STATUTORY INSTRUMENTS

1973 No. 352

AGRICULTURE

GUARANTEED PRICES AND ASSURED MARKETS

The Fatstock (Guarantee Payments) Order 1973

Made - - -	1*st March* 1973
Laid before Parliament	7*th March* 1973
Coming into Operation	26*th March* 1973

The Minister of Agriculture, Fisheries and Food, the Secretary of State for Scotland, the Secretary of State for Northern Ireland (being the Secretaries of State respectively concerned with agriculture in Scotland and Northern Ireland) and the Secretary of State for Wales, acting jointly, in exercise of the powers conferred upon them by sections 1, 9(4) and 35(3) of the Agriculture Act 1957(**a**), as read with the Transfer of Functions (Wales) Order 1969(**b**), and of all other powers enabling them in that behalf, with the consent of the Treasury and after consultation with such bodies of persons as appear to the said Ministers to represent the interests of producers of fatstock, hereby make the following order:—

PART I

Citation, commencement, interpretation and revocation

1. This order may be cited as the Fatstock (Guarantee Payments) Order 1973, and shall come into operation on 26th March 1973.

2.—(1) In this order, except where the context otherwise requires—

"certification centre" means a place for the time being approved by the Minister for the certification for the purposes of this order of all or any particular class of fatstock;

"certified", in relation to any fatstock, means certified as being eligible for any relevant payment under this order by the proper officer in pursuance of this order in such manner and after compliance by the producer of that fatstock with such conditions as may from time to time be specified by or on behalf of the Minister;

"deadweight", in relation to any fatstock, means the weight of an animal's carcase ascertained after such preparation of the carcase, and by weighing in such conditions, as may from time to time be specified by or on behalf of the Minister;

(a) 1957 c. 57. (b) S.I. 1969/388 (1969 I, p. 1070).

"deadweight certification centre" means a certification centre at which carcases are certified;

"description", in relation to any fatstock, includes quality and, without prejudice to the general meaning of the expression, any kind of fatstock distinguished by reference—

(*a*) to the area in which, or the season of the year in which it is produced, sold or dispatched or delivered on sale;

(*b*) to the purpose for which it is sold or used;

(*c*) to the methods by which it is marketed, including the places to which it is delivered on sale;

"determined" means determined by the Minister with the approval of the Treasury and, as respects any guaranteed price to be determined in pursuance of this order, means so determined by the Minister from time to time in the light of the conclusions of the Ministers from a review held under section 2 of the Agriculture Act 1947(**a**);

"fat sheep" and "fat pigs" includes in each case the carcase of such animals;

"fatstock" means fat sheep or fat pigs;

"grade", in relation to fatstock of any guarantee class, means the classification of fatstock within that class by reference to such standards of quality, weight or other factors as may be determined for that grade;

"guarantee class" has the meaning assigned to it by article 3 of this order;

"guarantee period" means the period commencing on the last Monday before 2nd April in any year and ending at midnight on the Sunday immediately preceding the last Monday before 2nd April in the succeeding year;

"guaranteed price" means a price or prices determined by the Minister in pursuance of this order;

"higher stabilising limit" and "lower stabilising limit" mean respectively a stabilising limit determined or ascertained above or below a standard price for fat pigs in accordance with article 11 of this order;

"liveweight certification centre" means a certification centre at which live animals are certified;

"the Minister", in relation to any part of the United Kingdom, means either that one of the Ministers who is concerned with agriculture in that part, or that Minister and either or both of the others acting jointly;

"the Ministers" means the Minister of Agriculture, Fisheries and Food and the Secretaries of State respectively concerned with agriculture in Scotland and Northern Ireland, and the Secretary of State for Wales acting jointly;

"producer", in relation to any fatstock, means the person in whose name the fatstock is presented for certification;

"proper officer" for any of the purposes of this order means the person for the time being authorised by the Ministers to act for that purpose;

"score", in relation to the weight of pigs, means twenty pounds avoirdupois;

"standard price" means a price determined or ascertained, by reference to the appropriate guaranteed price, in accordance with article 8 in respect of any guarantee class of fat sheep and article 10 in respect of any guarantee class of fat pigs;

(**a**) 1947 c. 48.

"week" means a period of seven days commencing with a Monday, except that when the period includes Christmas Day the expression shall, if the Minister so decides, mean that period and the immediately preceding or succeeding period as the Minister shall specify.

(2) The Fatstock (Guarantee Payments) Order 1964(**a**), the Fatstock (Guarantee Payments) (Amendment) Order 1968(**b**) and the Fatstock (Guarantee Payments) (Amendment) Order 1971(**c**) are hereby revoked.

(3) The Interpretation Act 1889(**d**) shall apply to the interpretation of this order as it applies to the interpretation of an Act of Parliament, and as if this order and the orders hereby revoked were Acts of Parliament.

PART II

General

3. This order shall apply to such description of fatstock as may be determined from time to time as guarantee classes for the purposes of this order, and any class so determined is in this order referred to as a "guarantee class".

4. Any guaranteed price, estimated price, standard price, higher or lower stabilising limit, average market price, or average return to producers determined or ascertained in accordance with this order shall be at a rate—

(*a*) in the case of sheep, per pound actual or estimated deadweight; and

(*b*) in the case of pigs, per score deadweight.

5. A guaranteed price shall be determined in respect of each guarantee period and each guarantee class—

Provided that in the case of fat pigs any such guaranteed price may be related to a price per hundredweight of a basic feedingstuffs ration determined in respect of the guarantee period.

6. The Minister may, if he thinks fit, and subject to the provisions of this order, make payments to producers of fatstock of sums ascertained in respect of fat sheep in accordance with Part III of this order and in respect of fat pigs in accordance with Part IV thereof.

7.—(1) Any rate of payment—

(*a*) ascertained in accordance with this order for any guarantee class of fatstock may be subject to such modifications as may be determined by the Minister in respect of grades or descriptions of fatstock within such guarantee class;

(*b*) for any description of carcases of fat pigs, ascertained in accordance with the provisions of this order as a rate per score deadweight shall be converted to a rate per score liveweight for live fat pigs of an equivalent description in such manner as may from time to time be specified by or on behalf of the Minister;

(*c*) may be ascertained in accordance with this order to such nearest unit or fraction of a unit of currency as may from time to time be specified by or on behalf of the Minister and the amount of any individual payment to a producer made under this order may be calculated to such

(**a**) S.I. 1964/463 (1964 I, p. 746).
(**b**) S.I. 1968/398 (1968 I, p. 1078).
(**c**) S.I. 1971/801 (1971 II, p. 2294).
(**d**) 1889 c. 63.

nearest unit or fraction of a unit of currency as may from time to time be specified by or on behalf of the Minister.

(2) In relation to animals imported or brought into the United Kingdom from any place outside the United Kingdom, or to carcases produced by the slaughter within the United Kingdom of animals which have been so imported or brought in, any rate of payment for any description of such animals or carcases may be reduced by such amount as may be determined for that description of animal or carcase and any payment in respect of any such description of animal or carcase shall be subject to such terms and conditions as may from time to time be specified by or on behalf of the Minister.

PART III

Guarantee Payments for fat sheep

8. For the purpose of ascertaining the rate of payment which may be made under this order to producers of fat sheep of a guarantee class—

(*a*) a standard price shall be determined for each week of a guarantee period;

(*b*) the average market price for each such week shall be ascertained by the Minister in accordance with Part I of the Schedule to this order; and

(*c*) an estimated price for fat sheep shall be determined for each week of a guarantee period having regard to any charges made on imports of mutton and lamb into the United Kingdom and the seasonal pattern of market prices for fat sheep.

9.—(1) Subject to the provisions of this order where the average market price of fat sheep ascertained as aforesaid is lower than the standard price, determined as aforesaid, the rate of any payment which may be made in respect of each guarantee class of fat sheep certified during any week shall be a rate equal to the difference between the standard price and the average market price, such difference having been adjusted in accordance with a scale to be determined by the Minister having regard to the amount, if any, by which the average market price is lower than the estimated price.

(2) The Minister shall after each guarantee period ascertain—

(*a*) in accordances with Part II of the Schedule to this order, the average market price of each guarantee class of fat sheep certified during such guarantee period and the average estimated price for each such class of fat sheep so certified; and

(*b*) the amount, if any, by which any average market price ascertained under sub-paragraph (*a*) above falls short of the guaranteed price for the respective guarantee class determined pursuant to article 5 of this order after the deduction from such guaranteed price of the amount, if any, by which the average estimated price for fat sheep, exceeds the said average market price ascertained under sub-paragraph (*a*) above.

(3) The amount ascertained pursuant to paragraph (2)(*b*) of this article shall be multiplied by the total weight (ascertained in such manner as appears to the Minister to be proper) of all fat sheep of the respective guarantee class certified under this order during the same guarantee period and the Minister may, in accordance with such arrangements as may be determined by him, make payments to producers of the amount, if any, by which such amount

exceeds the amount which may be paid pursuant to paragraph (1) of this article.

PART IV

Guarantee payments for fat pigs

10. For the purpose of ascertaining the rate of any payment which may be made under this order to producers of any guarantee class of fat pigs for each week of a guarantee period a standard price and a stabilising limit above and below such standard price shall be ascertained in accordance with article 11 of this order.

11.—(1) The Minister may until such time as he may determine ascertain in respect of each week of each guarantee period an average price per hundredweight of the basic feedingstuffs ration; such price to be ascertained by reference to the prices of the basic feedingstuffs during such period as may be determined by the Minister.

(2) The standard price for any guarantee class of fat pigs for any week shall be the guaranteed price for that guarantee class, to which may be added or from which may be subtracted, as a sum per score, such proportion as may be determined of the amount for each hundredweight by which the average price of the basic feedingstuffs ration ascertained in relation to that week in accordance with paragraph (1) of this article exceeded or, as the case may be, was less than the price determined for that ration in accordance with article 5 of this order.

(3) The higher and lower stabilising limits for any guarantee class of fat pigs for any week shall be respectively ascertained by adding to and subtracting from the standard price for that week as ascertained in accordance with paragraph (2) of this article such a sum as may be determined by the Minister in either case.

12. In respect of each week of each guarantee period the Minister shall ascertain in accordance with Parts III and IV respectively of the Schedule to this order—

(*a*) the average market price for fat pigs of any guarantee class; and

(*b*) an average return to producers for fat pigs of any guarantee class or, within any guarantee class, for such descriptions of fat pigs as may be determined for the purpose.

13.—(1) The rate of any payment which may be made in respect of any guarantee class of fat pigs certified during any week shall be ascertained by reference to the amount, if any, by which in respect of that week the average market price ascertained as aforesaid falls short of the standard price for that week ascertained as aforesaid.

(2) If in respect of any week the average return to producers ascertained by the Minister in respect of any description of fat pigs of any guarantee class in accordance with article 12 of this order—

(*a*) exceeds the appropriate higher stabilising limit, the rate of payment ascertained in accordance with paragraph (1) of this article applicable to fat pigs of that guarantee class or description shall, insofar as that rate of payment allows, be reduced by the amount by which the average return to producers exceeds the higher stabilising limit;

(*b*) is less than the appropriate lower stabilising limit, the rate of payment ascertained in accordance with paragraph (1) of this article applicable to fat pigs of that guarantee class or description shall be increased by the amount by which the average return to producers falls short of the lower stabilising limit.

Provided that if under the provisions of paragraph (1) of this article there is no deficiency in respect of fat pigs of any guarantee class or description within that guarantee class the rate of payment for such guarantee class or description may be ascertained by reference to the amount by which the average return to producers for fat pigs of that guarantee class or description ascertained as aforesaid falls short of the lower stabilising limit.

PART V

Provisions as to certification and payments etc.

14.—(1) The proper officer may, subject to the provisions of this article, certify any fatstock by the issue of a certificate in respect of that fatstock in such manner and subject to such conditions as may from time to time be specified by or on behalf of the Minister.

(2) No fatstock shall be certified unless—

(*a*) it is presented for certification at a certification centre for the time being approved by the Minister for the presentation for certification of that description of fatstock; and

(*b*) the proper officer is satisfied that it is of a guarantee class.

(3) No live animal shall be certified unless—

(*a*) it has been sold by auction at the liveweight certification centre at which it is presented for certification; provided that the purchase of any animal by or on behalf of the vendor shall not constitute a sale for the purpose of this sub-paragraph; or

(*b*) the producer has made a declaration that it has been sold by private treaty; or

(*c*) the producer has made a declaration that it is to be slaughtered for sale in the producer's own butchery business.

(4) No carcase shall be certified unless the producer has made a declaration that—

(*a*) it has been sold; or

(*b*) it will be sold by or on behalf of the producer in a butchery business and is not intended for consumption in the producer's household; or

(*c*) it has been or will be transferred by the producer from the carcase owner's agricultural undertaking to another undertaking (not being an agricultural undertaking) in the same ownership for consumption therein.

In any case where a declaration has been made pursuant to sub-paragraph (*c*) above the carcase shall not be certified unless the Minister is satisfied that the carcase owner's agricultural undertaking is managed as a separate concern.

(5) No carcase shall be certified if the whole of that carcase has been condemned by virtue of any enactment as unfit for human consumption, and, if a carcase has been presented for certification and a part thereof has been so condemned, no payment shall be made under this order in respect of that part.

(6) No fatstock shall be certified unless the proper officer is satisfied that it has not been previously certified under this order or under the Fatstock (Guarantee Payments) Order 1964, as amended.

(7) No payment shall be made under this order in respect of—

(*a*) any excess weight of an animal or carcase of any description above such weight as may be determined for that description of animal or carcase;

(*b*) any live animal certified in accordance with paragraph (3)(*c*) of this article unless the proper officer receives from the producer within such time as may be specified by or on behalf of the Minister a declaration in a form so specified, that the animal has been slaughtered for sale in the producer's own butchery business.

(8) For the purposes of certification and payment under this order, where two or more animals or carcases are presented for certification in a single lot, the price and weight of each individual animal or carcase shall be taken to be the average price or, as the case may be, the average weight of the animals or carcases comprised in that lot.

(9) Except under arrangements approved by or on behalf of the Minister no carcase shall be certified unless it is derived from an animal slaughtered at the deadweight certification centre at which such carcase was presented for certification.

15. The Minister may in respect of any fatstock presented for certification, require an application for a guarantee payment, in such form as he may specify, to be completed by the producer of the fatstock and submitted to the proper officer at the certification centre where the fatstock is presented for certification and he may from time to time specify such conditions in relation to the presentation of any fatstock for certification or in relation to the certification of any fatstock as seem to him to be necessary or expedient and where the Minister is not satisfied that any such requirement or condition has been complied with in relation to any fatstock he may, if he thinks fit, withhold certification of, or payment in respect of, that fatstock, notwithstanding that such fatstock has been marked under the provisions of the Fatstock (Protection of Guarantees) Order 1958(**a**), as amended(**b**), or any order further amending or replacing it.

16. The Minister may, to such extent and in such manner as he may from time to time direct, delegate to the Meat and Livestock Commission (established under section 1 of the Agriculture Act 1967(**c**)) any of the functions in relation to Great Britain (other than the function of determining guaranteed prices or factors relevant to the operation of such prices) conferred or imposed on him by this order.

17. The functions of the Minister under this order (other than the function of determining guaranteed prices or factors relevant to the operation of such prices) may be exercised in relation to Northern Ireland by the Ministry of Agriculture for Northern Ireland.

(**a**) S.I. 1958/958 (1958 I, p. 84).
(**b**) S.I. 1968/399 (1968 I, p. 1080).
(**c**) 1967 c. 22.

In Witness whereof the Official Seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed on 27th February 1973.

(L.S.)

Joseph Godber,
Minister of Agriculture,
Fisheries and Food.

Gordon Campbell,
Secretary of State for Scotland.

26th February 1973.

W. S. I. Whitelaw,
Secretary of State for
Northern Ireland.

28th February 1973.

Peter Thomas,
Secretary of State for Wales.

26th February 1973.

We consent.

1st March 1973.

V. H. Goodhew,
P. L. Hawkins,
Two of the Lords Commissioners of
Her Majesty's Treasury.

THE SCHEDULE

PART I

Weekly Average Market Prices for Fat Sheep

For the purpose of article 8 of this order, the average market price for any guarantee class of fat sheep in respect of any week shall be ascertained after the end of that week in such manner as appears to the Minister proper by reference to—

(*a*) market prices received in respect of fat sheep of that guarantee class certified during the week in respect of which the average market price is ascertained; and

(*b*) any other matter which the Minister may consider relevant.

PART II

Average Market Prices or Average Estimated Prices for Fat Sheep for a Guarantee Period

For the purpose of article 9(2) of this order—

(*a*) the average market price for fat sheep of any guarantee class in respect of any guarantee period shall be ascertained after the end of the guarantee period in such manner as appears to the Minister proper by reference to—

(i) market prices received in respect of fat sheep of that guarantee class certified during each week of the relevant guarantee period;

(ii) weights of fat sheep of that guarantee class certified during each week of the relevant guarantee period; and

(iii) any other matter which the Minister may consider relevant;

(*b*) the average estimated price for fat sheep of any guarantee class in respect of any guarantee period shall be calculated after the end of the guarantee period by multiplying for each week of the guarantee period the estimated price of all fat sheep of the respective guarantee class certified during such week and by dividing the total of these amounts by the total weight of all fat sheep, of the respective guarantee class certified during the said guarantee period.

PART III

Average Market Prices for Fat Pigs

For the purpose of article 12 of this order the average market price for fat pigs of any guarantee class in respect of any week shall be ascertained in the preceding week in such manner as appears to the Minister proper by reference to—

(*a*) market prices received in respect of fat pigs of that guarantee class certified during the four weeks preceding the week in which the average market price is ascertained and his estimate of prices likely to be received in the four weeks commencing with the week in which the average market price is ascertained.

(*b*) weights of fat pigs of that guarantee class certified and estimated to be certified during the period of eight weeks referred to in paragraph (*a*) hereof;

(*c*) any other matter which the Minister may consider relevant.

PART IV

Average return to Producers for Fat Pigs

For the purpose of article 12 of this order the average return to producers for any guarantee class or description of fat pigs in respect of any week shall be ascertained in such manner as appears to the Minister proper by reference to—

(*a*) prices received in respect of fat pigs of that description certified during the week in question;

(*b*) the appropriate rate of payment ascertained pursuant to article 13(1) of this order;

(*c*) any other matter which the Minister may consider relevant;

such average return being ascertained to such nearest unit or fraction of a unit of currency as may from time to time be specified by or on behalf of the Minister.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order replaces the Fatstock (Guarantee Payments) Order 1964, as amended, to provide for changes in the arrangements for guarantee payments to producers of fatstock. The principal changes are—

(*a*) the arrangements for guarantee payments to producers of fat cattle are discontinued;

(*b*) the arrangements for relating guarantee payments for fat pigs to an annual rate of certification are discontinued;

(*c*) the arrangements for relating guarantee payments for fat pigs to an average price of a basic feedingstuffs ration are made discretionary.

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