketing Plan Regulation*, Manitoba Regulation 89/2004, and is Order No. 1, 2005 of the Dairy Farmers of Manitoba.

(c) "**Class 1b(ii) Milk**" means the amount of components of milk used by a processor in the manufacture of fresh cream with a butterfat content of 32% and higher used to make fresh baked goods which are not eligible for a Class 5 permit. Any utilization in this class requires a Class 1b(ii) permit approved by the Canadian Dairy Commission.

(d) "**Class 1c Milk**" means the volume of sales by a processor of new fluid milk products of the types set out in Class 1a and Class 1b, for retail and food services, approved by Dairy Farmers of Manitoba for an introductory period.

(e) "**Class 1d Milk**" means the volume of sales by a processor of fluid milk products of the types set out in Class 1a and Class 1b, marketed outside of the provinces of Canada but within the territorial jurisdiction of Canada.

(f) "**Class 2 Milk**" means the amount of components of milk used by a processor in the manufacture of all types of ice cream, ice cream mix, yogurt, whether frozen or not, kefir, whether frozen or not, all types of sour cream, all types of milk shake mixes, other frozen dairy products, fudge, puddings, meal replacements, soup mixes, infant formula, caffeine, and Indian sweets.

(g) "**Class 3a Milk**" means the amount of components of milk used by a processor in the manufacture of all types of cheese other than those identified in Class 3b, and all types of cheese curds, other than stirred.

(h) "**Class 3b Milk**" means the amount of components of milk used by a processor in the manufacture of all types of cheddar cheese, stirred curd, cream cheese, creamy cheese bases (cheese mixes), and cheddar and cheddar-type cheeses (firm or semi-soft, unripened, unwashed curd cheese, with a minimum milk fat content of 25% and a maximum moisture content of 45%) sold fresh.

(i) "**Class 4a Milk**" means the amount of components of milk used by a processor in the manufacture of all types of butter and butteroil, all types of powder, concentrated milk as an ingredient in the food industry, and all other products not listed in other classes of milk.

(j) "**Class 4a(i) Milk**" means the amount of components of milk used by a processor in the manufacture of rennet casein (dry or curd) or milk protein concentrate (MPC) to be used in the manufacture of non-standardized final products in the processed cheese category.

(k) "**Class 4b Milk**" means the amount of components of milk used by a processor in the manufacture of concentrated milk for retail and food services, whether sweetened or not.

(l) "**Class 4c Milk**" means the amount of components of milk used by a processor in the manufacture of new industrial products as approved by Dairy Farmers of Manitoba for an introductory period.

(m) "**Class 4d Milk**" means the amount of components of milk declared by a processor for explained losses (dumps, fluid returns, dead vats), inventories, and unexplained losses up to 2% for processing.

(n) "**Class 4d(i) Milk**" means the amount of components of milk or cream for inventory adjustments used for inter-provincial milk movement purposes.

(o) "**Class 4m Milk**" means the amount of components of milk used by a processor in the manufacture of milk components for marginal markets as established from time to time by the Canadian Milk Supply Management Committee. Any declaration in this class requires a Class 4m permit approved by the Canadian Dairy Commission.

(p) "**Class 5a Milk**" means the amount of components of milk declared by a processor in the manufacture of cheese used as ingredients for further processing for the domestic and export markets. Any declaration in this class requires a Class 5a permit approved by the Canadian Dairy Commission.

(q) "**Class 5b Milk**" means the amount of components of milk declared by a processor in the manufacture of all other dairy products used as ingredients for further processing for the domestic and export markets. Any declaration in this class requires a Class 5b permit approved by the Canadian Dairy Commission.

(r) "**Class 5c Milk**" means the amount of components of milk declared by a processor in the manufacture of dairy products used as ingredients for the confectionery sector destined for domestic and export markets. Any declaration in this class requires a Class 5c permit approved by the Canadian Dairy Commission.

(s) "**Class 5d Milk**" means the amount of components of milk declared by a processor in the manufacture of planned exports and other exports approved by the Canadian Milk Supply Management Committee, the total of which shall not exceed Canada's World Trade Organization commitments. Any declaration in this class requires a Class 5d permit approved by the Canadian Dairy Commission.

Adjustments to amounts of components of milk

4 For the purpose of calculating prices to be paid by processors for components of milk, the amounts of components of milk will be adjusted in the following manner:

(a) For Class 1a Milk, Class 1b Milk, Class 1c Milk, and Class 1d Milk, the amount of components of milk will be adjusted by including the prorated unexplained litres and butterfat loss, over the 2% unexplained loss, expressed as a percentage of the total litres and butterfat used to manufacture the products in the plant, plus the prorated unexplained protein and unexplained other solids losses expressed as a fixed amount in kilograms per hectolitre multiplied by the calculated unexplained hectolitres of milk over the 2% unexplained loss.

(b) For Class 1b(ii) Milk, Class 2 Milk, Class 3a Milk, Class 3b Milk, Class 4a Milk, Class 4a(i) Milk, Class 4b Milk, and Class 4c Milk, the amount of components of milk will be adjusted by including the prorated unexplained losses, over the 2% unexplained loss, expressed as a percentage of the total amount of components of milk used to manufacture the products.

Repeal

5 The *Milk Classification Order*, Manitoba Regulation 53/2001, is repealed.

May 24, 2005

DAIRY FARMERS OF MANITOBA:

William Swan
Chairman

W. James S. Wade
Corporate Secretary

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