EXPLANATORY NOTE

(This Note is not part of the Scheme, but is intended to indicate its general purport.)

One of the conditions imposed by the Grass and Forage Crop Co-operative Drying (Financial Assistance) (England and Wales) Scheme (No. 1), 1949, on the provision of grants and loans for co-operative grass drying projects was that the plant and equipment should come into operation before the 1st June, 1950. The variation made by the present Scheme substitutes for that date the 1st June, 1951.

The Grass and Forage Crop Drying (Loans) (England and Wales) Scheme (No. 2) 1949

1949 No. 1454

Made - - - -	*27th July,* 1949
Laid before Parliament	*29th July,* 1949
Coming into Operation	*1st August,* 1949

In pursuance of Section 5 of the Agriculture (Miscellaneous Provisions) Act, 1949(a), the Minister of Agriculture and Fisheries (hereinafter referred to as "the Minister"), with the approval of the Treasury, hereby makes the following Scheme :—

Citation Extent and Commencement

1. The Scheme, which may be cited as the Grass and Forage Crop Drying (Loans) (England and Wales) Scheme (No. 2), 1949, applies to England and Wales and shall come into operation on the first day of August, 1949.

Interpretation

2. The Interpretation Act 1889(b), shall apply to the interpretation of this Scheme as it applies to the interpretation of an Act of Parliament.

Purpose of the Scheme

3. Subject to the provisions of this Scheme the Minister may provide financial assistance by way of loan to such persons and bodies and on such conditions as are specified in this Scheme in respect of expenses incurred in projects for the acquisition or installation of plant or equipment for the artificial drying of grass or forage crops for use either on producers farms or for sale ; Provided that the Minister may refuse such financial assistance at his discretion.

Persons and Bodies to whom Loans may be made

4.—(1) The persons or bodies to whom loans may be made are :—

(*a*) any farmer desiring to dry grass or forage crops for his own use or for the use of neighbouring farmers or for sale, and

(*b*) agricultural contractors, forage crop drying companies and other organisations engaged in farming or the provision of farming services or in business ancillary to agriculture desiring to dry grass or forage crops on contract for farmers or for sale.

(a) 12, 13 & 14 Geo. 6. c. 37. (b) 52 & 53 Vict. c. 63.

(2) An application by such a farmer, agricultural contractor, forage crop drying company or other organisation (hereinafter referred to as "the borrower") for a loan under this Scheme shall be made in writing on a form to be provided by the Minister.

Amount of Loan that may be made

5. The amount of any loan that may be made from time to time shall not exceed 75 per cent. of the total capital expenses incurred, during the period beginning with the 1st day of March, 1949, and ending with 31st day of March, 1952, in the acquisition, adaptation and erection of buildings, including the provision of reasonable storage and the acquisition or installation of plant and equipment, for any such project as aforesaid. Provided that the Minister may, at his discretion, refuse to make loans for the acquisition of field machinery, transport or other movable equipment auxiliary to the grass drying plant.

Conditions appertaining to Loans

6.—(1) A loan under this Scheme shall not be made unless:—

(*a*) the approval of the Minister has been given to the borrower's project as a whole including the type of plant, buildings, and, where applicable, the administrative arrangements;

(*b*) the plant and equipment acquired or installed for the borrower's project has come into operation before the 1st day of June, 1951;

(*c*) in the case of a borrower specified in Article 4 (i) (*a*) hereof, the Minister is satisfied that the arrangements made by the borrower will ensure the production annually of a reasonable quantity of high quality feeding stuff;

(*d*) in the case of other borrowers, the arrangements made by the borrower for the growing of the crops are approved by the Minister and he is satisfied that the borrower has an organisation capable of drying such a minimum total tonnage of grass or forage crops as the Minister may determine;

(*e*) the borrower has satisfied the Minister by furnishing such evidence as the Minister may require that the borrower is able to pay such part of the total capital expenses as aforesaid as will not be provided by the loan for which he applies; and

(*f*) the borrower shall have entered into an undertaking with the Minister:—

(i) to maintain the buildings and operate the plant and equipment fairly and efficiently and to the satisfaction of the Minister until full repayment of the loan made to the borrower together with interest thereon has been made;

(ii) not to dispose of the plant and equipment in any manner whatsoever or to make any substantial alterations thereto until full repayment of any loan together with interest has been made, except with written consent of and on such terms and conditions as may be determined by the Minister;

(iii) not to use the plant or equipment during any cropping season for any purposes other than those of drying grass or forage crops except with the written consent of the Minister;

(iv) to insure, to the satisfaction of the Minister, the buildings, fixtures, plant and equipment against damage by fire, and any movable plant and equipment in respect of which a loan may be made under the Scheme against damage by fire, collision or accident;

(v) to keep as required records of the operations of the plant and equipment and to produce them for inspection by any persons authorised by the Minister;
(vi) if required, to permit any person authorised by the Minister to enter and inspect the plant and equipment from time to time and to take samples of the produce therefrom;
(vii) not to sell or to offer for sale dried grass or forage crops unless accompanied by a declaration of protein content properly ascertained by chemical analysis; and
(viii) to repay the loan and interest thereon in accordance with the provisions of this Scheme.

(2) Any such loan may be made by advances from time to time over a period not exceeding two years from the date of payment of the first advance.

Repayment of loans and interest thereon

7.—(1) A loan made under this Scheme shall be repaid to the Minister by equal half yearly instalments within such period as the Minister may determine together with interest at the rate of three per cent per annum on the amount outstanding from time to time.

(2) Notwithstanding the provision of the last preceding paragraph the Minister shall be entitled, before the expiration of the period therein mentioned, by notice in writing to require repayment of the loan in full together with interest thereon if, in his opinion, it is expedient so to do having regard to the conduct and circumstances of the borrower.

Security for loans

8. For the purpose of securing the repayment to the Minister of the amount for the time being due from the borrower in respect of any loan made to him under this Scheme, the borrower shall be required to execute in the Minister's favour a mortgage of any real or personal property belonging to him.

In Witness whereof the Official Seal of the Minister of Agriculture and Fisheries in hereunto affixed this twenty-seventh day of July, 1949.

(L.S.)

T. Williams,
Minister.

Approved

R. J. Taylor,
J. W. Snow,
Two of the Lords Commissioners of His Majesty's Treasury.

EXPLANATORY NOTE

(This Note is not part of the Scheme, but is intended to indicate its general purport.)

The Agriculture (Miscellaneous Provisions) Act, 1949, provides that schemes may be made for financial assistance to grass and forage crop conservation. This scheme provides for assistance by way of loans only towards the capital expenses of projects for the artificial drying of grass or forage crops established before 1st June, 1951, by farmers, agricultural contractors, forage crop drying businesses or similar persons or organisations. The Scheme also specifies the conditions on which such loans may be advanced and the terms of repayment.