

DAIRY INDUSTRY ACT 1979—REGULATION

(Dairy Industry Regulation 1995)

NEW SOUTH WALES



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HIS Excellency the Governor, with the advice of the Executive Council, and in pursuance of the Dairy Industry Act 1979, has been pleased to make the Regulation set forth hereunder.

RICHARD SANDERSON AMERY, M.P.,
Minister for Agriculture.

PART 1—PRELIMINARY

Citation

1. This Regulation may be cited as the Dairy Industry Regulation 1995.

Commencement

2. This Regulation commences on 1 September 1995.

Definitions

3. (1) In this Regulation:

“authorised officer” means:

- (a) an officer of the Corporation; or
- (b) an officer or temporary employee of the Department, appointed by order in writing of the Corporation to be an authorised officer for the purposes of section 20 of the Act;

“the Act” means the Dairy Industry Act 1979.

(2) In this Regulation, a reference to a form is a reference to a Form set out in Schedule 1.

**PART 2—REGULATION OF THE PRODUCTION OF MILK
AND DAIRY PRODUCTS**

**Division 1—Registration of dairy farmers and dairy produce
merchants**

Applications for certificates of registration

4. (1) For the purposes of section 32 (4) (a) of the Act, the prescribed form of application for:

- (a) a certificate of registration as a dairy farmer—is Form 1;
- (b) a certificate of registration as a dairy produce merchant, being a certificate:
 - (i) which authorises the holder to sell milk from a vehicle—is Form 2; or
 - (ii) which authorises the holder to carry on any other activity of a dairy produce merchant—is Form 3.

(2) For the purposes of section 32 (4) (b) of the Act, the prescribed fee is:

- (a) in relation to an application for a certificate of registration as a dairy farmer:
 - (i) if the applicant is not the occupier of 2 or more dairy premises—\$12.50; or
 - (ii) if the applicant is the occupier of 2 or more dairy premises—\$12.50 for each of those premises; or
- (b) in relation to an application for a certificate of registration as a dairy produce merchant, being a certificate:
 - (i) which authorises the holder to sell milk from a vehicle—\$12.50; or
 - (ii) which authorises the holder to carry on any other activity of a dairy produce merchant—\$12.50 for each milk store, dairy produce factory or dairy produce store of which the holder is or is to be the occupier.

(3) If the applicant for a certificate of registration as a dairy produce merchant is or is to be the occupier of a milk store, dairy produce factory or dairy produce store, the application must:

- (a) be accompanied by:
 - (i) 2 copies of the plans of the factory or store; and
 - (ii) specifications of the materials used or to be used in the building of the factory or store; and

- (iii) such other plans and specifications (if any) as the Corporation may require in relation to the factory or store; and
 - (iv) a description of the locality, boundaries and area of the site on which the factory or store is or is to be situated; or
- (b) be accompanied by a declaration stating that plans and specifications with respect to the milk store, dairy produce factory or dairy produce store have been lodged with the Corporation and that:
- (i) since those plans and specifications were so lodged, there has been no alteration or reconstruction of the factory or store; or
 - (ii) plans and specifications of every alteration or reconstruction of the factory or store have been lodged with the Corporation.

Appeals against decisions of the Corporation to cancel, or to refuse applications for, certificates of registration

5. For the purposes of section 33 (4) of the Act, or of section 33 (4) of the Act as read in accordance with section 35 (3) of the Act, the prescribed manner in which, and the prescribed time within which, a person may appeal are:

- (a) by lodging a notice of appeal in Form 4 at any Local Court within 7 days after the date of receipt by the appellant of notice in writing of the decision against which the appeal is brought; and
- (b) by serving personally or by post on the General Manager, a Deputy General Manager or the Secretary within 28 days after that date (but not later than 7 days before the date fixed by the Court for hearing the appeal) a copy of the notice of appeal endorsed by the Clerk of the Court with the place and date fixed for the hearing.

Directions prohibiting the sale of milk by retail shop

6. For the purposes of section 37 (3) of the Act:

- (a) the prescribed notice is a notice in Form 5; and
- (b) the prescribed manner in which, and the prescribed time within which, a person may appeal are:
 - (i) by lodging a notice of appeal in Form 4 at any Local Court within 7 days after the date of receipt by the appellant of the prescribed notice of the grounds of the proposed direction; and

- (ii) by serving personally or by post on the General Manager, a Deputy General Manager or the Secretary within 28 days after that date (but not later than 7 days before the date fixed by the Court for hearing the appeal) a copy of the notice of appeal endorsed by the Clerk of the Court with the place and date fixed for the hearing.

Division 2—Regulation of quality of milk and cream

Milk fat and protein content

7. (1) The milk fat content of any milk or cream required to be determined for the purposes of a provision of this Regulation may be determined by means of the turbidimetric method or the infrared spectrophotometric method or by such other means as the Corporation may approve, using a sample of the milk or cream taken in a manner approved by the Corporation for the purposes of that provision.

(2) The protein content of any milk required to be determined for the purposes of a provision of this Regulation may be determined by means of the dye binding method or the infrared spectrophotometric method, or by such other means as the Corporation may approve, using a sample of the milk taken in a manner approved by the Corporation for the purposes of that provision.

Grades of milk

8. (1) For the purposes of the definition of “grade” in section 4 (1) of the Act, the prescribed grades of milk are:

- (a) processing grade; and
- (b) reject grade.

(2) Processing grade milk is milk which is not reject grade.

(3) Reject grade milk is milk which:

- (a) on a sensory evaluation, is of a quality unsatisfactory for use in the production of dairy products; or
- (b) is found to contain:
 - (i) antibiotics at or in excess of 0.003 µg/mL of benzyl penicillin (penicillin G) equivalents when tested by the current standard method set out in Australian Standard 1766.3.11–1991, Food microbiology, Method 3.11: Examination of specific products—Dairy products—Test for penicillin; or

- (ii) residues exceeding the maximum residue limits relating to milk specified in Schedule 1 to Standard A14 of the Food (Standards) Regulation 1989.

Grades of cream

9. (1) For the purposes of the definition of “**grade**” in section 4 (1) of the Act, the prescribed grades of cream are:

- (a) choicest grade; and
- (b) first grade; and
- (c) second grade.

(2) Choicest grade cream is cream which, on a sensory evaluation, is sweet, clean and free from undesirable taints, odours, foreign substances or abnormalities of any kind, and which has a smooth, even texture.

(3) First grade cream is cream which, although free from any foreign substances, is affected by a slight taint, odour or abnormality, not being an offensive taint, odour or abnormality.

(4) Second grade cream is cream which is affected by a marked or offensive taint, odour or abnormality, but which is not putrescent.

Reject grade milk

10. A person must not:

- (a) use any reject grade milk in the production of dairy products; or
- (b) supply any reject grade milk to another person for that use.

Maximum penalty: 5 penalty units.

Treatment of putrescent cream

11. (1) For the purposes of section 43 (1) (a) of the Act, the following substances are prescribed:

- (a) the substances known as carbon black and cochineal;
- (b) the green shade referred to in Standard A5 (2) (d) (iii) of the Food (Standards) Regulation 1989 as CI44090 green S.

(2) A substance prescribed by subclause (1), when added to any putrescent cream:

- (a) must comply with any standard for the time being prescribed by or under the Food Act 1989 in relation to that substance; and
- (b) must be added in such quantity as to impart to the cream a distinct colour.

Division 3—Grading of milk and cream**Applications for certificates to grade or test milk and cream**

12. For the purposes of section 46 of the Act:
- (a) the prescribed form of application for a certificate to grade milk, to grade cream or to test milk and cream is Form 6; and
 - (b) the prescribed fee is \$50.

Qualifications to hold certificates

13. For the purposes of section 46 of the Act, the prescribed qualifications are any one or more of the following:
- (a) satisfactory completion of the milk and cream grading course, or the milk and cream testing course, conducted by the Corporation;
 - (b) a certificate issued by a government department or statutory body of any other State or a Territory of the Commonwealth, or of the Commonwealth, which in the opinion of the Corporation is similar to the certificate applied for;
 - (c) such other qualifications as the Corporation may in any particular case approve.

Examinations for certificates

14. (1) For the purposes of section 46 of the Act, the prescribed examination for a certificate to determine the grade of milk or the grade of cream is an examination, conducted by the Corporation, in which:
- (a) the applicant is given 50 samples of chilled milk or cream, as the case may require, of which 10 are tainted; and
 - (b) the applicant is required to correctly grade no fewer than 40 of the samples, including no fewer than 8 of the tainted samples.
- (2) For the purposes of section 46 of the Act, the prescribed examination for a certificate to test milk and cream is an examination, conducted by the Corporation, in which the applicant is required to do any one or more of the following:
- (a) determine the presence of antibiotic substances in milk by a method specified by the Corporation;
 - (b) perform the filtration residue test for raw milk as specified by the Corporation;
 - (c) determine the milk fat content of milk and cream using the turbidimetric method or the infrared spectrophotometric method (or both), or by such other method as the Corporation may specify;

- (d) determine the protein content of milk using the dye binding method or the infrared spectrophotometric method (or both), or by such other method as the Corporation may specify;
- (e) determine the solids non-fat content of milk by hydrometry as specified in Australian Standards 2148–1978 and 2300.2.11–1990;
- (f) perform the direct microscopic count on raw milk as specified in Australian Standard 1766.3.10–1991;
- (g) determine the freezing point of milk by the method described in Australian Standard 2300.2.4–1985 or the method described in Australian Standard 2300.2.5–1985 (or both);
- (h) perform the standard plate count as specified in Australian Standards 1766.1.1–1991, 1766.1.2–1991, 1766.1.3–1991 and 1766.2.1–1991;
- (i) perform the micropipette plate count by a method specified by the Corporation;
- (j) perform such other tests as the Corporation may specify.

(3) If the applicant holds a qualification specified in clause 13 (b), subclauses (1) and (2) do not apply and the prescribed examination for a certificate to determine the grade of milk or cream, or to test milk and cream, is the examination which the applicant was required to pass in order to hold that qualification.

Certificates to test milk and cream to specify kind of tests authorised

15. A certificate under section 46 of the Act to test milk and cream is to specify the kind of tests that the holder of the certificate is authorised to conduct using the methods referred to in clause 14 (2).

Holders of certificates to test milk and cream to participate in testing programs

16. The holder of a certificate under section 46 of the Act to test milk and cream is required to participate in such inter-laboratory proficiency testing programs as may be required by the Corporation from time to time.

Applications for permits to grade or test milk and cream

17. For the purposes of section 47 of the Act:
- (a) the prescribed form of application for a permit to grade milk, to grade cream or to test milk and cream is Form 6; and
 - (b) the prescribed fee is \$20.

Statement to suppliers of milk or cream to a dairy produce factory

18. (1) For the purposes of section 52 (1) of the Act:

- (a) the prescribed periods are each period of 5 consecutive weeks (or such shorter period as the occupier of the factory may determine) during which any person has supplied milk or cream to the factory; and
- (b) the prescribed time is any time within 21 days after the end of each prescribed period.

(2) For the purposes of section 52 (1) (c) of the Act, the prescribed manner is by sensory evaluation and by any tests required by clause 8 or 9, whichever is applicable.

(3) A statement forwarded pursuant to section 52 (1) of the Act to a person who supplies milk or cream to a dairy produce factory must, in addition to the matters required by section 52 (1) (a)–(c) of the Act, set out:

- (a) the milk fat content and the protein content of the milk or the milk fat content of the cream; and
- (b) the manner in which payment for the milk or cream has been calculated or otherwise determined.

Division 4—Certificates to make butter or cheese or to pasteurise milk**Certain employees to hold certificates to make butter or cheese or to pasteurise milk**

19. The occupier of a dairy produce factory must not employ a person as a butter or cheese maker or as a pasteuriser operator unless that person is the holder of a certificate issued by the Corporation authorising the holder to make butter, to make cheese or to pasteurise milk, as the case may require.

Maximum penalty: 5 penalty units.

Applications for certificates

20. (1) An application for a certificate:

- (a) to make butter; or
- (b) to make cheese; or
- (c) to pasteurise milk,

must be made to the Corporation in a form approved by the Corporation.

(2) An application must be accompanied by a fee of \$50.

Qualifications to hold certificates

21. An applicant for a certificate must have one or more of the following qualifications:

- (a) satisfactory completion of a course conducted by the Corporation in the subject of Cheese Making, the subject of Butter Making or the subject of Pasteuriser Operator;
- (b) a certificate issued by a government department or statutory body of any other State or a Territory of the Commonwealth, or of the Commonwealth, which authorises the holder to make butter, to make cheese or to pasteurise milk, as the case may require;
- (c) such other qualifications as the Corporation may in any particular case approve.

Division 5—Keeping of records**Records of milk or cream supplied to factories or stores**

22. (1) The occupier of a dairy produce factory or milk store to which raw milk is supplied must cause a record to be made of the following particulars:

- (a) in respect of milk supplied on any day:
 - (i) the date of supply; and
 - (ii) the name of each supplier and the identification number (if any, and if known) assigned to the supplier by the Corporation; and
 - (iii) the quantity of each grade of milk supplied by each supplier; and
 - (iv) the total quantity of milk supplied by all suppliers;
- (b) in respect of milk supplied during any week, the milk fat content and the protein content of milk supplied by each supplier.

(2) The occupier of a dairy produce factory or milk store to which raw cream is supplied on any day must cause a record to be made on that day of the following particulars of the cream:

- (a) the date of supply;
- (b) the name of each supplier and the identification number (if any, and if known) assigned to the supplier by the Corporation;
- (c) the quantity of each grade of cream supplied by each supplier;
- (d) the milk fat content of cream supplied by each supplier.

(3) The occupier of a dairy produce factory or milk store to which raw milk or raw cream is supplied must cause a record to be made of:

- (a) the number of milk or cream containers furnished by each person supplying the milk or cream; and
- (b) in relation to milk or cream which is supplied during any prescribed period referred to in clause 18 (1) (a) and which is not accepted by the Corporation, the same particulars as are specified in subclause (1) or (2).

(4) An entry in a record made under this clause must be made in ink or indelible pencil or by some other means such that the entry cannot readily be altered.

(5) A person who determines the grade or any other quality of milk or cream, for the purpose of recording that grade or other quality under this clause, must sign the record as soon as is practicable after it has been made.

(6) A quantity of any substance recorded under subclause (1), (2) or (3) must be expressed in metric units.

(7) For the purposes of subclauses (1), (2) and (3) (b):

- (a) the quantity of any milk must be recorded by recording the mass or volume of the milk; and
- (b) the quantity of any other substance must be recorded by recording its mass.

(8) The occupier of any premises who causes a record to be made under this clause must retain the record for at least 12 months after the day on which it was made.

Maximum penalty: 5 penalty units.

Records to be kept by manufacturers of dairy products

23. The occupier of a dairy produce factory must:

- (a) cause a record to be made of the total quantity of each dairy product produced on any day; and
- (b) cause that record to be made as soon as practicable after the quantity of each such product has become ascertainable; and
- (c) cause a record to be made of each dairy product made or packaged (or both) so as to enable the identification of the:
 - (i) day on which the dairy product was manufactured; and
 - (ii) the batch of the dairy product made on the day of manufacture; and

- (d) retain a record required to be made under this clause for 12 months after the day on which it was made (or the accepted shelf life of a dairy product if the shelf life exceeds 12 months).

Maximum penalty: 5 penalty units.

Division 6—Miscellaneous

Term of certificates or permits

24. (1) A certificate referred to in Division 3 or 4 takes effect from the date of its issue and remains in force until cancelled or surrendered.

(2) A permit referred to in Division 3 takes effect:

- (a) from the date of its issue; or
- (b) if, on that date, the person is the holder of another such permit which is still in force, from the day after the date of expiry of that other permit,

whichever is the later, and remains in force, unless sooner cancelled or surrendered, until 12 months after the date on which it took effect.

Cancellation of certificates or permits

25. (1) A certificate or a permit referred to in Division 3 may be cancelled by the Corporation if:

- (a) the Corporation is satisfied that, on any occasion:
 - (i) any grading or testing performed by the holder is so inaccurate that the holder should no longer be authorised to grade or test; or
 - (ii) the holder has falsely graded or tested; or
 - (iii) when collecting milk from dairy premises for the purpose of its being delivered to the Corporation, the holder has failed to grade or test the milk; or
 - (iv) the holder, being a person who is employed by or has contracted with a dairy produce merchant or a dairy farmer to collect milk from dairy premises for the purpose of its being delivered to the Corporation, has failed to comply with any reasonable requirement made by the employer or made by or under the contract with respect to the taking of temperatures, the taking of samples, the making or keeping of records or any other matter relating to the collection of the milk; or

- (v) the holder has conducted a test that is not of a kind specified in the certificate or permit; or
 - (vi) the holder has failed to comply with the procedures set out in the Code of Practice for the Collection of Bulk Farm Refrigerated Milk published by the Corporation; or
 - (b) the holder has become incapable of grading or testing; or
 - (c) the holder has been convicted of an offence against the Act or this Regulation or the Food Act 1989 or the regulations made under that Act; or
 - (d) the holder is not, for any other reason, in the opinion of the Corporation, a fit and proper person to hold such a certificate or permit.
- (2) A certificate referred to in Division 4 may be cancelled by the Corporation if:
- (a) the Corporation is satisfied that the holder has become incapable of making butter or cheese or pasteurising milk; or
 - (b) the holder has supplied information which the holder knew, or had reasonable grounds to suspect, was false or misleading and would be used for the purposes of any record required to be kept under this Regulation; or
 - (c) the holder has been convicted of an offence against the Act or this Regulation or the Food Act 1989 or the regulations made under that Act.
- (3) Before cancelling a certificate or permit under this clause, the Corporation must serve on the holder a notice of the grounds on which it proposes to cancel the certificate or permit.
- (4) Any written representations made to the Corporation by the holder within 14 days after service of the notice (or within such further time as the Corporation allows) must be considered by the Corporation before it makes a decision as to whether or not the certificate or permit should be cancelled.

Surrender of certificates or permits

26. The holder of a certificate or a permit referred to in Division 3 or of a certificate referred to in Division 4 may at any time surrender it by delivering it to an officer of the Corporation.

Applications not to be false or misleading

27. A person must not lodge an application referred to in this Part knowing that a material statement in the application or in any declaration or other thing lodged in connection with the application is false or misleading.

Maximum penalty: 5 penalty units.

Refund of fees

28. If the Corporation refuses an application referred to in this Part or if such an application is withdrawn, any fee accompanying the application may, at the discretion of the Corporation, be refunded either wholly or in part to the applicant.

PART 3—FIXING OF MILK PRICES**Division 1—Preliminary****Definitions**

29. (1) In this Part:

“**base date**” means 30 September 1987;

“**base prices and margins**” means the prices and margins, as in force at the base date, per litre of milk of a kind to which this Part applies, set out in Table 1;

“**cost definition**”, in relation to an industry sector, means an item described in Column 2 of Table 2 opposite the description of the industry sector, representing a major identifiable cost applicable to that sector (not being a cost incurred by way of any charge paid or contribution made in respect of an organisation or association relating to that sector);

“**date of review**” means a date on which milk prices and margins are fixed in accordance with this Part;

“**index**”, in relation to a cost definition, means the statistical index specified in Column 3 of Table 2 opposite that cost definition;

“**industry sector**” means a sector of the dairy industry specified in Column 1 of Table 2;

“longlife milk” means:

- (a) ultra heat treated milk, or milk that has been treated by an ultra heat treatment method, whether or not the treatment is complete; or
- (b) any liquid produced or manufactured directly or indirectly from the lacteal secretion of the cow for sale or sold or to be sold as UHT milk, longlife milk, UHT longlife milk, longlife UHT milk or under any other like fancy, trade or proprietary name or description;

“longlife skim milk” means:

- (a) ultra heat treated skim milk, or skim milk that has been treated by an ultra heat treatment method, whether or not the treatment is complete; or
- (b) any liquid produced or manufactured directly or indirectly from the lacteal secretion of the cow for sale or sold or to be sold as UHT skim milk, longlife skim milk, UHT longlife skim milk, longlife UHT skim milk or under any other like fancy, trade or proprietary name or description.

(2) In this Part, a reference to a Table is a reference to a table in Schedule 2.

(3) The full citations and sources of the several indices referred to in Table 2 are given in Table 3.

Application of this Part

30. (1) This Part applies only to milk delivered to and accepted by the Corporation.

(2) This Part (clauses 40 and 41 excepted) does not apply to or in respect of the following:

- (a) skim milk or longlife skim milk or milk for separation into skim milk;
- (b) milk used in the production of flavoured milk or longlife flavoured milk;
- (c) milk used in the production of flavoured skim milk or longlife flavoured skim milk;
- (d) milk for use in the Central Southern or Murray milk distributing district (as defined in Milk Prices Order No. 172 published in Gazette No. 60 of 19 May 1995);
- (e) milk accepted by the Corporation as provisional milk;

- (f) milk used in the production of dairy products at the premises of Hawkesbury Agricultural College, Richmond, for the instruction of students;
- (g) longlife milk;
- (h) sterilised milk;
- (i) milk sold by retail to hospitals or similar institutions, to the Armed Services or to sports or recreation centres;
- (j) milk sold by retail through automatically operated vending machines;
- (k) milk sold by retail:
 - (i) in quantities exceeding 9 litres on each of 5 or more days in any period of 7 consecutive days ending on and including a Thursday; or
 - (ii) in quantities exceeding 30 litres at any one time and at any one place;
- (l) milk sold by wholesale to dairy produce merchants for sale by retail from shops;
- (m) any liquid produced or manufactured directly or indirectly from the lacteal secretion of the cow sold under any of the following fancy, trade or proprietary names or descriptions:
 - Balance High Calcium Milk Drink
 - Balance Reduced Lactose Milk
 - Bega Lite
 - Gardencity Contour
 - Gardencity Lite
 - Life
 - HI-LO
 - UHT HI-LO
 - Shape
 - Lite White
 - Count Down
 - Diet White
 - DYNAMITE (plain or flavoured)
 - HI-LITE
 - White Gold
 - PRIMMA
 - MAID-GLO

Division 2—Fixing of milk prices

Formulas for ascertaining average milk price and margins

31. (1) An average price, in cents per litre, for milk to which this Part applies may be determined by a calculation made in accordance with the following formula:

$$BP + (BP \times \frac{\Sigma FWR}{100}) = \text{Average price for milk (cents per litre)}$$

(2) Except as provided by clause 33, the margins in cents per litre for milk to which this Part applies payable in respect of each industry sector must be the sector price determined by a calculation made for that industry sector in accordance with the following formula:

$$(BP \times \frac{\Sigma FWR}{100}) PSM + BA = \text{Sector price for milk (cents per litre)}$$

(3) In this clause:

BP = the base price in force at the base date and set out in Table 1;

ΣFWR = the summation of all values of FWR for all cost definitions for all sectors of the industry;

FWR = $(C - 100) \times SW$

(i.e. the value obtained for each cost definition by multiplying the percentage change (between the base date and the date of review) in the index relating to that cost definition by its corresponding sector weight);

C = the most recent value of the index relating to a cost definition divided by the value of that index at the base date and multiplied by 100;

$PSM = \frac{\Sigma SFWR}{\Sigma FWR}$

(i.e. the industry sector's share of the increase or decrease in the price of milk, expressed to 4 decimal places);

$\Sigma SFWR$ = the summation of all values of FWR for the industry sector;

SW = the value assigned to a cost definition and set out in Column 4 of Table 2 opposite that cost definition and referred to as the "sector weight";

BA = the base price or margin for the industry sector in force at the base date and set out in Table 1.

Relationship between average milk price and fixed prices of milk sold in containers of standard sizes

32. (1) If the Corporation proposes to fix, under section 54 (1) (d) or (d1) of the Act, several maximum retail prices for milk sold in containers of several respective capacities or, under section 54 (1) (e) of the Act, several retail prices for milk sold in containers of several respective capacities, those maximum prices or those prices, as the case may be, must be fixed so that:

- (a) having regard to the relative frequency with which milk is commonly sold in containers of those several capacities; and
- (b) assuming, in relation to milk for which a maximum price is fixed, that it will be sold at that maximum price,

the average price per litre (not counting any component authorised to be included under clause 36, 37, 38 or 39) to be paid for all milk sold by retail in those containers at the prices so fixed will not exceed the average price determined under clause 31 (1).

(2) When fixing retail prices referred to in this clause, the Corporation is to have regard to prevailing market conditions relating to the distribution and sale of milk and any other matter that it considers relevant to the exercise of its functions and the purposes of the Act.

Adjustments to sector prices determined under clause 31 (2)

33. (1) If the Corporation so determines, in ascertaining the margin for a dairy farmer:

- (a) there must be added to or deducted from the sector price such amount as may be determined by the Corporation in respect of the milk fat and protein levels of any milk delivered or caused to be delivered by a dairy farmer, and accepted by the Corporation; and
- (b) there must be added to or deducted from the sector price such amount as may be determined by the Corporation in respect of the somatic cell count and the total plate count of any milk delivered or caused to be delivered by a dairy farmer, and accepted by the Corporation; and
- (c) there must be deducted from the sector price such amount as may be determined by the Corporation in respect of the cost of transporting milk from the place at which it is accepted by the Corporation to the place at which it is packaged for consumption or use.

(2) If the Corporation so determines, in ascertaining the margin for an agent company (processing):

- (a) in the case of a company open for less than 6 days in each week for the purpose of receiving raw milk (whether from dairy farmers or other companies), there must be deducted from the sector price such amount as may be determined by the Corporation; and
- (b) there must be deducted from the sector price such amount as may be determined by the Corporation in respect of the cost of transporting milk from the place at which it is accepted by the Corporation to the agent company; and
- (c) there must be added to or deducted from the sector price such amount as may be determined by the Corporation in respect of the kind of packaging used, and the relative frequency of use of that kind of packaging, by the agent company.

(3) If:

- (a) the Corporation fixes retail prices referred to in clause 32; and
- (b) the average price per litre referred to in that clause is less than the average price determined under clause 31 (1),

the Corporation is required to make such adjustments as it considers appropriate to sector prices to take account of the reduction in the average price per litre referred to in clause 32.

(4) The adjustments referred to in subclause (3) are to be made in such a way that each margin payable in respect of an industry sector is reduced by the same fraction, except:

- (a) if the Corporation is of the opinion that, having regard to all the circumstances, the adjustments should be made on some other basis; or
- (b) to the extent that the Corporation desires that its own margin be reduced.

Schools Milk Program

34. While the Corporation is funding the Dynamite Schools Milk Program by payments to Milk Marketing (NSW) Pty Limited, the Corporation may reduce the margin in respect of a dairy farmer by so much as will result in a reduction in the amount payable to a dairy farmer per litre of milk of 0.1 cents.

Distribution Sector Rationalisation Scheme

35. (1) While payments are required to be made on behalf of the dairy industry under section 35E of the Act, the margin for the Distribution Sector Rationalisation Scheme as referred to in section 35E (4) of the Act is the margin resulting in the total amount of the reductions referred to in subclause (2).

(2) The margins in respect of a dairy farmer, an agent company (processing), a dairy produce merchant by vehicle and the publicity allowance are to be reduced by so much as will result in:

- (a) a reduction in the amount payable to a dairy farmer per litre of milk of 0.3 cents; and
- (b) a reduction in the amount payable to an agent company (processing) per litre of milk of 0.3 cents; and
- (c) a reduction in the amount payable to a dairy produce merchant by vehicle per litre of milk of 0.3 cents; and
- (d) a reduction in the amount payable in respect of the publicity allowance per litre of milk of 0.1 cents.

Provision for contingent liabilities

36. (1) There may be included in a price fixed (whether as a maximum, a minimum or an absolute price) by the Corporation under section 54 of the Act such amount as the Corporation, with the approval of the Minister, determines for the purpose of enabling the Corporation to meet contingent liabilities.

(2) For the purposes of subclause (1), “**contingent liabilities**” includes a reference to variations in the Corporation’s expenditure or income caused by additions to the sector price paid to dairy farmers or agent companies in accordance with clause 34.

Delivery charge

37. There may be included in a price fixed (whether as a maximum, a minimum or an absolute price) by the Corporation under section 54 of the Act, in respect of milk so delivered to a purchaser’s premises by a dairy produce merchant by vehicle, an amount determined by the Corporation in respect of the cost of delivery.

Rounding off

38. There may be included in a price fixed (whether as a maximum, a minimum or an absolute price) by the Corporation under section 54 of the Act, in respect of milk sold by retail for cash, an amount not exceeding 4 cents to permit the total retail price to be rounded up to the next 5 cents.

Container charge

39. There may be included in a price fixed (whether as a maximum, a minimum or an absolute price) by the Corporation under section 54 of the Act an amount determined by the Corporation in respect of the cost of the containers in which milk is sold and the cost of transporting those containers to the place at which milk is packaged for consumption or use.

Prices and margins for certain other milk

40. In fixing prices and margins under the Act for milk delivered to and accepted by the Corporation, being milk of any kind referred to in clause 30 (2), the Corporation must have regard to the prices and margins for the time being fixed in accordance with this Part for other milk.

Classes of milk to which section 59 of the Act applies

41. For the purposes of section 59 (1) of the Act, the following classes of milk are prescribed:

- (a) pasteurised milk;
- (b) homogenised milk;
- (c) sterilised milk;
- (d) longlife milk.

**PART 4—CONSTRUCTION AND ALTERATION OF
FACTORIES, STORES AND DAIRY BUILDINGS****Division 1—Construction and alteration of dairy produce
factories, dairy produce stores and milk stores****Construction and alteration of dairy produce factories, dairy produce
stores and milk stores**

42. (1) A person must not construct or alter a dairy produce factory, dairy produce store or milk store unless:

- (a) the Corporation has approved of the construction or the alteration;
and
- (b) the factory or store is constructed or altered in conformity with the approval.

Maximum penalty: 5 penalty units.

(2) An application for approval must be made to the Corporation in writing and be accompanied by:

- (a) 2 copies of the plans of the proposed construction or, if the application is for approval of an alteration, 2 copies of the plans of the existing factory or store with the proposed alteration clearly marked; and
- (b) specifications of the materials to be used in the construction or alteration; and
- (c) such other plans and specifications as the Corporation may require in relation to the construction or alteration.

(3) The Corporation may approve of a proposed construction or alteration unconditionally or subject to conditions or may refuse to approve of the proposed construction or alteration.

Division 2—Construction and alteration of dairy buildings

Definition

43. In this Division:

“**dairy buildings**” means buildings used for or in connection with the milking of cows for the purpose of producing milk which is supplied or to be supplied for profit or sale.

Approval of construction or alteration of dairy buildings

44. (1) A person must not construct or alter any dairy buildings unless:

- (a) the Corporation has approved of the construction or the alteration of the buildings; and
- (b) the buildings are constructed or altered in accordance with that approval.

Maximum penalty: 5 penalty units.

(2) An application for approval must be in a form approved by the Corporation and be accompanied by such plans and specifications as the Corporation may require.

(3) The Corporation may approve of the construction or alteration of dairy buildings subject to such conditions as it may impose.

(4) The Corporation must not approve of the construction of dairy buildings unless it is satisfied that the buildings would comply with Schedule 3 if they were constructed in accordance with its approval.

(5) The Corporation must not approve of the alteration of dairy buildings (being buildings that were required to be constructed in accordance with its approval) unless it is satisfied that the buildings would, if so altered, comply with Schedule 3.

(6) In this clause, “alter” includes add to or rebuild.

Equipment in dairy buildings

45. Except with the approval of an authorised officer, a person must not install equipment in dairy buildings in contravention of Schedule 4.

Maximum penalty: 5 penalty units.

Maintenance

46. The occupier of dairy buildings must maintain:

- (a) the buildings in a good and clean condition; and
- (b) the equipment installed in the buildings in a serviceable and hygienic condition.

Maximum penalty: 5 penalty units.

Conformity to Australian Standards

47. For the purposes of Schedules 3 and 4, dairy buildings and items of equipment installed in dairy buildings do not fail to conform to an Australian Standard by reason only that they do not conform to a provision of the Standard:

- (a) that is expressed to be a recommendation; or
- (b) in relation to which the word “should” is so used as to indicate that the provision is of an advisory nature only.

PART 5—MISCELLANEOUS

Maximum payment per litre on cancellation or reduction of a milk quota

48. For the purposes of section 9 (5) of the Act, the prescribed amount is \$15.

Notice of encumbrances over milk delivered to the Corporation

49. (1) For the purposes of section 23 (3) of the Act, the prescribed form of notice to be given by the holder of an encumbrance over milk is Form 7 and the prescribed particulars are the particulars required to complete the form.

(2) For the purposes of section 26 (1) of the Act, the prescribed form of notice of encumbrances to be given by a person delivering milk to the Corporation is Form 8.

Sale of milk prohibited at certain times

50. (1) A person must not, unless otherwise authorised or directed in writing by the Corporation, sell milk by retail from a vehicle:

- (a) on a Sunday or a public holiday, at a time later than 9.00 a.m.; or
- (b) on any other day, at a time later than 8.30 a.m.

Maximum penalty: 5 penalty units.

(2) This clause does not prohibit the distribution of milk at any time to or at an office, factory, warehouse, school, cafe or shop premises or to or at a hospital or similar institution.

Corporation's seal

51. (1) The official seal of the Corporation depicts a crown encircled by the words "New South Wales Dairy Corporation".

(2) The official seal of the Corporation is to be kept by the Secretary and must be fixed to any instrument or document only in the presence of the General Manager and the Secretary, who shall attest by their signatures the fact and date of the fixing of the seal.

Resumption of undertakings by the Corporation under section 64 of the Act

52. For the purposes of section 64 (4) (a) of the Act, the prescribed form of notice is Form 9.

Investment of money held by the Corporation

53. For the purposes of section 72 of the Act, the following are prescribed securities:

- (a) secured loans to the following corporations:
 - All-States Discount Limited
 - A.M.P. Discount Corporation Limited
 - A.U.C. Discount Limited

Capel Court Securities Limited
Colonial Mutual Discount Company Limited
First Federation Discount Co. Limited
National Discount Corporation Limited
Short Term Acceptances Limited
Trans City Discount Limited

(b) securities authorised by section 14 (2) of the Trustee Act 1925.

Stopping and inspection of vehicles

54. (1) For the purposes of section 83 (2) of the Act, the prescribed type of traffic sign is one that has on it in white letters on a red background:

- (a) the word “STOP” (in letters of a height not less than 175 mm); and
- (b) the words “NEW SOUTH WALES DAIRY CORPORATION INSPECTION POINT” (in letters of a height not less than 50 mm).

(2) For the purposes of section 83 (4) of the Act, the prescribed evidence of an officer’s authority is a certificate in Form 10.

Service of notices

55. For the purposes of any provision of the Act or this Regulation requiring or permitting the Corporation or an authorised officer to serve a notice on a person, a notice may be served:

- (a) if the person is a natural person:
 - (i) by delivering it personally; or
 - (ii) by leaving it at the person’s place of residence last known to the Corporation or the authorised officer with someone who apparently resides there and who has, or apparently has, attained the age of 16 years; or
 - (iii) by posting it to the person’s place of residence last known to the Corporation or the authorised officer; or
- (b) if the person is a corporation—by delivering it at the registered office or principal place of business of the corporation to a person who is, or apparently is, concerned in the management of the corporation; or

- (c) whether the person is a natural person or a corporation—if the person or corporation is the owner or occupier of premises used for or in connection with the business of a dairy farmer or dairy produce merchant:
 - (i) by delivering the notice to some person apparently in charge of the premises; or
 - (ii) if there is no person apparently in charge, by fixing it to some conspicuous part of the premises.

Repeals

56. (1) The following Regulations are repealed:

- (a) the Dairy Premises Regulation 1981;
- (b) the Dairy Industry (General) Regulation 1983;
- (c) the Dairy Industry (Pricing) Regulation 1984.

(2) Any act, matter or thing that, immediately before the commencement of this Regulation, had effect under any of those Regulations is taken to have effect under this Regulation.

SCHEDULE 1—FORMS

Form 1

(Cl. 4 (1) (a))

APPLICATION FOR A CERTIFICATE OF REGISTRATION AS A DAIRY FARMER

(Dairy Industry Act 1979, section 32)

Name(s) in full of applicant(s):

.....

Address of applicant(s) for service of notices:

.....

Address of dairy premises occupied or to be occupied by applicant(s):

.....

.....

State name and address of milk store or dairy produce factory to which applicant(s) intend(s) to supply milk:

State:

- (a) area of land intended to be used for:
 - (i) dairying: hectares
 - (ii) dry run if adjoining: hectares
 - (iii) other dry run: hectares
- (b) distance of other dry runs from dairy premises: kilometres
- (c) in relation to applicant's herd:
 - (i) number of cows in milk:
 - (ii) number of dry cows:
 - (iii) number of heifers:.....
 - (iv) number of heifer calves being reared:
 - (v) number of breeding bulls:

Signature(s) of applicant(s):.....

Date:.....

Form 2

(Cl. 4 (1) (b) (i))

APPLICATION FOR A CERTIFICATE OF REGISTRATION AS A DAIRY PRODUCE MERCHANT (VEHICLE)

(Dairy Industry Act 1979, section 32)

Name(s) in full of applicant(s):.....

Address of applicant(s) for service of notices:

Address at which vehicle is usually garaged:

Specify trading area in which milk will be sold:.....

Local government area in which trading area is situated:

Name and address of person from whom applicant intends to obtain supplies of milk:

.....
.....

State estimated average quantities of milk to be sold weekly:

Retail	litres
Wholesale	litres
Total	litres

Signature(s) of applicant(s):.....

Date:.....

Form 3

(Cl. 4 (1) (b) (ii))

**APPLICATION FOR A CERTIFICATE OF REGISTRATION AS A DAIRY
PRODUCE MERCHANT (MILK STORE, DAIRY PRODUCE FACTORY, DAIRY
PRODUCE STORE)**

(Dairy Industry Act 1979, section 32)

Name(s) in full of applicant(s):.....

.....

Address of applicant(s) for service of notices:

.....

Address of milk store, dairy produce factory or dairy produce store occupied or to be
occupied by applicant(s):

.....

State activities applicant(s) intend(s) to carry on:.....

.....

.....

.....

.....

Signature(s) of applicant(s):.....

Date:.....

Form 4

(Cl. 5 (a) and 6 (b) (i))

NOTICE OF APPEAL

(Dairy Industry Act 1979, sections 33 (4), 35 (3) and 37 (3))

In the Local Court at:.....

.....

In the matter of the appeal of
against the decision of the New South Wales Dairy Corporation constituted under the
Dairy Industry Act 1979 to

.....

.....

(particulars of decision)

and in the matter of the Dairy Industry Act 1979.

Take notice that I of
(name) (address)

(the appellant) intend to appeal for the following reasons:

.....

.....

.....

.....

Dated this day of 199 .

.....
Appellant or Solicitor for Appellant

This appeal will be heard at the Local Court at

on the day of at
(insert time of day)

.....
Clerk of the Local Court

Form 5

(Cl. 6 (a))

**NOTICE OF GROUNDS FOR PROPOSED DIRECTION TO CEASE
SELLING MILK**

(Dairy Industry Act 1979, section 37 (3))

To:
(name)

of
(address)

The New South Wales Dairy Corporation gives you notice that it proposes to direct you
to cease selling milk by retail from premises at.....

.....
(address)

on the following grounds:
.....
.....
.....
.....

Signature:

Date:

Form 6

(Cl. 12, 17)

**APPLICATION FOR *CERTIFICATE/PERMIT TO GRADE MILK OR CREAM
OR TO TEST MILK AND CREAM**

(Dairy Industry Act 1979, sections 46 and 47)

Name in full of applicant:.....
.....

Address of applicant for service of notices:
.....

If *certificate/permit is required for employment purposes, state name of employer or
proposed employer:

.....
State qualifications and experience:.....
.....

I apply for a *certificate/permit to:

- * (a) determine the grade of milk
- * (b) determine the grade of cream
- * (c) test milk and cream

Signature:

Date:

*Delete whichever is inapplicable.

Form 7

(Cl. 49 (1))

NOTICE OF CLAIM FOR PAYMENT IN RESPECT OF MILK DELIVERED TO THE CORPORATION

(Dairy Industry Act 1979, section 23 (3))

To: The New South Wales Dairy Corporation

I of
(name of claimant) (address)

give you notice that I claim to be entitled to an account of *all of/some of* the payments due in respect of milk delivered to you in the name of
(name of dairy farmer)

the occupier of premises situated at
(address of dairy premises)

and accepted by you between and
(date) (date)

*I claim to be so entitled for the following reasons:

.....
.....
.....
.....

Signature:

Date:

*If appropriate, supply details of any bill of sale, mortgage, charge, lien or other encumbrance to which the milk is subject, and of any money or other consideration furnished by you in respect of your interest in the milk.

Form 8

(Cl. 49 (2))

NOTICE OF INTEREST AFFECTING MILK DELIVERED TO THE CORPORATION

(Dairy Industry Act 1979, section 26 (1))

To: The New South Wales Dairy Corporation

I of
(name of claimant) (address)

being a *dairy farmer/dairy produce merchant* who occupies premises at
.....
(address of dairy premises or factory or shop)

give notice that milk delivered to you in my name between and
(date) (date)

is subject to a prior interest, particulars of which are as follows:

1. Name and address of every other person having an interest in the milk:

.....
.....
.....

2. Nature of each person's interest:

.....
.....
.....
.....

Signature:

Date:

Form 9

(Cl. 52)

NOTICE TO PURCHASE CONVEYANCES, MACHINERY, EQUIPMENT AND PLANT AND LAND USED IN CONNECTION WITH UNDERTAKING

(Dairy Industry Act 1979, section 64 (4) (a))

To: The New South Wales Dairy Corporation

I of
(name of owner) (address)

require you to purchase (list conveyances, machinery, equipment, plant, land):
.....
.....
.....
.....
.....
.....

used by me in connection with the undertaking you are taking over.

Signature:

Date:

Form 10

(Cl. 54)

CERTIFICATE OF AUTHORITY OF OFFICER

(Dairy Industry Act 1979, section 83 (4))

This is to certify that
(full name of officer)

whose signature appears below, was authorised by the New South Wales Dairy Corporation on to be an officer for the purposes of section 83 of the Dairy Industry Act 1979.

.....
Secretary of the New South Wales Dairy Corporation

.....
Date

.....
Specimen Signature of Officer

SCHEDULE 2—FIXING OF MILK PRICES

(Cl. 29)

TABLE 1
BASE PRICES AND MARGINS

Component	Price (cents per litre)
Price payable to dairy farmers for whole milk	39.7500
*Corporation and Conference administration allowance:	
Administration/Conference	0.8600
Quality control	1.2600
Publicity allowance.....	1.2200
Allowance payable to receival factories for treating milk.....	1.7000
Prices rationalisation reserve.....	0.9795
Margin for agent companies (distribution)	7.3217
Margin for agent companies (processing).....	7.8100
Margin for dairy produce merchant by vehicle	20.8800
Industry contingency reserve	0.2000
TOTAL	81.9812

NOTE: *Corporation and Conference administration allowance
The Corporation and Conference administration allowance includes a margin of 0.0226 cents per litre representing contributions by industry sectors to the administrative costs of the Conference.

TABLE 2
COST DEFINITION BY INDUSTRY SECTOR

Column 1 Sector	Column 2 Cost Definition	Column 3 Index	Column 4 Sector Weight
Price payable to dairy farmers for whole milk	Cash	Dairy Price Index	0.2464
	Paid Labour	Dairying Employees (State) Award (farm control hand)	0.0378
	Capital returns	Bond rate	0.0757
	Non-paid labour	Average male earnings	0.1250
*Corporation and Conference administration allowance (Administration/Conference)	Administration	Average male earnings	0.0184

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Column 1 Sector	Column 2 Cost Definition	Column 3 Index	Column 4 Sector Weight
*Corporation and Conference administration allowance (Quality control)	Administration	Average male earnings	0.0154
Publicity allowance	Advertising	Average male earnings	0.0149
Allowance payable to receiver factories for treating milk	Labour	Average male earnings	0.0075
	Administration and overheads	CPI-Food	0.0132
Prices rationalisation reserve	Vehicles	General Carting Tariff 1972 Base Surcharge	0.0119
Agent companies (distribution)	Distribution	CPI-General	0.0491
	Distribution	General Carting Tariff 1972 Base Surcharge	0.0402
Agent companies (processing)	Labour	Average male earnings	0.0260
	Administration and overheads	CPI-Food	0.0693
Margin for dairy produce merchant by vehicle	Non-paid labour	Average male earnings	0.1658
	Vehicles	CPI-Vehicle	0.0405
	Business costs	CPI-General	0.0405
Industry contingency reserve	Reserve	CPI-General	0.0024

NOTE: **Corporation and Conference administration allowance*
The Corporation and Conference administration allowance includes a sector weight of 0.000276 indexed according to average male earnings (an index the citation and source of which are set out in Table 3).

TABLE 3
SOURCES OF INDICES USED IN TABLE 2

Dairy Price Index	An index compiled and published by the New South Wales Dairy Corporation, derived from the "Indexes of Prices Received and Paid by Farmers" published by the Australian Bureau of Agricultural Economics.
Dairying Employees (State) Award (farm control hand)	Dairying Employees (State) Award. Classification—Farm Control Hand. Available from the Department of Industrial Relations, Employment, Training and Further Education.
Average male earnings	Average weekly earnings of all employees in all States and Territories of Australia. Classification—Males. Published by the Australian Bureau of Statistics.
Bond rate	10-year rate for Commonwealth Government Treasury bonds obtained from the Reserve Bank of Australia and published in its monthly bulletin.
Consumer Price Index—Food	Consumer Price Index—Index Numbers and Index Point Contributions: Weighted average of 8 capital cities. Classification—Food. Published by the Australian Bureau of Statistics.
General Carting Tariff 1972 Base Surcharge	Surcharge applicable to General Carting Tariff based on average costs incorporating 6 to 20 tonne vehicles. Available from the New South Wales Road Transport Association.
Consumer Price Index— Vehicle	Consumer Price Index—Index Numbers and Index Points Contributions: Weighted average of 8 capital cities. Classification—Private Motoring. Published by the Australian Bureau of Statistics.
Consumer Price Index— General	Consumer Price Index—All Groups. Index Numbers: Weighted average of 8 capital cities. Published by the Australian Bureau of Statistics.

SCHEDULE 3—CONSTRUCTION OR ALTERATION OF DAIRY BUILDINGS

(Cl. 44 (4), (5))

Dairy buildings generally

1. Dairy buildings must:

- (a) be erected on land that is well drained; and
- (b) be accessible by an all weather road; and
- (c) have a supply of unpolluted water sufficient for all operating needs; and

- (d) be sited so as not to cause milk to become contaminated or unfit for human consumption; and
- (e) be constructed of materials approved by an authorised officer.

Collection area

- 2. The area used for the collection of milk by milk tankers must:
 - (a) be drained; and
 - (b) consist of:
 - (i) a concrete apron that is at least 3 000 mm in width and which extends outwards from the tanker loading doorway to a distance of at least 2 000 mm; or
 - (ii) a concrete apron approved by an authorised officer.

Holding yards

- 3. Yards for herding milking cows must:
 - (a) not at any point join the external walls of either the milkroom, washroom or machine-room; and
 - (b) be of adequate size for cattle being held for milking (but must have a minimum area of 50 m²); and
 - (c) be graded, drained and paved in concrete or with a material approved by an authorised officer; and
 - (d) in the case of yards paved in concrete or other impervious material, be kerbed, except at the entrance, at the outer edges to a height of at least 150 mm; and
 - (e) be provided with water under sufficient pressure for thorough cleaning; and
 - (f) where covered, have a roof which has a height of at least 2 400 mm.

Walkways

- 4. All areas traversed by milking cows entering and leaving the dairy buildings must be paved in concrete or other material approved by an authorised officer for a distance of at least 3 000 mm from the milking unit, and be graded and drained so that all effluent is discharged at least 15 m from the dairy buildings.

Floors

- 5. Floors of dairy buildings must:
 - (a) be constructed of concrete or a material approved by an authorised officer; and
 - (b) be impervious to moisture; and
 - (c) be coved to a radius of not less than 25 mm at junctions with walls in such a way that there are no cracks between the floor and the coving and the wall and the coving; and
 - (d) be graded to not less than 1 in 40 to floor drains or, in the case of floors of milkrooms, herringbone pits and platforms, be graded to not less than 1 in 80 to floor drains.

Walls**6. Walls of milkrooms and washrooms must:**

- (a) where constructed of brick, concrete or concrete blocks, have internal surfaces of hard-set, steel-trowel-rendered cement or such other finish as may be approved by an authorised officer; and
- (b) where constructed with a steel or timber frame, be fixed to a dwarf wall of a height of:
 - (i) 1 500 mm in areas with which cattle may come into contact; or
 - (ii) 300 mm in areas with which cattle may not come into contact, constructed of brick, concrete or concrete blocks with internal surfaces of hard-set, steel-trowel-rendered cement or such other finish as may be approved by an authorised officer; and
- (c) where constructed of sandwich board or other approved material, be fixed to the floor in a manner approved by an authorised officer; and
- (d) be of a height of not less than 2 400 mm from the floor to the bottom of the top plate.

Framed walls—internal linings**7. Internal linings of milkrooms with framed walls:**

- (a) must be lined with fibrous cement or such other material as may be approved by an authorised officer; and
- (b) must be joined together with a corrosion resistant moulding or cover strip.

Framed walls—external finishes

8. External finishes of framed walls must be weatherboards, fibrous cement or a material approved by an authorised officer.

Ceilings

9. (1) The underside of the covering of covered areas of dairy buildings must be lined with fibrous cement sheeting or other material approved by an authorised officer that is rendered smooth and impervious to moisture.

(2) Subclause (1) does not apply to:

- (a) a covering of a holding yard; or
- (b) a covering of any other area (other than the milkroom) which is constructed of a material approved by an authorised officer and supported by light metal trusses.

Milkroom openings

10. All openings from the milkroom must be effectively screened to prevent the entry of insects, rodents, birds and pests.

Milkroom windows

11. Glazed windows of an area equivalent to at least one-tenth of the floor area must be fitted in external walls of the milkroom.

Doors

12. Doors must be constructed of metal, timber or a material approved by an authorised officer.

Door jambs

13. Door jambs must be constructed of:

- (a) corrosion-resistant metal; or
- (b) timber which is fitted 150 mm above floor level with the space between the floor and door jamb being of brick, concrete or concrete blocks with an internal surface of hard-set, steel-trowel-rendered cement or such other finish as may be approved by an authorised officer; or
- (c) a material approved by an authorised officer.

Ventilation

14. Milkrooms must be ventilated so as:

- (a) to prevent condensation; and
- (b) to maintain floors in a dry condition.

Lighting

15. The interior of the milkroom must be provided with artificial lighting capable of producing a degree of illumination of 300 lux.

Light shields

16. Lights in milkrooms must be fitted with protective shatter-proof shields.

Discharge of drainage

17. Drainage must be discharged at least 15 m from the dairy buildings.

Provision of drainage

18. Drainage from dairy buildings and external bulk milk tanks must be provided by:

- (a) an impervious concrete open drain that is free draining; or
- (b) enclosed 100 mm glazed earthenware pipes or P.V.C. pipes with:
 - (i) the pipes having a minimum fall of 1 in 40; and
 - (ii) the discharge end of any drainage line having an inlet situated in an enclosed or screened room being fitted with a flap; and
 - (iii) an adequate water supply being available to flush the pipes; or
- (c) a system approved by an authorised officer.

Sump

19. If a sump is to be installed less than 15 m from dairy buildings:

- (a) it must be of not more than 600 litres capacity; and
- (b) it must be fitted with a power-driven pump or syphon system approved by an authorised officer,

and any discharge from the sump must be at least 15 m from the dairy buildings.

Surface finishes

20. All exposed pervious material, both internal and external:

- (a) must be painted; or
- (b) must be coated with a material approved by an authorised officer.

Equipment

21. (1) Washing facilities of a design approved by an authorised officer must be provided.

(2) A water heater capable of providing adequate hot water at above 94°C to meet all needs must be provided.

SCHEDULE 4—INSTALLATION OF EQUIPMENT

(Cl. 45)

Milking machines

1. Pipeline milking machines within the meaning of the Australian Standard entitled "Code of Practice for Milking Installations known as the SAA Milking Machine Code" and numbered "AS 1778-1975" must conform to that Standard.

Components and materials

2. Milking machine components and materials used in their construction must conform to the relevant requirements of the Australian Standard entitled "Milking Machine Installations Part 2—Construction and Performance" and numbered "AS 2844.2-1986".

Milk pump

3. A milk pump which is fitted in the milking line of a milking machine must be of a type approved by an authorised officer.

Milklines

4. The milking line of a milking machine must:

- (a) have a continuous and constant fall of not less than 1 in 100 to the releaser or receiver vessel; and
- (b) be fitted with sanitary couplings; and
- (c) be capable of being maintained in a sanitary condition; and
- (d) have bends, where installed, with a radius of not less than twice the diameter of the milking line.

Milk tanks

5. Refrigerated farm milk tank-units must conform to, and be installed in accordance with, the Australian Standard entitled "Refrigerated Farm Milk Tank-Units" and numbered "AS 1187-1988".

Milk tank clearance

6. Minimum clearance around the bulk milk tank in the milk room must be 450 mm from the milk room walls or any protrusion from the walls or as otherwise approved by an authorised officer.

Other equipment

7. If solid fuel coppers and steam boilers are installed, they must be installed in a manner approved by an authorised officer.

NOTES**TABLE OF PROVISIONS****PART 1—PRELIMINARY**

1. Citation
2. Commencement
3. Definitions

PART 2—REGULATION OF THE PRODUCTION OF MILK AND DAIRY PRODUCTS**Division 1—Registration of dairy farmers and dairy produce merchants**

4. Applications for certificates of registration
5. Appeals against decisions of the Corporation to cancel, or to refuse applications for, certificates of registration
6. Directions prohibiting the sale of milk by retail shop

Division 2—Regulation of quality of milk and cream

7. Milk fat and protein content
8. Grades of milk
9. Grades of cream
10. Reject grade milk
11. Treatment of putrescent cream

Division 3—Grading of milk and cream

12. Applications for certificates to grade or test milk and cream
13. Qualifications to hold certificates
14. Examinations for certificates
15. Certificates to test milk and cream to specify kind of tests authorised
16. Holders of certificates to test milk and cream to participate in testing programs

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17. Applications for permits to grade or test milk and cream
 18. Statement to suppliers of milk or cream to a dairy produce factory
 - Division 4—Certificates to make butter or cheese or to pasteurise milk
 19. Certain employees to hold certificates to make butter or cheese or to pasteurise milk
 20. Applications for certificates
 21. Qualifications to hold certificates
 - Division 5—Keeping of records
 22. Records of milk or cream supplied to factories or stores
 23. Records to be kept by manufacturers of dairy products
 - Division 6—Miscellaneous
 24. Term of certificates or permits
 25. Cancellation of certificates or permits
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 27. Applications not to be false or misleading
 28. Refund of fees

PART 3—FIXING OF MILK PRICES

Division 1—Preliminary

29. Definitions
30. Application of this Part

Division 2—Fixing of milk prices

31. Formulas for ascertaining average milk price and margins
32. Relationship between average milk price and fixed prices of milk sold in containers of standard sizes
33. Adjustments to sector prices determined under clause 31 (2)
34. Schools Milk Program
35. Distribution Sector Rationalisation Scheme
36. Provision for contingent liabilities
37. Delivery charge
38. Rounding off
39. Container charge
40. Prices and margins for certain other milk
41. Classes of milk to which section 59 of the Act applies

PART 4—CONSTRUCTION AND ALTERATION OF FACTORIES, STORES AND DAIRY BUILDINGS

Division 1—Construction and alteration of dairy produce factories, dairy produce stores and milk stores

42. Construction or alteration of dairy produce factories, dairy produce stores or milk stores

Division 2—Construction or alteration of dairy buildings

43. Definition
44. Approval of construction or alteration of dairy buildings
45. Equipment in dairy buildings
46. Maintenance
47. Conformity to Australian Standards

PART 5—MISCELLANEOUS

48. Maximum payment per litre on cancellation or reduction of a milk quota
49. Notice of encumbrances over milk delivered to the Corporation
50. Sale of milk prohibited at certain times
51. Corporation's seal
52. Resumption of undertakings by the Corporation under section 64 of the Act
53. Investment of money held by the Corporation
54. Stopping and inspection of vehicles
55. Service of notices
56. Repeals

SCHEDULE 1—FORMS

SCHEDULE 2—FIXING OF MILK PRICES

SCHEDULE 3—CONSTRUCTION OR ALTERATION OF DAIRY BUILDINGS

SCHEDULE 4—INSTALLATION OF EQUIPMENT

EXPLANATORY NOTE

The object of this Regulation is to repeal and remake, without any major changes in substance, the provisions of the Dairy Industry (General) Regulation 1983, the Dairy Premises Regulation 1981 and the Dairy Industry (Pricing) Regulation 1984. The new Regulation deals with the following matters:

- (a) applications for certificates of registration as a dairy farmer or dairy produce merchant (Division 1, Part 2);
- (b) the giving of directions under section 37 of the Dairy Industry Act 1979 prohibiting the retail sale of milk by certain persons or in certain circumstances (clause 6, Division 1, Part 2);
- (c) the quality and grading of milk and cream (Division 2, Part 2);
- (d) applications for certificates and permits to grade or test milk and cream (Divisions 3 and 6, Part 2);
- (e) the requiring of butter or cheese makers or pasteuriser operators to hold certificates issued by the N.S.W. Dairy Corporation (Divisions 4 and 6, Part 2);
- (f) the records to be kept by manufacturers of dairy products (Division 5, Part 2);
- (g) the cancellation or surrender of certificates and permits (Division 6, Part 2);
- (h) the fixing of milk prices by the Dairy Corporation (Part 3);
- (i) the prohibition of the construction or alteration of dairy produce factories, dairy produce stores, milk stores or dairy buildings without the approval of the Dairy Corporation (Part 4);

- (j) the maximum payment per litre on cancellation or reduction of milk quotas (clause 48, Part 5);
- (k) the giving of notice of encumbrances over milk delivered to the Dairy Corporation (clause 49, Part 5);
- (l) the prohibition of the retail sale of milk from vehicles after certain hours (clause 50, Part 5);
- (m) the prescribed securities in which the Dairy Corporation may invest (clause 53, Part 5);
- (n) the stopping and inspection of vehicles by authorised officers (clause 54, Part 5);
- (o) other matters of a minor, consequential or ancillary nature (Part 1 and clauses 51, 52, 55 and 56, Part 5).

The Regulation is made under the provisions of the Dairy Industry Act 1979, including section 56 (fixing of milk prices), section 103 (the general regulation making power) and various other sections referred to in the Regulation.

The Regulation is made in connection with the staged repeal of subordinate legislation under the Subordinate Legislation Act 1989.
