



Essential Commodities Reserves Act 1938

1938 CHAPTER 51

An Act to enable the Board of Trade to obtain information as to commodities which in the opinion of the Board would be essential for the vital needs of the community in the event of war and to make provision for the maintenance of reserves of such commodities; and for purposes connected with the matters aforesaid. [29th July 1938]

BE IT ENACTED by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1 Power to obtain information.

- (1) The Board of Trade may by notice served upon any trader concerned with an essential commodity require him to make periodical and other returns, at such times and containing such particulars as may be specified in the notice, as to the stocks of the commodity from time to time held by him, and as to the facilities available for storing and for utilising stocks of the commodity.
- (2) Any Government Department, and any body of persons having, by virtue of any Act, power to obtain for any purpose information as to matters with respect to which the Board of Trade are empowered by the last foregoing subsection to require returns to be made, shall, if required so to do by the Board, exercise that power for the purpose of assisting the Board in obtaining information as to the stocks of essential commodities held by traders, or as to the facilities available for storing or for utilising stocks of such commodities; and any 'such information obtained by any Government Department or by any such body of persons as aforesaid, whether upon the requisition of the Board or otherwise may, notwithstanding anything in any enactment, be furnished to the Board.
- (3) No information with respect to any particular undertaking which has been obtained under or by virtue of this Act shall, without the consent of the person carrying on that undertaking, be disclosed otherwise than in pursuance of the performance by the Board of Trade of their functions under this Act; and if any person discloses any such information in contravention of this subsection, he shall be liable on summary conviction to imprisonment for a term not exceeding three months or to a fine not

exceeding fifty pounds or to both such imprisonment and such fine or, on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine not exceeding one hundred pounds or to both such imprisonment and such fine :

Provided that nothing in this subsection shall apply to any disclosure of information made for the purposes of any legal proceedings which may be taken under, by virtue of, or in consequence of, this Act.

2 Creation of reserves.

- (1) The Board of Trade may, in accordance with arrangements approved by the Treasury, make payments by way of grant or loan to any trader concerned with an essential commodity for the purpose of inducing the augmentation of the stock of any such commodity held by him, or the improvement of the facilities available for the storage of any stocks thereof which may from time to time be so held.
- (2) In accordance with arrangements approved by the Treasury the Board of Trade may acquire and store stocks of any essential commodity, and for the purpose of such storage, do all such things (including the execution of works and the erection of buildings) as may appear to them necessary for the storage, preservation, and transport of such stocks.
- (3) The Board of Trade may from time to time vary the stocks of commodities held by them under this section, but, except so far as may be expedient for preventing deterioration or for securing that stocks are maintained by the Board of such commodities and of such quantities only as the Board consider to be, for the time being, required for the purpose of giving effect to the objects of this Act, the stocks held by the Board shall not be disposed of otherwise than in such manner as may be authorised by or under an Act of Parliament passed after the commencement of this Act.

3 Financial provisions.

- (1) There shall, in accordance with directions given by the Treasury, be established a fund to be called " the Essential Commodities Reserves Fund " (hereinafter referred to as " the fund ") which shall be under the control and management of the Board of Trade.
- (2) There shall be paid into the fund such sums as Parliament may from time to time determine, and any sums received by the Board of Trade in the performance of their functions under this Act; and, subject as hereinafter provided, all expenses of the Board incurred with the approval of the Treasury for the purposes of this Act shall be defrayed out of the fund:

Provided that any such expenses incurred by the Board in respect of remuneration and allowances payable to any of the officers or servants of the Board shall be defrayed either out of the fund or out of moneys provided by Parliament as the Treasury may direct.

- (3) Any expenses incurred by the Board of Trade in pursuance of arrangements made before the passing of this Act for the purpose of creating or assisting the creation of a reserve of any such commodity as is described in the Schedule to this Act shall be defrayed out of the fund as if this Act had then been in operation and the commodity had been declared by order of the Board to be a commodity which in their opinion would be essential for the vital needs of the community in the event of war.

- (4) The Treasury may out of the Consolidated Fund of the United Kingdom or the growing produce thereof make temporary advances to the fund, but any sum so advanced shall be repaid out of the fund to the Exchequer not later than the thirtieth day of September next following the end of the financial year in which the advance was made.
- (5) The Board of Trade shall prepare, in such form and manner as the Treasury may direct, an account of the sums received into and paid out of the fund in each financial year, and shall, on or before the thirtieth day of November in each year, transmit the said account to the Comptroller and Auditor General who shall examine and certify the account and lay copies thereof together with his report thereon before both Houses of Parliament.

4 Enforcement.

- (1) If any person makes default in making any return or furnishing any information which he is duly required to make or furnish under this Act, he shall be guilty of an offence and shall be liable on summary conviction thereof to a fine not exceeding fifty pounds, and if after being so convicted he continues to make the like default, he shall be guilty of a further offence and shall be liable on summary conviction thereof to a fine not exceeding fifty pounds for each day on which the default has continued after the first mentioned conviction.
- (2) If any person duly required under this Act to make any return or furnish any information knowingly or recklessly makes a false return or furnishes false information, or if any person for the purpose of obtaining any payment under this Act, either for himself or for any other person, knowingly or recklessly makes any untrue statement or untrue representation, he shall be guilty of an offence and shall, in respect of each such offence, be liable on summary conviction to a fine not exceeding one hundred pounds or to imprisonment for a term not exceeding three months or to both such fine and such imprisonment.
- (3) Where an offence under this Act committed by a body corporate is proved to have been committed with the consent or approval of, or to have been facilitated by any negligence on the part of, any director, manager, secretary or other officer of the body corporate, he, as well as the body corporate, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

5 Provisions as to orders and powers of Board of Trade.

- (1) Any order made under this Act by the Board of Trade may be varied or revoked by an order made in like manner.
- (2) All orders made under this Act by the Board of Trade shall be laid before Parliament.
- (3) Any order authorised under this Act to be made by the Board of Trade may be made by the President of the Board, or in his absence by a Secretary of State, and any other thing required or authorised under this Act to be done by, to, or for the Board of Trade may be done by, to, or for the Board by any person authorised by him in that behalf.

6 Interpretation.

In this Act, unless the context otherwise requires, the following expressions have the meanings hereby respectively assigned to them, that is to say,—

" Essential commodity " means any commodity described in the Schedule to this Act which may be declared by order of the Board of Trade to be a commodity which in the opinion of the Board would be essential for the vital needs of the community in the event of war;

" Food " has the same meaning as in the Food and Drugs (Adulteration) Act, 1928;

" Forage " includes all feeding stuffs for animals, whether natural, artificial, dried, or undried;

" Trader ", in relation to an essential commodity, means any person who for the purposes of any trade or business carried on by him (whether as a producer, merchant, broker, warehouseman, or otherwise) holds from time to time a stock of that commodity.

7 Short title and extent.

(1) This Act may be cited as the Essential Commodities Reserves Act, 1938.

(2) It is hereby declared that this Act extends to Northern Ireland.

SCHEDULE

Sections 3, 6.

COMMODITIES WHICH MAY BE DECLARED TO BE ESSENTIAL COMMODITIES

Any commodity which in the opinion of the Board of Trade may be required as food for man, forage for animals or fertiliser for land, and any raw material from which any such commodity can be produced.

Petroleum, and any product of petroleum.