

The Commercial Egg Marketing Plan Regulations

being

Chapter A-15.21 Reg 2 (effective December 22, 2004) as
amended by Saskatchewan Regulations 19/2006.

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER A-15.21 REG 2

The Agri-Food Act, 2004

PART I

Title and Interpretation

Title

- 1 These regulations may be cited as *The Commercial Egg Marketing Plan Regulations*.

Interpretation

- 2 In these regulations:

- (a) **“Act”** means *The Agri-Food Act, 2004*;
- (b) **“board”** means Saskatchewan Egg Producers continued pursuant to section 7;
- (c) **“broiler hatching eggs”** means hatching eggs as defined in *The Broiler Hatching Egg Marketing Plan Regulations*;
- (d) **“CEMA”** means the Canadian Egg Marketing Agency;
- (e) **“CEMA regulations”** means the *Canadian Egg Marketing Agency Quota Regulations, 1986*, SOR/86-8;
- (f) **“designated representative”** means an officer or employee who:
 - (i) is employed by a licensed producer;
 - (ii) is appointed in writing by that licensed producer to represent the licensed producer; and
 - (iii) is recognized by the board in accordance with section 35;
- (g) **“director”** means a member of the board;
- (h) **“eggs”** means any class of eggs or egg products produced from eggs laid by a hen, but does not include broiler hatching eggs;
- (i) **“exempt producer”** means a producer mentioned in section 6;
- (j) **“hen”** means a female common domestic fowl of the species *Gallus domesticus* that is producing eggs;
- (k) **“licence”** means a valid licence issued pursuant to Part V;
- (l) **“licensed producer”** means a producer to whom a licence has been issued and whose licence is in good standing;

- (m) **“plan”** means the Saskatchewan Commercial Egg Producers’ Marketing Plan continued pursuant to section 3;
- (n) **“producer”** means a person who is engaged in the production, marketing or production and marketing of eggs in Saskatchewan;
- (o) **“production limit”** means the number of dozens of eggs that a licensed producer is authorized to produce per year in accordance with Part VII and that is set out in the licensed producer’s licence;
- (p) **“production location”** means the location where a licensed producer produces eggs as set out in the producer’s licence or as identified by the producer and recorded by the board;
- (q) **“trust fund”** means the Commercial Egg Producers’ Trust Fund established pursuant to Part VIII.

31 Dec 2004 cA-15.21 Reg 2 s2.

PART II

Plan

Plan continued

3 The Saskatchewan Commercial Egg Producers’ Marketing Plan governed by Saskatchewan Regulations 270/76 is continued.

31 Dec 2004 cA-15.21 Reg 2 s3.

Purposes of plan

4 The purposes of the plan are the following:

- (a) to control and regulate the production and marketing of eggs in Saskatchewan;
- (b) to maintain a fair, stable price for eggs in Saskatchewan;
- (c) to initiate, support and conduct studies and research connected with the production, marketing or production and marketing of eggs, including studies and research respecting consumer demand for eggs;
- (d) to initiate, support and conduct activities to promote the production, marketing or production and marketing of eggs in Saskatchewan;
- (e) to co-operate with the Governments of Saskatchewan and of Canada and with any bodies empowered by an Act or an Act of the Parliament of Canada or of a province or territory of Canada to market eggs or to promote, facilitate, control, regulate or prohibit the production or marketing of eggs.

31 Dec 2004 cA-15.21 Reg 2 s4.

Application of plan

5 The plan applies:

- (a) throughout Saskatchewan; and
- (b) subject to section 6, to every person engaged in the production, marketing or production and marketing of eggs in Saskatchewan.

31 Dec 2004 cA-15.21 Reg 2 s5.

Exempt producers

6(1) The following producers are exempt from the plan and are not required to hold a licence in order to produce or market eggs:

- (a) every producer who possesses, whether by ownership, lease or any other means, fewer than 300 hens;
 - (b) every producer who is exempted by the board pursuant to the board's authority given by the Act, these regulations or the plan.
- (2) Without limiting the board's authority mentioned in clause (1)(b) to exempt, the board may, by order, exempt persons from the requirement to obtain a licence to produce, market or produce and market eggs for the purposes of research or market development.
- (3) The maximum exemption that the board may grant pursuant to subsection (2) is production equal to 1.5% of the total provincial allotment as defined in section 46.

31 Dec 2004 cA-15.21 Reg 2 s6.

PART III
Board

DIVISION 1
General Matters

Board continued

- 7(1)** The marketing board entitled Saskatchewan Egg Producers is continued.
- (2) The board is responsible for administering the plan.

31 Dec 2004 cA-15.21 Reg 2 s7.

Composition of board

- 8(1)** The board consists of six directors to be elected in accordance with Part VI.
- (2) Only licensed producers and designated representatives are eligible to be directors.

31 Dec 2004 cA-15.21 Reg 2 s8.

A-15.21 REG 2 COMMERCIAL EGG MARKETING PLAN**Term of directors**

9(1) Every director holds office for a period of three years and until a successor is elected in accordance with Part VI or appointed.

(2) Subject to subsection (3), a director is eligible for re-election or re-appointment.

(3) If a director has served four consecutive terms, that director is not eligible for re-election or re-appointment for at least one year after the expiry of that director's fourth consecutive term.

(4) If the office of a director is vacant, the remaining directors may appoint another producer or designated representative as a director until:

- (a) the expiry of the term of the director whose office is vacant; or
- (b) if the directors hold a by-election to fill the vacant position, the by-election is completed and the new director is elected.

31 Dec 2004 cA-15.21 Reg 2 s9.

Records of board

10 The board shall:

- (a) maintain any books and records that may be required for the proper administration of the plan;
- (b) maintain a register containing the name, address and licence number of each person to whom the board has issued a licence pursuant to these regulations; and
- (c) keep those books and records and that register open for inspection by the council and the public during normal office hours at the head office of the board.

31 Dec 2004 cA-15.21 Reg 2 s10.

Head office of board

11(1) The board shall maintain a head office in Saskatchewan.

(2) The head office of the board must not be located at a place:

- (a) that is owned or leased by a licensed producer; or
- (b) in which a licensed producer has a direct or indirect interest.

31 Dec 2004 cA-15.21 Reg 2 s11.

Committees

12(1) The board may appoint any committees that it considers necessary or desirable for the proper administration of the plan.

(2) The members of a committee appointed pursuant to this section are entitled to any remuneration and reimbursement for expenses that the board may determine.

31 Dec 2004 cA-15.21 Reg 2 s12.

Chairperson and vice-chairperson of board

13(1) The board shall elect a chairperson and vice-chairperson from among the directors.

(2) The chairperson or, in the chairperson's absence, the vice-chairperson shall preside at all meetings of the board.

31 Dec 2004 cA-15.21 Reg 2 s13.

Quorum and voting

14(1) A majority of the board constitutes a quorum at any meeting of the board.

(2) A resolution of the board is to be passed by a majority vote of the directors present at the meeting.

(3) In the case of a tie vote, the chairperson or, in the chairperson's absence, the vice-chairperson may cast a second, deciding vote.

31 Dec 2004 cA-15.21 Reg 2 s14.

Board policies re conflict-of-interest and code of conduct

15 Within 18 months after the coming into force of these regulations, the board shall prepare and submit the following to the council:

- (a) a conflict-of-interest policy for the board of directors;
- (b) a policy respecting a code of conduct for the board of directors.

31 Dec 2004 cA-15.21 Reg 2 s15.

Conflicts of interest

16(1) No director shall:

- (a) fail to disclose to the board any conflict of interest that the director may have; or
- (b) vote on any matter with respect to which the director has any direct or indirect financial interest that is different from the financial interest of other producers.

(2) If the board is uncertain whether or not a director has a conflict of interest pursuant to subsection (1), the board must adjourn the matter until the conflict of interest issue is resolved pursuant to the policies mentioned in section 15.

31 Dec 2004 cA-15.21 Reg 2 s16.

Employees

17(1) The board may:

- (a) employ any employees that it considers necessary to administer the plan; and
- (b) determine the duties, conditions of employment and remuneration of each employee.

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(2) The board may establish or provide for the following for the benefit of its employees and the dependants of those employees:

- (a) a group insurance plan;
- (b) any other pension or employee benefit program.

31 Dec 2004 cA-15.21 Reg 2 s17.

Board orders

18(1) Every order issued by the board pursuant to the Act or these regulations is to be signed by the officers designated by the board under the seal of the board.

(2) The board shall cause every order issued by it:

- (a) to be sent to any person whom the board considers affected by the order; and
- (b) to be published as soon as is practicable in the Gazette and in any other media considered necessary by the board.

(3) The board shall cause all orders issued by it to be made open for inspection at the head office of the board during regular business hours.

(4) The board shall annually review and consolidate all orders issued by it, and shall maintain the original copies of the orders at its head office.

31 Dec 2004 cA-15.21 Reg 2 s18.

DIVISION 2

Financial Matters

Bank accounts

19 The board may open accounts in banks, credit unions or trust corporations in its name and appoint signing officers.

31 Dec 2004 cA-15.21 Reg 2 s19.

Investments

20 The board may:

- (a) invest any money in its possession or control that is not immediately required for the purposes of the plan or its operations in any security or class of securities authorized for investments of moneys in the general revenue fund pursuant to *The Financial Administration Act, 1993*; and
- (b) dispose of any investment made pursuant to clause (a) in any manner, on any terms and in any amount that the board considers expedient.

31 Dec 2004 cA-15.21 Reg 2 s20.

Fiscal year

21 The fiscal year of the board is the period commencing on January 1 in one year and ending on December 31 in the same year.

31 Dec 2004 cA-15.21 Reg 2 s21.

Financial plan

22 The board shall prepare and approve a financial plan of its operations at the beginning of each fiscal year.

31 Dec 2004 cA-15.21 Reg 2 s22.

Audit

23 A qualified auditor or firm of auditors, appointed pursuant to section 34, shall audit the books, records and financial statements of the board:

- (a) annually; and
- (b) at any other times that the council or the minister may require.

31 Dec 2004 cA-15.21 Reg 2 s23.

Annual and other reports

24(1) Within four months after the end of a fiscal year, the board shall submit to the council and the minister, in accordance with the Act:

- (a) a report on the business of the board for the fiscal year;
 - (b) an audited financial statement showing the business of the board for the fiscal year; and
 - (c) the names and addresses of the directors.
- (2) The financial statement mentioned in clause (1)(b) is to be in a form acceptable to the council and the minister.
- (3) The board shall provide any other reports and information that the council or the minister may require.
- (4) The board shall provide the reports and information required pursuant to subsection (3) on or before any date that the council or the minister may require.

31 Dec 2004 cA-15.21 Reg 2 s24.

Annual report to licensed producers

25 Within four months after the end of a fiscal year, the board shall provide to every licensed producer:

- (a) a copy of the annual report for the fiscal year that is required to be sent to the minister and the council pursuant to section 24; and
- (b) the report and financial statement of the trust fund that it is required to send pursuant to section 63.

31 Dec 2004 cA-15.21 Reg 2 s25.

PART IV
Board Powers

Board powers

26 Subject to the other provisions of these regulations, the board may exercise the following powers that are set out in section 8 of the Act:

- (a) the power to carry out educational, research and developmental programs related to egg production, marketing or production and marketing;
- (b) subject to the other provisions of these regulations, the power to require any or all persons engaged in the production, marketing or production and marketing of eggs to register with the board;
- (c) the power to set and collect registration fees and charges for services rendered by the board from any person engaged in the production, marketing or production and marketing of eggs;
- (d) the power to set and collect a levy that is not refundable from any person engaged in the production, marketing or production and marketing of eggs;
- (e) the power to categorize into groups persons engaged in the production, marketing or production and marketing of eggs for the purpose of setting and collecting the fees, charges or levies mentioned in clauses (c) and (d);
- (f) the power to set penalties and collect them from any person who:
 - (i) is engaged in the production, marketing or production and marketing of eggs; and
 - (ii) contravenes an order of the board;
- (g) the power to recover any unpaid fees, charges, levies or penalties mentioned in clause (c), (d) or (f) by an action in a court of competent jurisdiction;
- (h) the power to require any person engaged in the production, marketing or production and marketing of eggs to furnish the board with any information or records relating to that production or marketing that the board considers necessary;
- (i) the power to market, grade or insure eggs, either as principal or agent;
- (j) the power to use any moneys received by the board to carry out the purposes of the plan and to pay the expenses of the board;
- (k) the power to borrow, raise or secure the payment of moneys in any manner that the board considers appropriate for the purpose of administering the plan;
- (l) the power to draw, make, accept, endorse, execute, issue, hypothecate or assign promissory notes, bills of exchange or other negotiable or transferable instruments;

- (m) the power to make grants or loans to any person, organization, agency, institution or body within or outside Saskatchewan for the purposes of the plan;
- (n) the power to give financial guarantees respecting the indebtedness of any person if the board considers it necessary or advisable for the purposes of the plan;
- (o) the power to purchase, take on lease or exchange or otherwise acquire real and personal property related to the business of the board, and to insure, sell or otherwise dispose of any of its property;
- (p) the power to grant a mortgage or security interest in any of the board's real or personal property;
- (q) subject to section 35 of the Act, the power to enter into any agreement with any person, agency, organization, institution or body within or outside Saskatchewan for any purpose related to the exercise of any of the powers or the carrying out of any of the duties of the board in relation to the plan;
- (r) the power to:
 - (i) require any person who owes money to a licensed producer with respect to the sale by the licensed producer of any eggs to pay the moneys to the board; and
 - (ii) distribute the moneys paid to the board pursuant to subclause (i), in the manner determined by the board, to the licensed producer to whom the moneys are owing;
- (s) the power to:
 - (i) purchase or acquire by any other means, in the open market or otherwise, any securities of any corporation; and
 - (ii) hold membership in any corporation;
- (t) the power to:
 - (i) hold, sell, transfer, or otherwise deal with any of the securities mentioned in clause (s); and
 - (ii) exercise any rights, including the right to vote, as:
 - (A) an owner of the securities mentioned in clause (s); or
 - (B) a member;
- (u) the power to register a business name pursuant to *The Business Names Registration Act*;
- (v) the power to prescribe the manner in which remuneration and reimbursement for expenses of the directors are to be determined and paid;

(w) the power to control, regulate or control and regulate all or any of the following:

- (i) the manner of distributing eggs;
- (ii) the quantity of eggs that may be produced or marketed by any person at any time;
- (iii) the quality or the variety, class or grade of eggs that may be produced or marketed by any person at any time;

(x) the power to prohibit in whole or in part the production or marketing of any variety, class or grade of eggs;

(y) the power to regulate the time and place at which, and the legal entity through which, eggs or any variety, class or grade of eggs are to be marketed;

(z) the power to set or determine the price, the maximum price, the minimum price or any combination of the maximum price and minimum price at which eggs, or any variety, class or grade of eggs, may be bought or offered for sale in Saskatchewan;

(aa) for the purposes of clause (z), the power to set or determine different prices for different areas of Saskatchewan;

(bb) the power to establish the manner in which returns from the market are to be distributed to licensed producers;

(cc) the power to require any or all persons engaged in the production, marketing or production and marketing of eggs to do all or any of the following:

- (i) to obtain a licence from the board;
- (ii) to provide any guarantees of financial responsibility that the board considers necessary;

(dd) the power to:

- (i) issue licences to any or all persons producing, marketing or producing and marketing eggs in accordance with criteria set out in an order of the board;
- (ii) determine the fees payable for a licence and to require payment of those fees;
- (iii) categorize persons producing, marketing or producing and marketing eggs for the purpose of determining the fees mentioned in subclause (ii); and
- (iv) recover the fees mentioned in subclause (ii) by an action in a court of competent jurisdiction;

(ee) subject to section 9 of the Act, the power to suspend, cancel or reinstate a licence mentioned in clause (dd) in accordance with criteria established by order of the board for the suspension, cancellation or reinstatement of licences.

PART V
Licensing

DIVISION 1
Rules re Licensing

Licence required

27 No person, other than an exempt producer, shall produce or market eggs unless the person is a licenced producer.

31 Dec 2004 cA-15.21 Reg 2 s27.

Application for licence

28(1) A person may apply to the board to be issued a licence to produce and market eggs.

(2) An application for a licence must contain the information required by the board.

(3) The board may require an applicant for a licence to submit any additional information the board considers necessary.

(4) The board shall consider every application that it receives.

(5) A producer shall obtain a separate licence for each production location that is owned or operated by that producer.

31 Dec 2004 cA-15.21 Reg 2 s28.

Issue of licence

29(1) Subject to section 30, the board shall issue or refuse to issue a licence to the applicant within 90 days after the date of receipt of the application by the board.

(2) If the board issues a licence to an applicant, the board shall state in the licence:

(a) the name and address of the licensee;

(b) the licence number;

(c) the production limit allotted pursuant to Part VII to the licensed producer;

(d) the maximum number of hens the licensed producer may possess at any one time; and

(e) the production location for which the licence is issued.

(3) The board may issue the licence subject to any terms and conditions the board considers appropriate.

(4) No licensed producer shall fail to comply with the terms and conditions mentioned in subsection (3).

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(5) If the board allots an additional production limit or reduces the production limit of a licensed producer, the board shall issue a new licence to the licensed producer with the new production limit.

(6) A licence issued by the board is not transferable without the prior written consent of the board.

(7) A licence issued by the board:

- (a) is a licence to be engaged in the activity stated in the licence;
- (b) is not an endorsement by the board of the licence holder; and
- (c) shall not be represented by the licence holder or any other person as an endorsement by the board.

31 Dec 2004 cA-15.21 Reg 2 s29.

Refusal, cancellation and suspension

30(1) The board may refuse to issue a licence:

- (a) if the applicant fails to provide information or additional information required by the board pursuant to section 28(2) or (3);
- (b) if the applicant has contravened:
 - (i) the Act;
 - (ii) the plan;
 - (iii) these regulations;
 - (iv) any other regulation made pursuant to the Act respecting the plan;
 - or
 - (v) an order or direction of the board or the council;
- (c) if the applicant, in the board's opinion, lacks the experience, equipment or financial responsibility to engage in or to continue to engage in the activity to which the application relates; or
- (d) for any other reason that the board considers appropriate.

(2) The board may refuse to renew a licence or, subject to section 9 of the Act, cancel or suspend a licence:

- (a) if the licensed producer has contravened:
 - (i) the Act;
 - (ii) the plan;
 - (iii) these regulations;
 - (iv) any other regulation made pursuant to the Act respecting the plan;
 - or
 - (v) an order or direction of the board or the council;

- (b) if the licensed producer has sold, leased, transferred or otherwise assigned that licensed producer's production location to another person without the prior written consent of the board;
- (c) if the licensed producer's quota of eggs is not being produced; or
- (d) if the licensed producer:
 - (i) is a corporation, partnership or other unincorporated body of persons and there is a change in the beneficial or legal ownership or membership of the corporation, partnership or unincorporated body; and
 - (ii) has failed to obtain the board's approval for that change.
- (3) The board shall establish, by order, procedures respecting the refusal to issue or renew a licence or the cancellation or suspension of a licence.
- (4) If the board refuses, cancels, suspends or refuses to renew a licence, the board must advise the applicant or licensed producer in writing of its decision.
- (5) The board may:
 - (a) suspend a licence for a period that it considers appropriate; or
 - (b) in the case of a licence that is suspended, remove the suspension.
- (6) If the board refuses to issue, cancels, suspends or refuses to renew a licence:
 - (a) the licensed producer shall, on receiving notice of the board's decision, immediately cease carrying on the activity authorized by the licence; and
 - (b) the licensed producer or applicant, as the case may be, may appeal that decision pursuant to Division 2 of Part V of the Act.
- (7) If the licence of a licensed producer expires, or is cancelled or not renewed by the board, that producer's production limit reverts to the board.

31 Dec 2004 cA-15.21 Reg 2 s30.

DIVISION 2

Rights and Responsibilities of Licensed Producers

Compliance with Act, regulations and orders

31 No licensed producer shall fail to comply with the Act, these regulations and all lawful orders or directions given by the board or the council.

31 Dec 2004 cA-15.21 Reg 2 s31.

Eligibility to vote

32(1) Every licensed producer is eligible to vote and to elect directors in accordance with Part VI.

(2) Every licensed producer is entitled to only one vote at any meeting of licensed producers.

(3) A licensed producer is entitled to only one vote pursuant to this section regardless of the number of licences that have been issued to that licensed producer.

31 Dec 2004 cA-15.21 Reg 2 s32.

Meetings of licensed producers

- 33(1)** An annual general meeting of licensed producers must be held before the end of April in each year at a time and place to be determined by the board.
- (2) Special general meetings of licensed producers:
- (a) may be called by the board at any time; and
 - (b) must be called by the board within 30 days after receiving a written request from 10 or more licensed producers.
- (3) The board shall give notice of an annual general meeting of licensed producers by sending a written notice, by ordinary mail, to each licensed producer at least seven days before the date of the meeting.
- (4) The board shall give notice of a special general meeting of licensed producers by sending a written notice, by ordinary mail, to each licensed producer at least 30 days before the date of the meeting.
- (5) The notice mentioned in subsection (3) or (4) must set out the time, date and place of the meeting and the business to be transacted at the meeting.
- (6) The quorum at a general meeting of licensed producers is 10 licensed producers.
- (7) The board shall submit to the annual general meeting of licensed producers:
- (a) a report on the business of the board for the preceding fiscal year;
 - (b) an audited financial statement showing the business of the board for the preceding fiscal year; and
 - (c) the financial plan of the board's operations for the current fiscal year that has been approved by the board pursuant to section 22.
- (8) Licensed producers may debate and take a poll at general meetings on any question or resolution.

31 Dec 2004 cA-15.21 Reg 2 s33.

Appointment of auditor

- 34(1)** At each annual general meeting of licensed producers, the licensed producers shall appoint an auditor to audit the books, records and financial statements of the board for the current fiscal year.
- (2) If the licensed producers fail to appoint an auditor pursuant to subsection (1) for a fiscal year, the council shall appoint an auditor to audit the books, records and financial statements of the board for that fiscal year.
- (3) Any person appointed as auditor pursuant to this section must:
- (a) be independent of:
 - (i) the board; and
 - (ii) the directors and officers of the board; and
 - (b) be a member in good standing of a recognized professional accounting association that is governed by an Act.

31 Dec 2004 cA-15.21 Reg 2 s34.

Designated representatives

35(1) A licensed producer may file with the board a written appointment designating one of its officers or employees to represent the licensed producer at all meetings of licensed producers and to exercise, on behalf of the licensed producer, the rights that the licensed producer may exercise pursuant to the plan or these regulations.

(2) The board may require the licensed producer to file any additional information that the board considers appropriate in order to determine whether or not to recognize the person designated in the written appointment as a designated representative.

(3) On receipt of the written appointment and any required additional information, the board may recognize the person designated in the written appointment as the designated representative for the licensed producer that filed the written appointment.

(4) If the board decides to recognize a person as a designated representative, the board shall, as soon as is practicable after the decision, give the licensed producer who designated the person a written notice confirming the board's recognition.

(5) On the recognition by the board of a person as a designated representative of a licensed producer, that designated representative may:

(a) represent the licensed producer at all meetings of licensed producers; and

(b) exercise, on behalf of the licensed producer, the rights that the licensed producer may exercise pursuant to the plan or these regulations.

31 Dec 2004 cA-15.21 Reg 2 s35.

PART VI

Elections of Directors

Election of directors each year

36 Two directors are to be elected each year in accordance with this Part.

31 Dec 2004 cA-15.21 Reg 2 s36.

When directors commence holding office

37 The directors elected in a year hold office commencing on the day of the annual general meeting of licensed producers of the year in which they are elected.

31 Dec 2004 cA-15.21 Reg 2 s37.

Appointment of chief returning officer

38(1) At each annual general meeting of licensed producers, the licensed producers shall appoint a chief returning officer for the next scheduled election of directors.

(2) The chief returning officer shall not be a licensed producer or an employee of the board.

(3) If the licensed producers fail to appoint a chief returning officer for an election, the council may appoint the chief returning officer.

31 Dec 2004 cA-15.21 Reg 2 s38.

A-15.21 REG 2 **COMMERCIAL EGG MARKETING PLAN****Nominations**

39(1) At least 25 days before the date fixed for receiving nominations, the board shall send to each licensed producer, by ordinary mail:

- (a) a list of the names of the current directors;
- (b) a request for nominations for the office of director;
- (c) a notice respecting the date, as fixed by the board, by which nomination papers must be in the hands of the chief returning officer; and
- (d) a notice stating that nomination papers may be obtained from the board.

(2) Every nomination for director must:

- (a) be in writing, in the form prescribed by the board; and
- (b) be signed by two licensed producers.

(3) The nomination papers must be in the hands of the chief returning officer by the date fixed by the board.

31 Dec 2004 cA-15.21 Reg 2 s39.

Conduct of elections

40(1) If not more than the required number of candidates is nominated for the office of director, the chief returning officer shall declare those candidates elected by acclamation in accordance with section 41.

(2) If more than the required number of candidates is nominated, the chief returning officer shall:

- (a) fix the date by which and the place to which a ballot and a certificate of eligibility to vote are to be returned; and
- (b) at least 10 days before the date fixed pursuant to clause (a), send to each licensed producer, by ordinary mail:
 - (i) one ballot;
 - (ii) a certificate of eligibility to vote;
 - (iii) a plain envelope; and
 - (iv) a notice of the date by which and the place to which, pursuant to clause (a), the ballot and certificate of eligibility to vote are to be returned.

(3) Voting is to be by ballot, and the ballot, sealed in the plain envelope provided, is to be returned to the board either in person or by mail, together with the certificate of eligibility to vote signed by the licensed producer casting the ballot.

(4) Any ballot not returned to the board by the date fixed pursuant to clause (2)(a) is disqualified.

31 Dec 2004 cA-15.21 Reg 2 s40.

Election results

41 The chief returning officer shall announce the names of the persons elected as directors at the first annual general meeting of licensed producers after the election, immediately after the minutes of the previous meeting have been dealt with.

31 Dec 2004 cA-15.21 Reg 2 s41.

Tie votes

42(1) If a tie occurs between candidates, the successful candidate is to be determined by a vote of licensed producers conducted at the annual general meeting of licensed producers.

(2) Voting pursuant to subsection (1) is to be by secret ballot.

(3) Only licensed producers who are in attendance at the annual general meeting are entitled to vote pursuant to subsection (1), and each of those licensed producers is entitled to one vote for that purpose.

(4) The chief returning officer shall count the votes cast pursuant to subsection (1) and announce the winner of the tie vote before moving on to any further business at the annual general meeting.

31 Dec 2004 cA-15.21 Reg 2 s42.

Retention of ballots

43 The chief returning officer shall:

(a) retain all ballots in his or her possession; and

(b) not destroy any ballot or other record connected with an election of directors until 90 days have elapsed after the annual general meeting of licensed producers at which the chief returning officer announced the results of the election.

31 Dec 2004 cA-15.21 Reg 2 s43.

Challenge to election results

44(1) Any licensed producer may challenge the results of an election of directors, as announced by the chief returning officer pursuant to section 41 or subsection 42(4), by submitting a written objection to the council.

(2) A written objection submitted to the council pursuant to subsection (1) must:

(a) set out the grounds for the objection; and

(b) be received by the council within 90 days after the annual general meeting of licensed producers at which the chief returning officer announced the results of the election.

(3) If the council receives a written objection in accordance with this section and is satisfied that the objection is neither frivolous nor vexatious, the council may appoint a vote recount officer to conduct a recount of the votes cast in the election.

(4) If the council appoints a vote recount officer pursuant to subsection (3), the results of the election as announced by the vote recount officer are final.

31 Dec 2004 cA-15.21 Reg 2 s44.

A-15.21 REG 2 COMMERCIAL EGG MARKETING PLAN

Deemed notice of election

45(1) A licensed producer is conclusively deemed to have received any notice, nomination paper or ballot that is sent, by ordinary mail, to the licensed producer at the producer's last address registered with the board.

(2) The failure of any person to receive a notice, nomination paper or ballot does not invalidate the election.

31 Dec 2004 cA-15.21 Reg 2 s45.

PART VII

Production Limits and Rules respecting Operation of Production Facilities

Interpretation of Part

46 In this Part and in section 65:

- (a) **“base production limit”** means the maximum number of hens that a licensed producer may possess to produce the number of dozens of eggs per year as set out in the licensed producer's licence;
- (b) **“production facilities”** means the buildings, improvements, equipment and other facilities where eggs are produced and the land on which those buildings, improvements, equipment and facilities are located;
- (c) **“productive capacity per hen”** means the number of dozens of eggs per year that a hen is deemed to produce as set by CEMA under the authority of the most recent Canadian Egg Marketing Agency Proclamation issued pursuant to the *Farm Marketing Agencies Act* (Canada);
- (d) **“total provincial allotment”** means the number of dozens of eggs that Saskatchewan may produce per year as authorized by the CEMA regulations and that may be expressed as the number of hens required to produce those eggs.

31 Dec 2004 cA-15.21 Reg 2 s46.

Rules re expressing production limit

47(1) For the purposes of these regulations and in a licensed producer's licence, a licensed producer's production limit may be set out in the licensed producer's licence as a base production limit and expressed in terms of the number of hens that are required to produce the number of dozens of eggs set out in the licensed producer's production limit.

(2) For the purposes of these regulations and the licence, the number of hens required to produce the number of dozens of eggs in a licensed producer's production limit is to be based on the productive capacity per hen.

31 Dec 2004 cA-15.21 Reg 2 s47.

Prohibitions – no production or marketing in excess of production limit

48 No licensed producer shall:

- (a) possess a number of hens in excess of the number of hens that are set out in the licensed producer's licence as the licensed producer's base production limit; or
- (b) sell, lease or transfer the licensed producer's production limit without the prior approval of the board.

31 Dec 2004 cA-15.21 Reg 2 s48.

Board orders – fixing and allotting production limits and standards for licensed producers

49 Subject to these regulations, the board:

- (a) shall fix, allot, reduce and cancel production limits in accordance with this Part;
- (b) may set a limit on the size of a production facility; and
- (c) shall issue an order respecting:
 - (i) the experience, equipment and financial responsibility that a licensed producer must have to engage in or to continue to engage in the activity to which the licence relates; and
 - (ii) the production and marketing standards that the licensed producer's production location must meet.

31 Dec 2004 cA-15.21 Reg 2 s49.

Allotting production limits

50(1) If the total provincial allotment is increased or decreased by CEMA, the board must implement that increase or decrease in accordance with this section and sections 51 and 52.

(2) **Repealed.** 24 Mar 2006 SR 19/2006 s2.

(3) **Repealed.** 24 Mar 2006 SR 19/2006 s2.

(4) **Repealed.** 24 Mar 2006 SR 19/2006 s2.

(5) If the total provincial allotment is increased but the increase is not based on an increase in the productive capacity per hen, the board shall offer the production limits for sale by auction in accordance with section 51.

(6) If the total provincial allotment is decreased, the board shall reduce the production limits of all licensed producers on a *pro rata* basis.

(7) For the purposes of these regulations, if the total provincial allotment is decreased and then later increased:

- (a) any subsequent increase up to the level that was in existence before the decrease is not to be considered as a new production limit; and
- (b) licensed producers are entitled to receive a *pro rata* share of the increase mentioned in clause (a) to return their base production limits to the level that was in existence before the decrease.

31 Dec 2004 cA-15.21 Reg 2 s50; 24 Mar 2006 SR 19/2006 s2.

Sale of production units

51(1) If the board offers production limits for sale pursuant to section 50 or 65, the board shall offer the production limits for sale by auction in accordance with this section.

- (2) The board shall issue an order respecting:
 - (a) the manner, time, date and place of a sale;
 - (b) subject to these regulations, the eligibility requirements to participate in a sale; and
 - (c) procedures and rules governing sales by auctions.
- (3) The board shall deposit in the trust fund all moneys it collects from sales.
- (4) No person, other than a licensed producer, is eligible to purchase a production limit unless that person satisfies the board that the person:
 - (a) has the experience, equipment and financial responsibility to engage in or to continue to engage in the activity to which the licence relates; and
 - (b) meets the production and marketing standards set out by the board.

31 Dec 2004 cA-15.21 Reg 2 s51.

Transfer of production limits

52(1) No licensed producer shall transfer all or any part of that producer's production limit, with or without a production location, except in accordance with this section.

- (2) Any transfer other than in accordance with this section is void.
- (3) A licensed producer may apply to the board for a transfer of a production limit.
- (4) An application for a transfer of a production limit must be made to the board before completion of the transfer.
- (5) The licensed producer shall apply in the manner specified by the board in an order and shall pay a fee in an amount that the board, in the order, may specify.
- (6) If the board approves an application to transfer a production limit pursuant to this section, the transferee's new production limit does not take effect and the transferor's old production limit is not deemed to be cancelled until:
 - (a) the completion of the transaction; and
 - (b) the filing of any proof of the completion of the transaction that the board may require.
- (7) The board shall not approve any application to transfer a production limit unless:
 - (a) the transferee is a licensed producer or qualifies for a licence to operate as a licensed producer pursuant to these regulations;

- (b) the transferee undertakes to the board that the production limits acquired will be in production in the production facilities of that transferee within three years from the date of acquisition; and
 - (c) the licensed producer applying to transfer the production limit has paid the fee required pursuant to subsection (5).
- (8) The board may make an approval pursuant to subsection (6) subject to any terms and conditions that it considers appropriate.
- (9) No licensed producer and no other person mentioned in clause (7)(a) shall fail to comply with any terms and conditions that are set out pursuant to subsection (8).

31 Dec 2004 cA-15.21 Reg 2 s52.

Lease of production limits

- 53(1)** No licensed producer shall lease all or any part of a production limit without the approval of the board.
- (2) Any lease of production limits other than in accordance with this section is void.
- (3) Subject to these regulations, the board shall issue an order respecting leasing of production limits including:
- (a) rules respecting application for approval to lease; and
 - (b) eligibility requirements that lessees must meet.
- (4) The licensed producer that wishes to lease its production limit shall apply in the manner specified by the board in an order and shall pay a fee in an amount that the board, in the order, may specify.
- (5) On an application to approve a lease, the board shall approve the application or refuse to approve the application.
- (6) The board may make an approval pursuant to subsection (5) subject to any terms and conditions that it consider appropriate.
- (7) No licensed producer and no lessee shall fail to comply with any terms and conditions that are set pursuant to subsection (6).
- (8) The board shall not approve any application to lease a production limit unless:
- (a) the lessee is a licensed producer or qualifies for a licence to operate as a licensed producer pursuant to these regulations;
 - (b) the lessee undertakes to the board that the production limits acquired will be in production in the production facilities of that lessee within three years from the date of acquisition; and
 - (c) the licensed producer applying to lease the production limit has paid the fee required pursuant to subsection (4).

31 Dec 2004 cA-15.21 Reg 2 s53.

A-15.21 REG 2 **COMMERCIAL EGG MARKETING PLAN****Cancellation, suspension, reduction of production limits**

54(1) The board may suspend, cancel or reduce all or part of a licensed producer's production limit:

- (a) if the licensed producer has contravened:
 - (i) the Act;
 - (ii) the plan;
 - (iii) these regulations;
 - (iv) any other regulation made pursuant to the Act respecting the plan;
 - or
 - (v) an order or direction of the board or the council;
 - (b) if the licensed producer has not used all or any part of that producer's production limit;
 - (c) if the licensed producer fails to possess the maximum number of hens permitted pursuant to that producer's licence;
 - (d) if the licence of the licensed producer has been cancelled or suspended; or
 - (e) if the board has not approved a change of ownership interest in the licensed producer's production facilities to which the production limit relates.
- (2) The board shall establish, by order, procedures respecting the suspension, cancellation or reduction of a licensed producer's production limit.
- (3) If a licensed producer possesses more hens than is permitted by that producer's licence, the board may reduce that producer's production limit in the manner prescribed by the board.

31 Dec 2004 cA-15.21 Reg 2 s54.

Reversion of production limits

55 If the board cancels or reduces a production limit pursuant to section 54, that production limit, or the reduction of the production limit, as the case may be, reverts to the board.

31 Dec 2004 cA-15.21 Reg 2 s55.

PART VIII

Trust Fund

Trust Fund

56 The Commercial Egg Producers' Trust Fund is established.

31 Dec 2004 cA-15.21 Reg 2 s56.

Assents of trust fund

57(1) The trust fund consists of:

- (a) amounts deposited by the board pursuant to subsection 51(3); and
 - (b) income earned by investment of the amounts in the fund.
- (2) No licensed producer is entitled to access or withdraw any moneys that the licensed producer may have contributed or paid into the trust fund.

31 Dec 2004 cA-15.21 Reg 2 s57.

Trustees

58(1) The board shall appoint at least three persons as trustees of the fund.

(2) At least one of the trustees must be a person who:

- (a) is not a director or a producer; and
 - (b) is independent of the board.
- (3) If the board fails to appoint trustees or if there are not at least three trustees for any reason, the council may appoint trustees to ensure that there are at least three qualified trustees.
- (4) The trustees shall administer the trust fund in accordance with these regulations, any orders of the board, any direction of the council and any direction of the minister.

(5) A direction of the council or of the minister prevails in case of any conflict between:

- (a) an order of the board; and
- (b) the direction of the council or of the minister.

31 Dec 2004 cA-15.21 Reg 2 s58.

Purposes of trust fund

59 The purposes of the trust fund are the following:

- (a) to assist in research connected with the production and marketing of eggs, including studies and research respecting consumer demand for eggs;
- (b) to support and conduct activities to promote and develop the production and marketing of eggs in Saskatchewan;
- (c) to assist in increasing the total provincial allotment as defined in Part VII;
- (d) to assist in undertaking any further activities that the board, with the approval of the council and the minister, may direct.

31 Dec 2004 cA-15.21 Reg 2 s59.

Fiscal year of trust fund

60 The fiscal year of the trust fund is the fiscal year of the board.

31 Dec 2004 cA-15.21 Reg 2 s60.

A-15.21 REG 2 **COMMERCIAL EGG MARKETING PLAN**
Investments of trust fund

61 The trustees may:

- (a) invest any moneys in the trust fund in any security or class of securities authorized for investment of moneys in the general revenue fund pursuant to *The Financial Administration Act, 1993*; and
- (b) dispose of any investment made pursuant to clause (a) in any manner, on any terms and in any amount that the trustees consider expedient.

31 Dec 2004 cA-15.21 Reg 2 s61.

Expenditures from the trust fund

62(1) Subject to subsection (2) and to any directions of the council or the minister, the trustees may pay moneys out of the trust fund for the following:

- (a) to pay for any expense that the trustees agree is consistent with the purposes of the trust fund;
 - (b) to pay for the costs of administering the trust fund;
 - (c) to pay for any expense that the council or the minister may approve.
- (2) Not more than 20% of the assets of the trust fund may be used:
- (a) to support and conduct activities to promote and develop the production and marketing of eggs in Saskatchewan; or
 - (b) to assist in increasing the total provincial allotment as defined in Part VII.

31 Dec 2004 cA-15.21 Reg 2 s62.

Annual report of trust fund

63(1) Within 90 days after the end of a fiscal year, the trustees shall submit to the board:

- (a) a report on the activities of the trust fund for the fiscal year; and
 - (b) a financial statement showing the business of the trust fund for the fiscal year in any form that may be required by the council or the minister.
- (2) Immediately on receiving the report and financial statement of the trust fund pursuant to subsection (1), the board shall provide the report and the financial statement to:
- (a) the council; and
 - (b) the minister.
- (3) The board shall keep each report and financial statement received by it pursuant to this section open for inspection by the council and the public during normal office hours at the head office of the board.
- (4) The board shall include a copy of the report and financial statement for a fiscal year along with the report that it sends to licensed producers pursuant to section 25.

31 Dec 2004 cA-15.21 Reg 2 s63.

Audit

64 The board's auditor shall audit the accounts and financial statements of the trust fund:

- (a) annually; and
- (b) at any other times that the council or the minister may require.

31 Dec 2004 cA-15.21 Reg 2 s64.

PART IX**Transitional, Repeal and Coming into Force****Transitional – special sale**

65(1) In this section, “**special allotment**” means the number of dozens of eggs that may be produced per year by 50,963 hens based on the productive capacity per hen.

(2) Notwithstanding section 51, the board shall offer production limits for sale based on the special allotment in the following manner:

- (a) the board shall conduct the sale as soon as is practicable after the coming into force of these regulations;
- (b) 70% of those production limits must be offered to existing licensed producers on a *pro rata* basis;
- (c) existing licensed producers may purchase their *pro rata* share of production limits at a price that is 50% of the market value of the production limits as determined by the board and agreed to by the council;
- (d) the board shall offer the remaining production limits for sale to the public in accordance with section 52;
- (e) the board shall give notice of the impending sale to persons who are not licensed producers and who, at the time these regulations have come into force, have expressed an interest in acquiring production limits.

(3) The board shall place all moneys raised by the sale pursuant to this section in the trust fund.

31 Dec 2004 cA-15.21 Reg 2 s65.

Sask. Reg. 270/76 repealed

66 The Saskatchewan Commercial Egg Producers' Marketing Plan, 1976, being Saskatchewan Regulations 270/76, is repealed.

31 Dec 2004 cA-15.21 Reg 2 s66.

Coming into force

67 These regulations come into force on the day on which they are filed with the Registrar of Regulations.

31 Dec 2004 cA-15.21 Reg 2 s67.

