

1971. No. 85

[C]

## AGRICULTURAL MARKETING

## Pigs

ORDER, DATED 23RD MARCH 1971, MADE BY THE MINISTRY OF AGRICULTURE FOR NORTHERN IRELAND UNDER SECTION 2(4) OF THE AGRICULTURAL MARKETING ACT (NORTHERN IRELAND) 1964.

The Ministry of Agriculture, after such consultation as is required and in exercise of the powers conferred by Section 2(4) of the Agricultural Marketing Act (Northern Ireland) 1964(a), hereby makes the following Order:—

*Citation*

1. This Order may be cited as the Pigs Marketing Scheme (Amendment) Order (Northern Ireland) 1971 and shall come into operation on the 1st July 1971.

*Amendment of Scheme*

2. The Pigs Marketing Scheme (Northern Ireland) 1933(b) is hereby amended as follows:—

(1) In Article 2 the following definitions shall be inserted in their alphabetical order:—

“‘investments in processing’ has the meaning assigned to it in Article 24(2);

‘wholly-owned subsidiary of the Board’ means a body corporate which has no members other than the Board or its nominees”.

(2) In Article 5(1) the wording following sub-paragraph (f) shall be deleted and the following inserted:—

“(g) if he becomes a director of the company set up under Article 25(1) or of any company in which the Board has investments in processing.

Sub-paragraphs (b), (c), (e) and (g) shall apply to appointed members of the Board, and sub-paragraph (a) shall apply to those members with the substitution of the Minister for the Board”.

(3) Article 24(2) shall be deleted and the following substituted:—

“(2) The Board may, subject to the provisions of Article 25(1) invest money either by way of loan or mortgage, purchase of shares or otherwise in any business undertaking engaged in any of the activities specified in Article 31(1) provided that the Board shall not purchase shares in any undertaking engaged in or proposing to engage in the slaughter of pigs or the production of any of the commodities specified in Article 31(2) (any such investment being in this Scheme referred to as “investments in processing”) nor invest more than £50,000 in any year in such undertakings or more than £25,000 in any one such undertaking in any year, without the approval of the Ministry.”

(a) 1964. c. 13 (N.I.),

(b) S.R. & O. (N.I.) 1933, No. 93.

(4) Article 25 shall be deleted and the following substituted:—

“25.—(1) The Board shall cause to be formed a company which shall at all times be a wholly-owned subsidiary of the Board with power to hold and manage the investments of the Board and any investment of the Board may be held by and in the name of such company. All investments in processing shall, subject only to the provisions of this Scheme, be effected by, held in the name of and in all respects controlled and managed by such company. Any investments of the Board including investments made before 1st July 1971 may be transferred to the company by the Board. All investments in processing made before that date shall be so transferred and in all respects controlled and managed by such company.

(2) Subject to the provisions of paragraph (3) the directors of the company set up under paragraph (1) shall consist of:—

- (i) two who shall be appointed by the Board with the approval of the Minister and who may be removed by the Board;
- (ii) two who shall be appointed by the Minister with the approval of the Board and who may be removed by the Minister;
- (iii) one full-time Executive Director who shall be appointed by the other directors.

(3) The chairman of the board of directors of the company shall be one of the directors appointed under sub-paragraphs (i) and (ii) of paragraph (2) and shall be a person with wide business and financial experience in industry or commerce. He shall be appointed as chairman by the Board and may be removed as chairman by the Board with the approval of the Minister.

(4) Subject to the provisions of this paragraph a director appointed under sub-paragraphs (i) and (ii) of paragraph (2) shall hold office for a term of three years:—

- (a) Of the first board of directors after the coming into operation of this Order, one director shall hold office for a term of one year and one director shall hold office for a term of two years. Such directors, neither of whom shall be the chairman, shall be chosen by agreement between the Minister and the Board and, in default of agreement, shall be chosen by lot.
- (b) Where a director appointed by the Board resigns, or is removed, from office the Board may appoint in his place another person approved by the Minister, and any person so appointed shall hold office for the remainder of the term of the person in whose place he is appointed.
- (c) Where a director appointed by the Minister resigns, or is removed, from office the Minister may appoint in his place another person approved by the Board, and any person so appointed shall hold office for the remainder of the term of the person in whose place he is appointed.
- (d) A director whose term of office expires shall be eligible for re-appointment.

(5) No director of the company set up under paragraph (1) shall be a member of the Board.

(6) Without prejudice to any other provision of this Scheme the company set up under paragraph (1) shall not without the consent of the Board and the approval of the Ministry:

- (i) transfer or be entitled to require or authorise the transfer of any shares in an undertaking in which the Board has an investment in processing;
- (ii) exercise any power vested in it as shareholder or otherwise to cause or permit any company in which the Board has investments in processing to increase or reduce its share capital;
- (iii) acquire shares by way of investments in processing or take any steps which would involve the acquisition of such shares, or issue debentures or charges or otherwise borrow on the security of its assets or lend money.

(7) The company set up under paragraph (1) shall, in its control and management of the Board's investments, including its investments in processing, pursue a policy of securing from such investments maximum financial returns consistent with the prudent management of the investments.

(8) The Memorandum and Articles of Association of the company set up under paragraph (1) shall be subject to the approval of the Ministry. The Board shall take all necessary steps to cause the said Memorandum and Articles to be altered from time to time so far as may be necessary to secure conformity with the provisions of this Scheme. The Board shall not cause any alteration of the said Memorandum and Articles to be made without the approval of the Ministry.

(9) The provisions of Article 14(1) in respect of officers and servants employed by the Board shall also apply in respect of officers and servants employed by the company set up under paragraph (1)."

(5) In Article 27(10) the words "(irrespective of whether or not it is a wholly-owned subsidiary of the Board)" shall be deleted.

(6) Article 27(11) shall be deleted and the following substituted:—

"(11) A company formed pursuant to Article 25(1) shall cause to be prepared and delivered to the Board:

- (a) in respect of each quarter of its financial year, interim accounts together with explanatory statements dealing with the state of affairs, profit and loss and future prospects of each company in which an investment in processing is held;
- (b) in respect of each financial year a directors' report dealing with the state of the company's affairs and the profit and loss of the company, together with consolidated group accounts dealing with the state of affairs and profit and loss of the companies in which investments in processing are held.

The annual report and accounts referred to in sub-paragraph (b) shall be annexed to or incorporated with the report of the Board delivered to the Ministry and every registered producer pursuant to paragraph (9)".

Sealed with the Official Seal of the Ministry of Agriculture for Northern Ireland this 23rd day of March 1971.

(L.S.)

J. Parke,  
Assistant Secretary.

## EXPLANATORY NOTE

*(This note is not part of the Order, but is intended to indicate its general purport.)*

This Order provides for changes in the constitution of, and a greater degree of independence for, P.M.B. (Investments) Ltd., the company formed by the Pigs Marketing Board in 1969 with power to hold and manage investments of the Board.

The main provisions are:—

- (1) All investments in processing by the Board, whether made before or after the date of coming into operation of this Order, must be held and in all respects controlled and managed by P.M.B. (Investments) Ltd., and any such future investment must be effected by that company.
- (2) The directors of P.M.B. (Investments) Ltd. shall consist of:
  - (i) two who shall be appointed by the Board with the approval of the Minister;
  - (ii) two who shall be appointed by the Minister with the approval of the Board;
  - (iii) one full-time Executive Director to be appointed by the other directors.
- (3) The Chairman of P.M.B. (Investments) Ltd. shall be appointed by the Board and shall be a person with wide business and financial experience in the field of industry or commerce.
- (4) No member of the Board may be a director of P.M.B. (Investments) Ltd., or of any company in which the Board has investments in processing.