
STATUTORY INSTRUMENTS

1982 No. 616 (S. 88)

AGRICULTURE

AGRICULTURAL MARKETING

**The Scottish Milk Marketing Scheme (Amendment)
Approval Order 1982**

Made - - - - - 27th April 1982
Coming into operation 19th May 1982

Whereas the Scottish Milk Marketing Board (hereinafter referred to as “the Board”) has submitted to the Secretary of State certain amendments to the Scottish Milk Marketing Scheme 1933(a), and the Secretary of State, as required by section 2 of, and the First Schedule to, the Agricultural Marketing Act 1958(b) duly published notice of the submission of the said amendments and of the time within which objections and representations with respect thereto might be made;

And whereas no such objections were made and the Secretary of State, by virtue of the powers conferred on him by the said section 2 and First Schedule, made certain modifications, to which the Board assented, in the said amendments which, as so modified, are set out in the Schedule hereto;

Now, therefore, in exercise of the powers conferred on him by the said section 2 and First Schedule, and of all other powers enabling him in that behalf, the Secretary of State hereby makes the following order:

1. This order may be cited as the Scottish Milk Marketing Scheme (Amendment) Approval Order 1982 and shall come into operation on 19th May 1982.

2. The amendments to the Scottish Milk Marketing Scheme 1933 set out in the Schedule to this order are hereby approved.

George Younger,
One of Her Majesty’s Principal
Secretaries of State.

New St. Andrew’s House,
Edinburgh.
27th April 1982.

(a) S.R. & O. 1933/479, amended by S.R. & O. 1934/645, 1437, 1935/691, 1246, 1937/624; S.I. 1950/2057, 1956/650, 1965/644, 2193, 1968/391, 1978/583, 1979/319, 1981/445, 864.
(b) 1958 c.47.

SCHEDULE

The Scottish Milk Marketing Scheme 1933 shall be further amended as follows:—

1. In section 2(1):—

- (a) in the definition of “The Act” for “1931” there shall be substituted “1958”;
- (b) the definition of “Retail container” shall be deleted; and
- (c) at the appropriate places there shall be inserted the following definitions:—

“Accounting period” means such period comprising twelve consecutive calendar months as shall be determined from time to time by the Board.

“Buyer” means a person who buys raw milk in bulk from or through the agency of the Board.

“Chairman” means any Chairman duly appointed in accordance with section 7 of the Scheme.

2. For section 4, there shall be substituted the following section:—

“4. Board to Administer the Scheme

- (1) *The Board.* The Scheme shall be administered by a Board which shall be a body corporate with a common seal.

(2) *Composition of Board*

- (i) Subject to the provisions of subsection (2)(ii) hereof with regard to sitting members and of subsection (5) hereof with regard to the filling of casual vacancies in the case of elected members, the Board shall consist of eight members elected for the eight sub-areas enumerated in the first column on Schedule 3 to the Scheme in accordance with subsection (4) hereof and two members appointed by the Minister in accordance with section 2(1)(b) of the Second Schedule to the Act.
- (ii) The eight members of the Board duly elected in accordance with the provisions of the Scheme and serving immediately prior to 1st April 1982 (hereinafter referred to as “the sitting members”) shall be deemed to have been elected for the sub-areas shown opposite their respective names in the third column of Schedule 3 to the Scheme.
- (iii) Each year, one quarter of the elected members of the Board shall retire from office at twenty four hundred hours on the day of the Annual General Meeting, but subject to the provisions of subsection (3) hereof shall be eligible for election or re-election. The members to retire shall consist of those who have been longest in office since their last election, and for this purpose service prior to 1st April 1982 shall count (including in the case of a sitting member elected to fill a casual vacancy the portion of the term of office of the member who caused that vacancy). Where it is necessary, in order to make up the number to retire, that one or more members should retire out of the number of those who have been in office for an equal period the member or members to retire shall be determined by the Board, or in default of determination by the Board, by lot.

- (iv) No member shall continue on the Board beyond the date of the next Annual General Meeting after reaching the age of seventy, except that a sitting member of the Board as defined in subsection (2)(ii) of this section who reached the age of seventy before the end of his term of office current at 1st April 1982 shall not be required to retire from the Board until his normal retirement date determined in accordance with subsection (2)(iii) of this section.

(3) *Nomination of Candidates*

- (i) Before each Annual General Meeting the Board shall publish, in such manner and with such additional information as the Board shall think fit, notice of any vacancy in the membership of the Board due to be filled at the Annual General Meeting (and in the case of an election in accordance with subsection (5) hereof the unexpired portion of the term of office of the member causing the casual vacancy), the sub-area for which members are to be elected, the address at which the Board are prepared to receive nominations and the last date (hereinafter called "the closing date for nominations") on which the Board are prepared to receive them; provided that the period between publication as aforesaid and the closing date for nominations shall not be less than twenty days.
- (ii) No person shall be nominated to represent a sub-area unless he has been duly nominated in accordance with the provisions of this subsection.
- (iii) A candidate for a sub-area shall be nominated in writing by at least twenty registered producers in the sub-area in which the vacancy has occurred but a candidate need not be resident in that sub-area. No person who has attained the age of seventy shall be eligible for nomination as a candidate.
- (iv) Forms of nomination for candidates for sub-areas shall be available on request from the Secretary of the Board and must be lodged at the Board's Head Office by seventeen hundred hours on the closing date for nominations specified in the form.
- (v) If, at the end of the third day after the closing date for nominations, there is no duly nominated candidate for the vacancy, the Board shall nominate a candidate for that vacancy.

(4) *Election of Members.* The following provisions shall have effect when an election of a member for a sub-area is required to be held after 31st March 1982.

- (i) At an election of a member for a sub-area all registered producers in the Board's area shall be entitled to vote and each of them shall have one vote, except that each producer registered in the sub-area where the vacancy has occurred shall have one extra vote.
- (ii) Subject to the provisions of subsection 4(vi) of this section, the Board shall, not later than the thirty-fifth day before the Annual General Meeting, send to every registered producer entitled to vote in the election a voting paper stating the names of the duly nominated candidates, in the case of an election under subsection (5) the period of office, such questions as will enable the Board to

ascertain the number of votes the producer is entitled to have, the address to which the voting paper is to be sent and the date (not being less than twenty-eight clear days after the despatch of the voting paper) by which the completed voting paper is to be received by the Board.

- (iii) A voting paper shall not be counted unless it is received by the Board at the said address by seventeen hundred hours on the day by which it is required to be received, sufficiently completed and signed.
- (iv) If any question shall arise as to whether any voting paper is sufficiently completed and signed, the decision of the Secretary of the Board shall be final.
- (v) The conduct of the voting for Board membership shall be in the hands of the Secretary of the Board who will notify the Board of the results of the election at least one clear day before the date of the Annual General Meeting so that the name(s) of the successful candidate(s) who receive the most votes can be declared to have been elected.
- (vi) In the event of there being only one duly nominated candidate for a vacancy in a sub-area that candidate shall be deemed to have been elected to the Board. In such event the provisions of subsection (4)(ii) of this section shall not apply, but the Board shall, not later than the thirty fifth day before the Annual General Meeting, publish for the information of registered producers, in such manner as the Board think fit, the name of the candidate duly elected.

(5) *Filling of Casual Vacancies in the Board*

- (i) A casual vacancy shall occur in the case of any of the following events occurring amongst the elected Members of the Board, viz:
 - (a) the death of any such Member;
 - (b) the resignation of office of any such Member;
 - (c) any such Member vacating office in consequence of coming under any of the disqualifications specified in subsection (6), or his removal under subsection (11) hereof;
 - (d) any such Member attaining the age of seventy years and retiring in accordance with subsection (2)(iv) hereof;
 - (e) any election being abortive in consequence of any error or irregularity in the proceedings;
 - (f) a vacancy occurring from any cause other than those above stated, and other than retirement in ordinary rotation.
- (ii) A casual vacancy occurring more than one hundred and fifty days before the date of the next Annual General Meeting, shall be filled *ad interim* by the Board at a meeting, of which the notices stating that the matter is to be dealt with shall be sent out by the Secretary within two weeks of the vacancy occurring, and which shall be held not sooner than five days and not later than ten days from the date of such notice. The Member so elected *ad interim* shall retire at twenty four hundred hours on the day of the next Annual General Meeting following upon his election but shall be

eligible for re-election. The vacancy then arising shall be filled by election in accordance with the provisions of subsections (3) and (4) hereof. The Member so elected shall retire at the time at which the Member who caused the casual vacancy would in the ordinary course have retired but shall be eligible for re-election.

- (iii) Where the casual vacancy occurs within one hundred and fifty days of the date of the next Annual General Meeting, the vacancy shall be deemed to have arisen by retirement in accordance with subsection (2)(iii) hereof and the provisions of subsections (3) and (4) shall apply to the same effect and extent as if the Member causing the casual vacancy had completed his normal term of office. The Member elected in his place shall retire at the time at which the Member who caused the casual vacancy would in the ordinary course have retired but shall be eligible for re-election.
- (6) *Disqualification of Members of the Board.* Any elected Member of the Board who is appointed to any other office or place of profit under the Scheme, or becomes bankrupt or insolvent, or compounds with his creditors, or becomes of unsound mind, or is convicted of an indictable offence, or absents himself from meetings of the Board for a period of six months without the consent of the Board, or gives the Board notice in writing that he resigns office, shall forthwith cease to be a Member of the Board.
- (7) *Contracts with Board.* A Member of the Board shall not be disqualified by his office as a Member of the Board from entering into any contract with the Board either as a vendor, purchaser, or otherwise, nor shall any such contract or any contract entered into by or on behalf of the Board in which a Member of the Board shall be in any way interested, be avoided by reason thereof, nor shall a Member of the Board so contracting or being so interested be liable to account to the Board for any profit realised by any such contract merely by reason of such Member of the Board holding that office or of the fiduciary relations thereby established. Provided that the nature of the interest of a Member of the Board so contracting or being so interested shall be disclosed by him at a meeting of the Board at which the contract is determined on, if his interest then exists, or in any other case at the first meeting of the Board after the acquisition of his interest. Provided further that a Member of the Board shall, unless the Board otherwise determine, withdraw from any meeting of the Board when any question relating to such contract is being considered; he shall not be entitled to vote upon any question relating to such contract, and if he does vote his vote shall not be counted. A member of the Board shall not, however, be precluded from voting on a question relating to the manner in which any milk which is the property of the Board is to be dealt with by reason only that he has sold milk to or through the Board, nor shall he be required to withdraw from a meeting of the Board at which such question is being considered.
- (8) *Improper Disclosure of Information by Members of the Board.* Every Member of the Board shall within seven days of his election or appointment thereto sign and lodge with the Secretary of the Board a declaration stating that he has read and understands the provisions of section 47 of the Act relating to the improper disclosure of information obtained by him as a Member of the Board.

- (9) *Remuneration of the Board.* The remuneration of the Board shall be determined by the Annual General Meeting, and such remuneration shall be divisible amongst the Members as the Board may determine.
- (10) *Expenses of Members of the Board.* Members of the Board shall be entitled, in the exercise of their duties, to reasonable travelling and subsistence allowances.
- (11) *Removal of Members of the Board.* Any elected Members of the Board may be removed at any time by a resolution passed at any General Meeting provided that notice of such resolution with full names and addresses of the registered producers respectively proposing and seconding the resolution has been lodged in writing with the Secretary of the Board not later than sixty days prior to the date of the meeting. The Board shall then be bound to send a copy of such notice to each registered producer along with the notice referred to in section 39 of the Scheme. Voting at the meeting shall be in accordance with section 40 of the Scheme, except that each producer registered in the sub-area represented by the Member in question shall have one extra vote.”.
3. In section 10:—
- (a) for the word “employees” there shall be substituted the word “officers”;
and
- (b) for the word “employee” there shall be substituted the word “officer”.
4. In section 11:—
- (a) in subsection (1), for the word “fourteenth” there shall be substituted the word “twenty-eighth”; and
- (b) in subsection (2), at the end there shall be added the words “and section 13 of the Companies Act 1976”.
5. In section 12:—
- (a) in subsection (2), for the words “County or Burgh Council” there shall be substituted the words “regional or district council”;
- (b) in subsection (5), for the words from “fee which shall not” to the end there shall be substituted the words “fee to be determined by the Board which reasonably compensates the Board for the cost of furnishing the information”; and
- (c) in subsection (6), at the end there shall be added—“It shall be conclusive evidence that a producer has ceased to produce milk that he has not sold milk for twelve consecutive months.”.
6. In section 14, for the words “twenty pounds” there shall be substituted the words “£100, such penalty to be imposed by the Disciplinary Committee in accordance with the provisions of section 32 of the Scheme.”.
7. In section 15:—
- (a) for subsection (1) there shall be substituted the following subsection:—
- “(1) to buy milk and to produce any of the commodities as listed in section 23(5A) of this Scheme, and to sell, grade, pack, store, adapt for sale, insure, advertise and transport milk and any of the commodities referred to in section 23(5A) of this Scheme;”;

- (b) in subsection 2(a), for the words “subsection (1) of section 6 of the Agricultural Marketing (No. 2) Act 1933” there shall be substituted the words “section 7(4) of the Act”;
- (c) for subsection (7) there shall be substituted the following subsection:—

“(5) to manufacture or acquire (whether by purchase or lease) and to sell or let for hire to registered producers and other persons anything (whether heritable or moveable, real or personal) required for the production, grading, packing, storing, adaptation for sale, transport or sale of milk. Provided that any such thing sold or let for hire shall be sold or let for hire primarily in such circumstances as to be likely to be utilised mainly by registered producers or in connection with milk produced by them;”;
- (d) subsection (8) shall be deleted;
- (e) subsection (9) shall be renumbered subsection “(6)”;
- (f) subsection (10) shall be renumbered subsection “(7)”;
- (g) subsection (11) shall be renumbered subsection “(8)”;
- (h) subsection (12) shall be renumbered subsection “(9)” and at the beginning there shall be inserted the words “to sell semen and”;
- (i) subsection (13) shall be renumbered subsection “(10)” and
- (j) subsection (14) shall be renumbered subsection “(11)”.

8. In section 16:—

- (a) in subsection (1), after the words “subsection (2)” there shall be inserted the words “and (3)”;
- (b) in subsection (2), for paragraph (c) there shall be substituted the following paragraph:—

“(c) for such period as they may in any particular case determine, refuse to accept further consignments of milk from a registered producer whose milk has failed to meet the standards of quality specified by the Board with the approval of the Minister from time to time over a period of sixty-two consecutive days on at least six separate occasions.”; and
- (c) after subsection (2) there shall be added the following subsection:—

“(3) The Board shall not be required to accept milk where this cannot reasonably be done on account of industrial dispute, adverse weather or other contingency beyond its control. Any registered producer whose milk has not been accepted under the provisions of this subsection shall, during such a period of non-acceptance, be free to sell milk otherwise than to or through the agency of the Board, but in the event of such producer being unable to sell his milk or any part thereof otherwise than to or through the agency of the Board, the Board may in their absolute discretion make payment for such milk at such reduced price as may be determined in accordance with proviso (c) to section 25(9).”.

9. In section 17, after the word “prohibited” there shall be inserted the words “except as provided for by Articles 7 and 8 of Council Regulation (EEC) No. 1422/78(a)”.

(a) O.J. No. L171, 28.6.78, p. 14.

10. In section 19, for subsection (4) there shall be substituted the following subsection:—

“(4) The Board shall pay the proceeds of all sales of milk by or through the agency of the Board into the fund hereinafter referred to, and thereafter make payment to registered producers in the manner prescribed in section 25 of the Scheme.”.

11. In section 21, for subsection (4) there shall be substituted the following subsection:—

“(4) The cost of collecting milk from registered producers shall be an expense chargeable to the fund established in terms of section 25(3) of the Scheme, but in the event of the Board considering that any such collection is unreasonably difficult or unduly onerous or costly (whether by reason of difficulty of access, or inconvenience of location, or any other reason) then the Board may, in such a case, assess a Special Collection Charge. The amount of such a charge shall be fairly related to the actual extra cost of the collection compared to the average cost of collection as assessed by the Board, and shall be debited against the account of the individual producer concerned.”.

12. For section 22 there shall be substituted the following section:—

“22. Milk Containers

Each registered producer consigning milk to the Board shall maintain in good condition refrigerated farm tank equipment to permit of his milk being collected at his farm by tanker (unless the Board has determined that some other form of collection will apply).”.

13. In section 23, in subsection (1) for the words “Scottish Milk Trade Federation” there shall be substituted the words “Scottish Dairy Trade Federation”.

14. In section 25:—

(a) for subsection (3) there shall be substituted the following subsection:—

“(3) The Board shall establish a fund (hereinafter referred to as the “fund”). All money received by the Board shall be paid into the fund, and any moneys required by the Board for the operation of the Scheme shall be paid out of the fund.

Provided:

- (a) the moneys payable to the Board for the sale of raw milk and from other non-commercial activities in any accounting period shall be kept separate from the moneys payable to the Board from their commercial activities, and
- (b) the Board shall not make moneys held in the fund or due to be paid into the fund, other than moneys arising from their commercial activities, or other financial benefits available for use in their commercial activities except on the market terms then prevailing.”;

(b) in subsection (9):—

- (i) after the words “Board for the sale of” there shall be inserted the word “raw”;

- (ii) the words “as hereinafter defined,” shall be deleted; and
- (iii) for the words from “Provided (a) that” to the end of the subsection there shall be substituted the words:—

“Provided (a) that, if any such registered producer shall have sold milk which is of a standard of quality lower than that determined by the Board, the Board may pay him in respect of such milk such price lower than the pool price as the Board may determine, (b) that the Board shall where appropriate deduct from the pool price, or the lower price referred to in the foregoing proviso, the Special Collection Charge in accordance with the provisions of section 21 of the Scheme, and (c) that in the event of the Board being prevented from accepting milk of a registered producer or any part thereof due to an industrial dispute, adverse weather or other contingency beyond the control of the Board, the Board may make such deduction from the pool price payable to that producer in respect of such milk as may be determined by the Board.”;

- (c) after subsection (9) there shall be inserted the following subsection:—

“(9A) Any moneys payable to the Board from its commercial activities, together with such other moneys (if any) as the Board think fit, less (a) sums set aside by the Board under subsection 8(a) hereof and not deducted under subsection (9) hereof, and (b) such sums as in the opinion of the Board are required to pay all, or such part as the Board think fit, of the Board’s expenses, losses and outgoings of every description incurred in respect of that accounting period in relation to the activities from which the moneys payable under this subsection have accrued, shall be paid by the Board to all registered producers in proportion to the quantity of milk sold by them under the provisions of the Scheme during that accounting period or any part thereof.”;
- (d) in subsection (10), for the words “sections 11 to 14” there shall be substituted the words “section 22”; and
- (e) in subsection (11), for the words “as authorised by the Trustees Investments Act 1961.” there shall be substituted the words “in the investments specified in Part I and Part II of the First Schedule to the Trustee Investments Act 1961.”.

15. For section 26 there shall be substituted the following section:—

“26. Sales by Retail, Semi-Retail and Wholesale

- (1) The following provisions of the Scheme shall not apply to milk (whether sold as whole milk or otherwise) sold by retail, semi-retail or wholesale (as hereinafter defined) by registered producers who are licensed by the Board to sell milk by retail, semi-retail or wholesale *videlicet*:— subsection (1) of section 16, subsections (2), (3), and (4) of section 19, section 21, and subsections (9) and (13) of section 25.
- (2) *Contributions to the Board*
 - (a) Every registered producer shall pay to the Board a contribution of such amount as the Board may from time to time determine in respect of every litre of milk (whether sold as whole milk or otherwise) of his own production which he has sold by retail, by semi-retail or by wholesale. The Board may determine different

rates of contribution for different descriptions of milk and for the avoidance of doubt it is hereby declared that the Board may, in exercise of the power conferred upon them by this subsection, for any such rate fixed by them in an accounting period determine during that period that some other rate shall be payable. Such contributions shall be payable on such dates as may be fixed by the Board and shall be a debt due by the registered producer to the Board and recoverable by the Board accordingly. In determining the rate of any such contribution the Board shall have regard to the extent to which the prices determined by the Joint Committee for milk (whether sold as whole milk or otherwise) of the same description as that sold by the registered producer for the appropriate accounting period as estimated from time to time by the Board exceed the pool prices for that period as so estimated with intent that the average rate of contribution for the accounting period shall not be greater than the amount by which the simple average of such prices determined by the Joint Committee exceeds the simple average of such pool prices.

- (b) In addition to the contribution determined by the Board under subsection (2)(a) hereof, the Board may require registered producers, in respect of every litre of milk (whether sold as whole milk or otherwise) of their own production sold by them by retail, semi-retail or wholesale, to make contributions of such amounts as the Board may from time to time determine, towards the expenses of the Joint Committee referred to in section 23 of the Scheme and towards the cost of advertising milk.
- (c) In addition to the powers conferred on the Board under subsections 2(a) and (b) hereof, the Board shall have power to require registered producers who sell milk (whether sold as whole milk or otherwise) of their own production by retail, semi-retail or wholesale, to make contributions of such amounts as may be necessary for the operation of the Scheme towards the capital expenditure or other capital purposes of the Board. These contributions shall be payable in respect of every litre of milk (whether sold as whole milk or otherwise) of their own production sold by them by retail, semi-retail or wholesale during such period or periods, and at such rates per litre, as the Board may from time to time determine. Such contributions shall be payable on such dates as may be fixed by the Board and shall be a debt due by the registered producer to the Board and shall be recoverable by the Board accordingly. Any contributions so payable by any registered producer may be deducted by the Board from any moneys payable by the Board to that producer.

(3) *Definitions of Sale by Retail, by Semi-Retail and by Wholesale.*

- (a) Sale by retail means the sale by a registered producer, licensed as aforesaid, of milk (whether sold as whole milk or otherwise) of his own production by his own hand or by the hand of a member of his family or that of a person directly employed by him to domestic consumers.
- (b) Sale by semi-retail means the sale by a registered producer, licensed as aforesaid, of milk (whether sold as whole milk or otherwise) of his own production by his own hand or by the hand of a member of his family or that of a person directly employed

by him to a hospital, hotel, restaurant or such other class or classes of buyers (not being domestic consumers or persons carrying on business as distributors of milk or manufacturers of milk products) as the Board may from time to time determine.

- (c) Sale by wholesale means the sale by a registered producer, licensed as aforesaid, of milk (whether sold as whole milk or otherwise) of his own production packed on his premises in retail containers and sold by him to a buyer for subsequent retail sale. Provided that the Board may, at their discretion, and from time to time, fix the quantity of milk (whether sold as whole milk or otherwise) which may be sold by any individual registered producer by wholesale under the provisions of this section.”.

16. In section 27:—

- (a) in subsection (2), after the heading “*Contributions to the Board*” insert “(a)”;
- (b) as regards subsection (3):—
- (i) for the subsection number “(3)” there shall be substituted the paragraph letter “(b)”;
- (ii) in the new paragraph (b), for the words “subsection (2)” there shall be substituted the paragraph letter “(a)”;
- (c) as regards subsection (4):—
- (i) for the subsection number “(4)” there shall be substituted the paragraph letter “(c)”;
- (ii) in the new paragraph (c), for the words “subsections (2) and (3)” there shall be substituted the words “paragraphs (a) and (b)”.

17. In section 32:—

- (a) in subsection (1):—
- (i) for the words “(not exceeding ten pounds for a first offence, and not exceeding one hundred pounds for a second or subsequent offence)” there shall be substituted the words “not exceeding £1000”;
- (ii) for the words “the Agricultural Marketing Acts 1931 to 1949” there shall be substituted the words “the Act”; and
- (b) in subsection (7), for the words “section 6 of the Agricultural Marketing Act 1949,” there shall be substituted the words “section 10 of the Act.”.

18. In section 36:—

- (a) in subsection (1):—
- (i) for the words “books of accounts” in each of the three places where they occur there shall be substituted the words “accounting records”;
- (ii) the words “in a form approved by the Secretary of State and shall be” shall be deleted; and
- (b) for subsections (2) and (3) there shall be substituted the following subsections:—

- “(2) *Preparation of Accounts.* Following the end of each accounting period, the Board shall prepare, in respect of the accounting period, an Income and Expenditure Account for the fund established in accordance with section 25(3) of this Scheme, and a Profit and Loss Account in respect of the Board’s commercial activities. The Board shall also prepare a Balance Sheet as at the date at which these Accounts are made up. The Accounts shall make separate provision for the Board’s commercial activities and for the Board’s other activities, and shall be in a form approved by the Secretary of State.
- (3) *Audit of Accounts.* The Board shall submit the accounts prepared under subsection (2) above for audit to the Auditor appointed under section 11 of the Scheme. The Auditor shall examine the Accounts and shall verify the same with the accounting records relating thereto, and shall either sign the Accounts as found by him to show a true and fair view of the state of the Board’s affairs and of its results and to be in accordance with law, or shall report to the Board in what respect the Accounts do not show a true and fair view of the Board’s affairs and results and are not in accordance with law.
- (3A) *Submission of Audited Accounts to the Minister and to Registered Producers.* Once in every year, the Board shall send to the Minister and to every registered producer, along with a notice calling the meeting at which the Accounts of the Board are to be submitted, the Accounts prepared in accordance with subsection (2) above and the report of the Auditor thereon, together with a statement of the manner in which any moneys of the Board are invested in accordance with the provisions of subsection 11 of section 25 of the Scheme, and such other information on the workings of the Scheme in the period covered by the Accounts as the Board may consider necessary for the information of registered producers.”; and
- (c) in subsection (4), for the words “fee, not exceeding two and a half pence for each copy” there shall be substituted the words “fee to be determined by the Board which reasonably compensates the Board for the cost of furnishing such Balance Sheet.”.
19. In section 38, at the end there shall be added the words “and which shall state the proposed business.”.
20. For section 39, there shall be substituted the following section:—
- “39. Notice of General Meetings**
- Notice of the holding of every General Meeting specifying the place, date and hour of meeting, and the business to be transacted shall, with the form of instrument appointing a proxy, be sent out by post to all registered producers at least twenty-one clear days before the date of the meeting. No business shall be transacted other than the business of which notice has been given as aforementioned. On the said notice, there shall appear with reasonable prominence a statement of the right conferred upon a registered producer by subsection (1) of section 40 of the Scheme to appoint a proxy.”.
21. For section 40, there shall be substituted the following section:—

“40. Voting at General Meetings

- (1) Any registered producer shall be entitled to appoint a proxy to attend and vote instead of him. No person shall act as a proxy unless either he is entitled on his own behalf to be present and vote at the meeting, or has been appointed to act as the proxy of a corporation or firm which is a registered producer.
- (2) Every question put to the vote at the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded (a) by the Chairman, or (b) by at least twenty registered producers present in person or by proxy. The demand for a poll may be withdrawn.
- (3) At a poll, every registered producer shall have one vote and votes may be given, either personally or by proxy. In the case of an equality of votes, whether on a show of hands or a poll, the Chairman of a meeting at which the vote is taken shall, in addition to his other vote (if any), have a casting vote which he shall be required to exercise. In other respects, any poll shall be taken in such a manner as the Chairman of the meeting shall direct.
- (4) The instrument appointing a proxy shall be in writing under the hand of the appointer, or, if the appointer is a corporate body, or other organisation deemed to be a single producer in accordance with section 12(2) of this Scheme, either under its common seal or under the hand of an officer or attorney duly authorised.
- (5) The instrument appointing the proxy shall be deposited at the office of the Board not less than seventy-two hours before the time for holding the meeting at which the proxy named in the instrument proposes to vote, and in default, the instrument of proxy shall not be treated as valid.
- (6) Every instrument appointing a proxy shall, as nearly as circumstances will permit, be in the form or to the effect following:—

THE SCOTTISH MILK MARKETING BOARD

Form of Proxy

FULL NAME OF REGISTERED PRODUCER IN BLOCK LETTERS	I/We
	of
	in the District ofbeing a Registered Producers(s) under the Scottish Milk Marketing Scheme, 1933, hereby appoint
	of
	as my/our proxy, to vote for me/us and on my/our behalf at the General Meeting of Registered Producers to be held on the day of
	19..... and at any adjournment thereof.
	In witness whereof I/we hereto have set my/our hand this day of
	19.....
	Signature
	Address
	(IN BLOCK LETTERS)
”

22. After Schedule 2 there shall be inserted the following Schedule:—

SCHEDULE 3

Name of Sub-Area	Extent of Sub-Area	Sitting Members
1. NORTH-EAST	Angus Dundee Perth & Kinross N.E. Fife Kirkcaldy Dunfermline Clackmannan Stirling	Mr. D. Yellowless
2. CENTRAL & SOUTH-EAST	Falkirk Edinburgh East Lothian Mid Lothian West Lothian Berwickshire Clydebank	Bearsden & Milngavie Strathkelvin Cumbernauld & Kilsyth Roxburgh Ettrick & Lauderdale Tweeddale
3. CLYDE & WEST	Argyll & Bute Dumbarton Glasgow Inverclyde Renfrew	Sir William J. Lithgow
4. LANARK	East Kilbride Hamilton Motherwell Monklands Clydesdale	Mr. J. A. Minto
5. NORTH AYR	Kilmarnock & Loudoun Cunninghame Eastwood	Mr. A. L. Howie
6. SOUTH AYR	Kyle & Carrick Cumnock & Doon Valley	Mr. W. Weir
7. GALLOWAY	Wigtown Stewartry	Mr. R. A. Lammie
8. DUMFRIES	Nithsdale Annandale & Eskdale	Mr. A. Gray

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order, which comes into operation on 19th May 1982, approves amendments to the Scottish Milk Marketing Scheme 1933. The amendments provide for: a new election procedure for Board members whereby members are elected directly by registered producers on an area basis instead of by a selection committee as previously; new arrangements governing the collection of milk from producers and the charging of such collection as a Board expense; a new category of 'wholesale producer' within the auspices of the scheme; clarification of the Board's financial and accounting arrangements; and various other amendments to up-date certain provisions of the Scheme, including the revision of disciplinary penalties and other charges contained in the scheme.

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