

**ORDER 2023-01**  
AN ORDER ESTABLISHING THE  
ADMINISTRATIVE HARMONIZED MILK CLASSIFICATION SYSTEM PRICES  
FOR DAIRY FARMERS OF NEW BRUNSWICK  
(the "**ADMINISTRATIVE HARMONIZED MILK CLASSIFICATION SYSTEM  
ORDER**")

**PURPOSE:** To establish those administrative classes of milk exclusively available to the Board and the Processors who are mutually bound by this Order to not disclose any of this Order to any other party.

**WHEREAS** the Commission, has delegated to the Board the powers conferred on the Commission under subsections 11(2) (e), (f) and (g) of the Natural Products Act:

- 2(e) to establish classifications for milk or cream based on the use of the milk or cream by milk dealers and other persons processing milk or processing or manufacturing cream in the Province;
- 2(f) to establish a price or the method of determining the price paid by milk dealers or other persons processing milk or processing or manufacturing cream in the Province for each classification of milk or cream established under paragraph (e);
- 2(g) to prescribe the time within which payment of the price established under paragraph (f) shall be made;

**NOW THEREFORE BE IT ENACTED** pursuant to Commission Delegation and Repeal Order and subsections 11(2) and 16(1) of the Natural Products Act;

**DAIRY FARMERS OF NEW BRUNSWICK** (hereinafter called the "Board") in its exercise of its Federal and Provincial powers, where applicable, in whole or in part, concurrently and in combination hereby repeals Order 2020-09– Administrative Harmonized Milk Classification System Pricing Order and replaces it with:

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**SHORT TITLE**

1. This Order may be cited as the "**Administrative Harmonized Milk Classification System Order**".

**DEFINITIONS**

2. The terms referenced herein have the same meaning as given in the document in which the term was originally defined. If a term originates herein, the term will be defined below. In this Order:
  - (a) "Milk Class" means the appropriate class within which a dairy product fits in establishing its price level in accordance with the AHMCS
  - (b) "Class Prices" means the prices per litre, per kilogram of butterfat, protein and lactose and other solids made exclusively available to processors by the Board in accordance with the AHMCS;

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- (c) "Commission" means the New Brunswick Farm Products Commission;
- (d) "Administrative Harmonized Milk Classification System (AHMCS)" defines the each milk class and dairy product grouping made exclusively available by the Board to a processor and adjusted periodically.
- (e) "Administrative Harmonized Milk Classification Price System (AHMCS)" defines the prices per litre, kilogram of butterfat, protein and lactose and others solids by milk class and dairy product grouping made exclusively available by the Board to a processor and adjusted periodically.
- (f) "producer" means a person who produces raw milk;
- (g) "processor" has the meaning prescribed in the Commission's Board-Processor Sales Order No. 2016-08 and means a milk dealer licensed by the Commission, a federally registered industrial milk plant, or a milk processing plant licensed by the Province of New Brunswick;

**ORDER**

3. For the purposes of enacting the Administrative Harmonized Milk Classification Price System Order 2023-02 DFNB recognizes the following classes of milk defined within the Administrative Harmonized Milk Classification System that are published below and made exclusively available by the Board to the Processor who are mutually bound not to disclose the contents of this Order to any other party.

Class	Products
1(a)1	All milk and milk beverages, except those defined in Class 1(a)2 and Class 1(a)3, made of partly skimmed or skimmed milk, whether treated or not for lactose intolerance, flavoured or not, with or without vitamins or minerals added, cultured milk for retail sale or the food services sector
1(a)2	Eggnog and all types of dairy beverages constituted of mixtures of fresh milk and fruit and vegetable juices and other products, with a dairy content exceeding 50 percent by weight and a dairy protein content of less than 75 percent of the dairy protein contained in an equal volume of Class 1(a)1 milk with the same butterfat content
1(a)3	Fortified* Class 1(a) products. * dairy protein content exceeding that of an equal volume of fresh milk product with the same butterfat content
1(b)	All types of cream with a minimum butterfat content of 5% for retail and food service
1(c)	New 1(a) and 1(b) products for retail and food service approved by the provincial authorities during an introductory period
1(d)	1(a) and 1(b) products marketed outside the ten signatory provinces of the National Milk Marketing Plan, but within the Canadian boundaries (e.g.: Yukon, NWT,

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	Nunavut & cruise ships)
2(a)	All types of yogurt including yogurt beverages, Kefir and Lassi, excluding frozen yogurt
2(b)1	Milk shakes for retail sale that are complying with the federal product standard for milk shake mixes; crème fraîche, all types of fudge, pudding, and Indian sweets
2(b)3	Sports/Nutrition Drinks with a minimum Protein Content 2X greater than that of fluid milk products with the same butterfat content (skim milk products = 35 g of protein per liter).
2(b)4	Fresh Dairy Desserts (i.e.: At least 75% fresh milk content, final product shelf life requires refrigeration) Sour cream
2(b)5	All types of ice cream, ice cream mix, whether frozen or not; Other frozen dairy products including frozen yogurts, frozen desserts, and milkshake mixes not for retail sale
3(a)1	Cheese with a minimum casein content of 95% derived from fluid milks not referred to elsewhere
3(a)2	Cheese curds, skim milk cheese, ricotta and all other cheeses not referred to elsewhere
3(b)1	Aged Cheddar (9 months and more as per Federal Dairy Product Standards)
3(b)2	Cheddar, cheddar-type cheeses sold fresh <sup>1</sup> Stirred curd, cream cheese, and cream cheese bases or cheese mixes, other than creamy cheese bases or cheese mixes used to process products referred to in another class Any product not referred to in Class 3(a)1, 3(a)2, 3(b)1, 3(c)1, 3(c)2, 3(c)3, 3(c)4, 3(c)5, 3(c)6 and 3(d) made by coagulating milk, coagulating milk products, or coagulating both milk and milk products with the aid of bacteria to form a curd; excludes rennet casein curd
3(c)1	Feta
3(c)2	Asiago, Gouda, Havarti, Parmesan, Swiss
3(c)3	Munster (Muenster) Canadian-style, part skim pizza cheese, pizza cheese
3(c)4	Brick, Colby, Farmer's, Jack, Monterey Jack, all types of Mozzarella other than Pizza Mozzarella and Part Skim Pizza Mozzarella and Mozzarella falling within Class 3(d)
3(c)5	Pizza Mozzarella and Part Skim Pizza Mozzarella not described in Class 3(d)
3(c)6	Paneer
3(d)	Standardized Mozzarella cheeses to be used strictly on fresh pizzas by establishments registered with the CDC under terms and conditions approved by the CMSMC
4(a)	Butter and butteroil Concentrated milk as an ingredient in the food industry Concentrated milk protein in liquid and dry forms at a concentration of at least 40%

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	on a dry matter basis <sup>2</sup> All types of powders (including but not limited to whole milk powder, skim milk powder, yogurt powder, sour cream powder, edible casein powders) Milk and milk components used to make infant formula Rennet casein (dry or curd) used in the manufacture of non-standardized final products in the processed cheese category <sup>3</sup>
4(b)1	Concentrated milk for Retail, whether sweetened or not Losses <sup>4</sup>
4(b)2	All other products not elsewhere stated
4(c)	New industrial products approved by provincial authorities for an introductory period
4(d)	Inventories and returns <sup>5</sup>
4(m)	Milk components for animal feed Class
5(a)	Cheese used as ingredient in further processing in Canada
5(b)	All other dairy products used as ingredients in further processing in Canada
5(c)	Dairy products used as ingredients in the Canadian confectionery sector <sup>6</sup>
5(d)	Planned exports and other exports approved by the CMSMC, the total of which shall not exceed Canada's WTO commitments (only until December 31, 2020)

1. Cheddar-type cheese: A cheese of descriptive nomenclature will be recognized as a cheddar-type cheese for the purpose of classification if it is a firm or semi-soft, unripened, unwashed curd cheese, with a minimum milk fat content of 25% and a maximum moisture content of 45%.
2. Liquid milk protein concentrate transactions are allowed in Class 4(a) only for transactions between milk buyers for utilization in Canada. Transactions to non-milk buyer dairy will be done at Class 2(b)1 for Class 2 products, Class 3(b)1 for Class 3 products, and Class 4(b)2 for Class 4 products.
3. As per the procedure defined in the National Audit Standards.
4. Explained losses (dumps, dead vats, etc. as approved by milk boards).
5. Fluid returns for products declared in 1(a)1 only.
6. Skim milk powder (SMP) and milk protein concentrate (MPC) are not eligible to class 5(c).

This Order comes into effect on February 1, 2023

*This Board Order is a reproduction of the original Board Order which has been signed by the Chairman and the General Manager.*