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 STATUTORY INSTRUMENTS
 

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1978 No. 1294

## TRANSPORT

## PENSIONS AND COMPENSATION

**The National Freight Corporation (Funding of Pension Schemes)  
 (No. 1) Order 1978**

<i>Made</i> - - - -	1st September 1978
<i>Laid before the House of Commons</i> - - -	8th September 1978
<i>Coming into Operation</i>	1st October 1978

The Secretary of State for Transport, with the approval of the Treasury, hereby makes this Order in exercise of his powers under sections 19 and 20 of the Transport Act 1978(a) and of all other enabling powers:—

*Commencement and Citation*

**1.** This Order shall come into operation on 1st October 1978, and may be cited as the National Freight Corporation (Funding of Pension Schemes) (No. 1) Order 1978.

*Interpretation*

**2.**—(1) In this Order—

“the Act” means the Transport Act 1978;

“the Freight Corporation” means the National Freight Corporation;

“obligation” shall be construed in accordance with section 20(2) of the Act;

“the prescribed obligations owed by the relevant bodies”, in connection with a pension scheme, means all the obligations from time to time owed by any of those bodies in connection with that scheme to or in respect of persons who are or have been employed by any of those bodies, other than any obligation excluded by section 19(3) of the Act;

“the relevant bodies” means the Freight Corporation, National Carriers Limited, Freightliners Limited and any subsidiary of National Carriers Limited or of Freightliners Limited.

(2) The Interpretation Act 1889(b) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

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(a) 1978 c. 55.

(b) 1889 c. 63.

*Application of Order*

3.—(1) This Order applies to the pension schemes listed in column (1) of the Schedule to this Order.

(2) For the purposes of this Order the pension scheme which is referred to in the said column (1) as “NFC (1978) Pension Fund” shall be regarded as embracing all the pension schemes which are specified in the Schedule to the National Freight Corporation (Central Trust) Order 1978(a).

*Funding of obligations*

4.—(1) For the purposes of funding the prescribed obligations owed by the relevant bodies in connection with the pension schemes to which this Order applies the Freight Corporation shall provide the sum of £73,149,364 which shall be apportioned between those schemes in the manner set out in the Schedule to this Order, the sum apportioned to each scheme specified in column (1) of that Schedule being set against that scheme in column (2) of that Schedule.

(2) Interest on the outstanding amount of each such debt shall be payable by the Freight Corporation at the rate of 12.375 per cent. per annum, the first payment of interest to be made on the 31st December 1978 and the subsequent payments to be made at three monthly intervals thereafter.

*Funding to be partial only*

5. The funding of obligations provided for by this order is partial only in relation to each of the pension schemes to which this order applies.

1st September 1978.

*William Rodgers,*  
Secretary of State for Transport.

We approve the making of this Order

1st September 1978.

*T. E. Graham,*  
*A. W. Stallard,*  
Two of the Lords Commissioners  
of Her Majesty's Treasury.

## THE SCHEDULE

(1) Pension Scheme	(2) Sum apportioned to each scheme
National Freight Corporation (Salaried Staff) Pension Fund	£43,173,333
National Freight Corporation (Wages Grades) Pension Fund	£18,970,101
NFC (1978) Pension Fund	£11,005,930
	Total <u>£73,149,364</u>

## EXPLANATORY NOTE

*(This Note is not part of the Order.)*

This Order prescribes the sum of £73,149,364 as the sum to be provided by the National Freight Corporation for the partial funding of the obligations of the Corporation and of certain subsidiaries and a former subsidiary of the Corporation in connection with certain of the Corporation's pension schemes. The apportionment of this sum between the various pension schemes and the requirements as to the rate of interest payable, and the dates for payment of such interest, on the outstanding amounts of the apportioned debts, are also provided for in the Order (Article 4 and the Schedule).

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