



Industry Act 1981

CHAPTER 6

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ELIZABETH II



Industry Act 1981

1981 CHAPTER 6

An Act to increase financial limits which apply in connection with the National Enterprise Board, the Scottish Development Agency, the Welsh Development Agency and the Development Board for Rural Wales; to reduce the public dividend capital of the National Enterprise Board and of the two Agencies and the amount outstanding by way of loans made by the Secretary of State to the two Agencies; to provide for extending the period in relation to which schemes under the Shipbuilding (Redundancy Payments) Act 1978 operate; and to provide for financial support in connection with certain matters affecting industry. [19th March 1981]

BE IT ENACTED by the Queen'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:—

Financial limits

1.—(1) The financial limit specified in subsection (2) of section 8 of the Industry Act 1975 (which was amended by section 1(2) of the Industry Act 1979 and Article 2 of the Financial Limits (National Enterprise Board and Secretary of State) Order 1980) shall be reduced to £750 million; and accordingly for subsection (2) there is substituted—

“(2) The said limit shall be £750 million”.

(2) In section 8 of the Industry Act 1975, subsections (2A) to (2C) (Secretary of State's power by order to reduce the limit mentioned in subsection (2) of section 8) are hereby repealed.

Financial limits relating to National Enterprise Board.

1975 c. 68.

1979 c. 32.

S.I. 1980/1211.

1980 c. 33. (3) For subsections (3) and (4) of section 5 of the Industry Act 1980 (financial limit for purposes of section 3 of that Act and for purposes of that section and section 8(2) of the Industry Act 1975 taken together) there is substituted the following subsection—

“(3) The financial limit for the purposes of section 3 of this Act is £4,400 million, but the Secretary of State may by order made with the consent of the Treasury provide for the limit specified in this subsection to be increased or further increased to an amount not exceeding £5,250 million.”

(4) Section 1(2) of the Act of 1979, and in section 5(1) of the Act of 1980 the words “section 8(2) of the Industry Act 1975” and “the National Enterprise Board and”, are hereby repealed; and the Order of 1980 is hereby revoked.

Financial limits for Development Agencies and Development Board.

2.—(1) In section 13(3) of the Scottish Development Agency Act 1975 (financial limit for the Agency) for the words “£500 million” (which were substituted by section 1(3) of the Industry Act 1979) there are substituted the words “£700 million”.

1975 c. 69.

1979 c. 32.

1975 c. 70.

1976 c. 75.

(2) In section 18(3) of the Welsh Development Agency Act 1975 for the words “£250 million” (which were substituted by section 1(4) of the Act of 1979) there are substituted the words “£450 million”.

(3) For subsection (2) of section 12 of the Development of Rural Wales Act 1976 there is substituted—

“(2) The said limit is £100 million”;

S.I. 1980/235. and the Development Board for Rural Wales (Financial Limit) Order 1980 (which increased the previous limit from £25 million to £40 million) is hereby revoked.

(4) Section 12(3) of the Development of Rural Wales Act 1976 and subsections (3) and (4) of section 1 of the Act of 1979 are hereby repealed.

Public dividend capital and government loans

Reduction of public dividend capital of National Enterprise Board and Development Agencies.

3.—(1) The public dividend capital of the National Enterprise Board is hereby reduced by £32.4 million, that of the Scottish Development Agency by £7 million and that of the Welsh Development Agency by £2.9 million.

(2) “Public dividend capital” means the amount of the capital which, immediately before the commencement of this section, was outstanding—

(a) in the case of the Board, in respect of payments to the Board under paragraph 5 of Schedule 2 to the Industry Act 1975 (including sums treated as additions to that capital by paragraph 5(2));

- (b) in the case of the Scottish Development Agency, in respect of payments to the Agency under paragraph 1 of Schedule 2 to the Scottish Development Agency Act 1975 (including sums treated as additions to that capital by paragraph 1(2)); and
- (c) in the case of the Welsh Development Agency, in respect of payments to the Agency under paragraph 1 of Schedule 3 to the Welsh Development Agency Act 1975 (including sums treated as additions to that capital by paragraph 1(2)).

1975 c. 69.

1975 c. 70.

4.—(1) The government loan debt of the Scottish Development Agency is hereby reduced by £2 million and that of the Welsh Development Agency by £1 million; and any entitlement of the Secretary of State and any liability of either of the Agencies in respect of government loan debt is correspondingly reduced.

Reduction of government loan debt of Development Agencies.

(2) "Government loan debt" means the aggregate amount of the principal and interest which, immediately before the commencement of this section, was outstanding—

- (a) in the case of the Scottish Development Agency, in respect of sums advanced to the Agency by the Secretary of State under paragraph 4(1) of Schedule 2 to the Scottish Development Agency Act 1975; and
- (b) in the case of the Welsh Development Agency, in respect of sums advanced to the Agency by the Secretary of State under paragraph 4(1) of Schedule 3 to the Welsh Development Agency Act 1975.

(3) The sum mentioned in subsection (1) above shall in each case be treated as reducing first arrears of interest (if any) and then, as respects the balance remaining, principal outstanding.

(4) The assets of the National Loans Fund shall be reduced by the aggregate amount by which the liabilities of the Agencies are extinguished by this section.

Redundancy payments

5. In section 2(4) of the Shipbuilding (Redundancy Payments) Act 1978 (which gives the Secretary of State power to amend any scheme made under that Act by extending the period in relation to which the scheme operates from two years to four years) there is added, at the end—

Payments to redundant workers in shipbuilding industry.

1978 c. 11.

“, and may by order further amend any such scheme by substituting six years for the said period of four years.”.

Miscellaneous

6.—(1) The Secretary of State may make such grants or loans to any body, as he considers appropriate for the purpose of assisting in—

Powers to promote careers in industry etc.

- (a) the promotion of the practice of engineering;

- (b) the encouragement and improvement of links between industry, or any part of industry, and bodies or individuals concerned with education;
- (c) the encouragement of young persons and others to take up careers in industry, or in any part of industry, and to pursue appropriate educational courses.

(2) Any grants under this section may be made on such conditions, and any loans under this section may be made at such rates of interest, as the Secretary of State may with the approval of the Treasury determine.

1968 c. 13.

(3) The Secretary of State shall not determine a rate of interest in respect of a loan under this section which is lower than the lowest rate for the time being determined by the Treasury under section 5 of the National Loans Act 1968 in respect of comparable loans out of the National Loans Fund.

(4) The Secretary of State may, with the approval of the Treasury, guarantee obligations (arising out of loans) incurred by any body which falls within subsection (5) below and which in his opinion is concerned with promoting the practice of engineering.

(5) A body falls within this subsection if—

(a) it is established by Royal Charter; and

(b) its members are for the time being appointed by the Secretary of State.

(6) Any expenditure incurred by the Secretary of State under this section shall be defrayed out of money provided by Parliament; and any sums received by him by virtue of this section shall be paid into the Consolidated Fund.

Short title
etc.

7.—(1) This Act may be cited as the Industry Act 1981.

(2) Section 1 of this Act comes into force on 31st March 1981.

(3) The Acts and instruments specified in the Schedule to this Act are repealed to the extent set out in the third column of that Schedule.

(4) The provisions of this Act, so far as they relate to the Scottish Development Agency, extend to Scotland only.

(5) Subject to subsection (4) above, the provisions of this Act, except so far as they relate to the Welsh Development Agency or the Development Board for Rural Wales, extend to Northern Ireland.

SCHEDULE

Section 7(3).

REPEALS

Chapter	Short title	Extent of repeal
1975 c. 68. 1976 c. 75.	The Industry Act 1975. The Development of Rural Wales Act 1976.	Section 8(2A) to (2C). Section 12(3).
1979 c. 32. 1980 c. 33.	The Industry Act 1979. The Industry Act 1980.	Section 1(2) to (4). In section 5, in subsection (1) the words "section 8(2) of the Industry Act 1975" and "The National Enterprise Board and", and subsection (2).
<i>Statutory Instruments</i>		
S.I. 1980/ 1211.	The Financial Limits (National Enterprise Board and Secretary of State) Order 1980.	The whole Order.
S.I. 1980/ 235.	The Development Board for Rural Wales (Finan- cial Limit) Order 1980.	The whole Order.

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