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) (Scotland) Scheme, 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) (Scotland) Scheme, 1949

1949 No. 1468 (S. 103)

Made - - - -	*20th July,* 1949
Laid before Parliament	*30th July,* 1949
Coming into Operation	*1st August,* 1949

In exercise of the powers conferred upon me by Section 5 of the Agriculture (Miscellaneous Provisions) Act, 1949(a), and of all other powers enabling me in that behalf and with the approval of the Treasury I hereby make the following Scheme:—

Citation Extent and Commencement

1. The Scheme may be cited as the Grass and Forage Crop Drying (Loans) (Scotland) Scheme, 1949, 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 Secretary of State may at his discretion provide financial assistance by way of loan to such persons and bodies in Scotland 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 the farms of producers of said crops or for sale.

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, and companies or 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.

(2) An application by such a farmer, agricultural contractor, 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 Secretary of State.

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

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 the 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 Secretary of State 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 prior approval of the Secretary of State has been given to the borrower's project as a whole including the site, type of plant, buildings, and, where applicable, transport, equipment, organisation and 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 Secretary of State is satisfied that the arrangements made by the borrower will ensure the production annually of a reasonable quantity of high quality animal 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 Secretary of State 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 Secretary of State may determine ;

(*e*) the borrower has satisfied the Secretary of State by furnishing such evidence as the Secretary of State 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 Secretary of State :—

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

(ii) not to dispose of the buildings, 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 the written consent of and on such terms and conditions as may be determined by the Secretary of State ;

(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 prior written consent of the Secretary of State ;

(iv) to insure, to the satisfaction of the Secretary of State, 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 complete records and accounts of the operations of the plant and equipment and to produce them as required for inspection or examination by any persons authorised by the Secretary of State ;

(vi) to permit any person authorised by the Secretary of State 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 Secretary of State by equal half yearly instalments within such period as the Secretary of State 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 Secretary of State shall be entitled, before the expiration of the period therein mentioned, by written notice 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 Secretary of State 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 favour of the Secretary of State a personal Bond, a Bond and Assignation in security, or a Bond and Disposition in security over any heritable property belonging to the borrower.

Dated this 20th day of July, 1949.

Arthur Woodburn.
One of His Majesty's Principal Secretaries of State.

St. Andrew's House,
Edinburgh, 1.

We approve

Joseph Henderson,
Richard Adams,
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, or similar persons, companies, or organisations. The Scheme also specifies the conditions on which such loans may be advanced and the terms of repayment.