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Tea Subsidy Act, No. 12 of 1958

Date of Assent : April 2, 1958

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AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF A FUND FOR THE PURPOSE OF SUBSIDISING THE REPLANTING AND REHABILITATION OF TEA ESTATES AND SMALL HOLDINGS, THE MARKETING OF GREEN TEA LEAF OF ESTATES AND SMALL HOLDINGS AND THE MANUFACTURE OF MADE TEA FROM SUCH GREEN TEA LEAF; AND FOR THE IMPOSITION OF AN EXPORT DUTY ON TEA TO BE PAID INTO SUCH FUND.

[Date of Assent: April 2, 1958]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Ceylon in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Tea Subsidy Act, No. 12 of 1958, and shall come into operation on such date as the Minister may appoint by Order published in the *Gazette*.

Short title
and date of
operation.

2. (1) There shall be established a Fund called the Tea Subsidy Fund.

Tea Subsidy
Fund.

(2) The object of the Fund shall be to subsidise—

- (a) the replanting of estates and small holdings;
- (b) the rehabilitation of estates and small holdings;
- (c) the marketing of green tea leaf of estates and small holdings; and
- (d) the manufacture of made tea from such green tea leaf.

3. (1) There shall be paid into the Fund—

- (a) the proceeds of the export duty levied under section 8;
- (b) such sums as may from time to time be granted by Parliament or by resolution of the House of Representatives for the purposes of this Act; and
- (c) the proceeds of the sale of seed, cuttings, plants and fertilizers by the Tea Controller to proprietors of estates and small holdings.

Payments into
and out of
the Fund.

(2) There shall be paid out of the Fund—

- (a) such amounts as are authorised by regulation to be paid as subsidies under a scheme for subsidising the replanting of estates and small holdings or a scheme for subsidising the rehabilitation of estates and small holdings;
- (b) such amounts as are authorised by regulation to be paid under a scheme for subsidising the marketing of green tea leaf of estates and small holdings or a scheme for subsidising the manufacture of made tea from such green tea leaf;
- (c) the expenses incurred in connection with the establishment by the Government of nurseries for the supply of high grade planting material to proprietors of estates or small holdings, or in connection with the supply of fertilizers to such proprietors ;
- (d) such remuneration as may be payable to members of the Tea Subsidy Advisory Board established under this Act;
- (e) the prescribed contributions to any provident fund or scheme established for the payment of gratuities to all or any of the officers and servants employed for the purposes of this Act and their dependants; and
- (f) the expenses of the administration of this Act.

Administration
of the Fund.

4. (1) The Tea Controller shall, subject to the direction and control of the Minister, administer the Fund.

(2) There may be appointed such officers and servants as may be necessary for the administration of the Fund.

(3) The Tea Controller shall, as soon as possible after the end of each calendar year, issue a report on the administration of the Fund.

Investment of
the monies of
the Fund

5. Any monies of the Fund may be invested by the Tea Controller in such manner as may be approved by the Minister with the concurrence of the Minister of Finance.

Accounts of
the Fund and
audit of
such accounts.

6. (1) The Tea Controller shall cause—

(a) full and proper accounts of the Fund to be kept in respect of each calendar year, and

(b) an income and expenditure account and a balance sheet made up to the end of such year to be prepared as soon as possible after the expiry of such year.

(2) The accounts of the Fund for each calendar year shall be audited by, or under the direction of, the Auditor-General.

(3) The Auditor-General shall examine the accounts of the Fund, ascertain the correctness of the balance sheet relating to the Fund, and furnish a report stating—

(a) whether he has or has not obtained all the information and explanations required by him, and

(b) whether in his opinion the balance sheet and the accounts referred to in the report are properly drawn up so as to exhibit a true and fair view of the state of the Fund according to the information and explanations given to him and as shown by the books relating to the Fund.

(4) The Auditor-General and any person assisting the Auditor-General in the audit of the accounts shall have access to all such books and documents relating to the Fund as the Auditor-General may consider necessary for the purposes of the audit.

(5) The Auditor-General shall transmit his report to the Tea Controller.

(6) The Tea Controller shall, on receipt of the report of the Auditor-General on the accounts of the Fund for each calendar year, transmit—

(a) such report of the Auditor-General,

(b) the report of the Tea Controller on the administration of the Fund for such year, and

(c) the balance sheet and the statement of income and expenditure, as certified by the Auditor-General, for such year,

to the Minister who shall cause copies thereof to be placed before the Senate and the House of Representatives.

Winding up of
the Fund.

7. The Minister may, in such manner as may be approved by resolution of the House of Representatives, wind up the Fund and dispose of any monies left therein.

Special export
duty on tea.

8. (1) There shall be charged, levied and paid an export duty of four cents for every pound of tea exported from Ceylon.

(2) The amount of the export duty imposed under sub-section (1) may be varied, or such export duty may be rescinded, by a resolution of the House of Representatives.

Cap. 185.

(3) This section shall have effect as though it formed part of the Customs Ordinance, and the provisions of that Ordinance shall apply accordingly.

(4) The export duty imposed by this section shall be in addition to any export duty imposed by or under any other written law.

(5) The proceeds of the export duty imposed by this section shall be paid monthly to the Tea Controller by the Principal Collector of Customs and shall be credited to the Fund.

Tea Subsidy
Advisory
Board.

9. (1) There shall be established a Board which shall be called the Tea Subsidy Advisory Board and which shall consist of the Tea Controller, who shall be the Chairman of the Board, and such other members as the Minister may appoint.

(2) Every member of the Board, other than the Chairman of the Board, shall, unless his appointment is terminated earlier under sub-section (3), hold office for such period as may be specified in the letter of appointment issued to him by the Minister!

(3) The Minister may terminate the appointment of any member of the Board who has been appointed by him.

(4) It shall be the duty of the Board to advise the Tea Controller on the administration of this Act and on any such matter to which this Act relates as may be referred by the Tea Controller to the Board for advice.

(5) The members of the Board may be paid such remuneration as the Minister may determine with the concurrence of the Minister of Finance.

10. (1) The Minister may make regulations for the purpose of carrying out or giving effect to the provisions of this Act.

Regulations

(2) In particular, and without prejudice to the generality of the powers conferred by sub-section (1), the Minister may make regulations in respect of all or any of the following matters:—

- (a) scheme for subsidising with monies of the Fund the replanting of estates and small holdings;
- (b) scheme for subsidising with monies of the Fund the rehabilitation of estates and small holdings;
- (c) scheme for subsidising with monies of the Fund the marketing of green tea leaf of estates and small holdings;
- (d) scheme for subsidising with monies of the Fund the manufacture of made tea from such green tea leaf;
- (e) all matters stated or required in this Act to be prescribed; and
- (f) the establishment and regulation of a provident fund or scheme for the payment of gratuities to all or any of the officers and servants employed for the purposes of this Act and their dependants.

(3) Regulations in respect of any scheme referred to in paragraph (a), paragraph (b), paragraph (c) or paragraph (d) of sub-section (2) may—

- (a) contain such conditions, prohibitions and other provisions as may be necessary for securing the due operation and enforcement of the scheme; and
- (b) declare the contravention of, or the failure to comply with, any provisions of the regulations, and the furnishing of false information or returns to the Tea Controller to

be an offence triable summarily by a Magistrate and specify as punishment for such offence a fine of an amount not exceeding one thousand rupees or a term of imprisonment of either description not exceeding six months or both such fine and such imprisonment.

(4) All regulations shall be published in the *Gazette* and shall come into operation on such date as may be specified in the regulations, or, if no date is so specified, upon such publication, and shall, as soon as practicable after such publication, be brought before the Senate and the House of Representatives for approval. Where any regulation is not approved either by the Senate or by the House of Representatives, it shall be deemed to be rescinded and the rescission shall take effect on the date on which the regulation is not approved.

(5) The validity of anything done under a regulation shall not be affected by the subsequent rescission of the regulation under sub-section (4).

(6) Notification of the date on which the rescission of a regulation under sub-section (4) takes effect shall be published in the *Gazette*.

Duration of
the Act.

11. This Act shall expire on such date as may be appointed by the Minister by Order published in the *Gazette*.

Interpretation.

12. In this Act, unless the context otherwise requires—

“ Board ” means the Tea Subsidy Advisory Board established under this Act;

“ cuttings ” mean any such cuttings from any living portions of any tea plants as may be capable of being used for propagation;

“ estate ” means any tea estate registered or deemed to be registered under the Tea Control Act, No. 51 of 1957;

“ Fund ” means the Tea Subsidy Fund established under this Act;

“green tea leaf” means the leaf, leaf buds and immature stalks of the tea plant before they are subjected to any of the processes (excluding that known as withering) for conversion into made tea;

“made tea” means tea manufactured from the leaves, leaf buds and immature stalk of the tea plant;

“manufacture”, when used with reference to green tea leaf, means any process by which such green tea leaf is converted into made tea;

“plant” means the plant of the species *camellia sinensis* (L) O. Kuntze, also known as *camellia thea* Link and *thea sinensis* L;

“prescribed” means prescribed by regulation;

“proprietor”, when used with reference to any estate or small holding, means a person who has been registered or is deemed to have been registered as the proprietor of such estate or small holding under the Tea Control Act, No. 51 of 1957;

“regulation” means a regulation made under this Act;

“rehabilitation”, when used with reference to any estate or small holding, means any operation designed to improve the agricultural conditions of such estate or small holding and includes the application of fertilizers, and adoption of soil conservation measures and the planting of additional tea plants and any other suitable plants in such estate or small holding;

“replanting”, when used with reference to any estate or small holding, means the uprooting of all existing tea plants in the whole or any part of such estate or small holding and their replacement by new tea plants, and includes the planting of tea plants in an area which does not form part of the estate or small holding, if the tea plants in an equivalent area of the estate or small holding are eradicated within such time as the Tea Controller may specify;

“ seed ” means the seed of the tea plant;

“ small holding ” means any small holding registered or deemed to have been registered under the Tea Control Act, No. 51 of 1957; and

“ tea ”, when used with reference to planting, means tea plants, and when used in any other context, means made tea.