

ELIZABETH II



1979 CHAPTER 32

Industry Act 1979

An Act to make provision with respect to the limits on sums borrowed by, or paid by Ministers of the Crown to, the National Enterprise Board, the Scottish Development Agency and the Welsh Development Agency and subsidiaries of theirs, on sums paid by the Treasury in pursuance of guarantees of loans to the Board or either of those Agencies and on loans guaranteed by the Board or either of those Agencies or subsidiaries of the Scottish Development Agency.

[4th April 1979]

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:—

1.—(1) The following enactments, that is to say, section 8 of the Industry Act 1975, section 13 of the Scottish Development Agency Act 1975 and section 18 of the Welsh Development Agency Act 1975 (limits on loans made and capital made available to the National Enterprise Board, the Scottish Development Agency and the Welsh Development Agency and their wholly owned subsidiaries, and guarantees by, and in respect of loans to, that Board and those Agencies and any such subsidiary of the Scottish Development Agency) shall be amended in accordance with the following provisions of this section.

Increase in limits on loans, etc., to National Enterprise Board, Scottish Development Agency and Welsh Development Agency.

(2) In section 8(2) (limit for National Enterprise Board of £700 million which can be raised by order under that subsection to £1,000 million), for the words "£700 million" and

1975 c. 68.
1975 c. 69.
1975 c. 70.

“£1,000 million” there shall be substituted the words “£3,000 million” and “£4,500 million” respectively.

(3) In section 13(3) (limit for Scottish Development Agency of £200 million which can be raised by order under that subsection to £300 million), for the words “£200 million” and “£300 million” there shall be substituted the words “£500 million” and “£800 million” respectively.

(4) In section 18(3) (limit for Welsh Development Agency of £100 million which can be raised by order under that subsection to £150 million), for the words “£100 million” and “£150 million” there shall be substituted the words “£250 million” and “£400 million” respectively.

(5) In sections 8, 13 and 18, for the words “wholly owned subsidiaries” and “wholly owned subsidiary”, wherever occurring, there shall be substituted the words “subsidiaries” and “subsidiary” respectively.

(6) In sections 8(4)(b), 13(5)(b) and 18(5)(b) (which bring within the relevant limit sums borrowed by a subsidiary of the Board or either of the Agencies only when it was such a subsidiary) for the words “when it was such a subsidiary” there shall be substituted the words “(whether or not it was such a subsidiary at the time any such sum was borrowed)”.

(7) In accordance with the foregoing provisions of this section sections 8, 13 and 18 shall have effect as set out in the Schedule to this Act.

Short title, etc.

2.—(1) This Act may be cited as the Industry Act 1979.

S.I. 1978/580.

(2) The National Enterprise Board (Financial Limit) Order 1978 is hereby revoked.

SCHEDULE

Section 1(7).

1975 ENACTMENTS AS AMENDED

INDUSTRY ACT 1975 (c. 68)

8.—(1) The aggregate amount outstanding, otherwise than by way ^{Financial} of interest, in respect of— ^{limits.}

- (a) the general external borrowing of the Board and their subsidiaries ;
- (b) sums issued by the Treasury in fulfilment of guarantees under paragraph 4 of Schedule 2 below and not repaid to the Treasury ;
- (c) sums paid to the Board under paragraph 5(1) of that Schedule ;
- (d) loans guaranteed by the Board otherwise than under section 3 above ;

shall not exceed the limit specified in subsection (2) below.

(2) The said limit shall be £3,000 million, but the Secretary of State may by order made with the consent of the Treasury raise the limit to not more than £4,500 million.

(3) Such an order shall not be made unless a draft of it has been approved by resolution of the House of Commons.

(4) In subsection (1) above “ general external borrowing ” means—

- (a) in relation to the Board, sums borrowed by them other than—
 - (i) sums borrowed from a body corporate which is one of the Board’s subsidiaries at the time of the loan ;
 - (ii) any sums mentioned in subsection (1)(b) above ; or
 - (iii) sums borrowed by the Board for the purpose of giving assistance under section 3 above ; and
- (b) in relation to a subsidiary of the Board, sums borrowed by it (whether or not it was such a subsidiary at the time any such sum was borrowed) other than sums borrowed from the Board or from another subsidiary ;

but does not include any debt assumed by the Board under paragraph 6(1) of Schedule 2 below.

SCOTTISH DEVELOPMENT AGENCY ACT 1975 (c. 69)

13.—(1) Schedule 2 to this Act (Financial and Administrative Finances of Provisions relating to the Agency) shall have effect with respect to the Agency. the finances of, and certain administrative matters relating to, the Agency.

(2) The aggregate amount outstanding, otherwise than by way of interest, in respect of—

- (a) the general external borrowing of the Agency and their subsidiaries ;
- (b) sums issued by the Treasury in fulfilment of guarantees under paragraph 6 of Schedule 2 below and not repaid to the Treasury ;
- (c) sums paid to the Agency by the Secretary of State out of monies provided by Parliament less repayments to the Secretary of State by the Agency (other than payments made by virtue of paragraph 1(3) of Schedule 2 to this Act) and less such sums paid in respect of the administrative expenses of the Agency ;
- (d) loans guaranteed by the Agency otherwise than under section 5 of this Act and loans guaranteed by a subsidiary of the Agency ;

shall not exceed the limit specified in subsection (3) below.

(3) The said limit shall be £500 million, but the Secretary of State may, by order made with the consent of the Treasury, raise the limit to £800 million.

(4) Such an order shall not be made unless a draft of it has been approved by resolution of the House of Commons.

(5) In subsection (2) above, “ general external borrowing ” means—

- (a) in relation to the Agency, sums borrowed by them other than—
 - (i) sums borrowed from a body corporate which is one of the Agency’s subsidiaries at the time of the loan ;
 - (ii) any sums mentioned in subsection (2)(b) above ;
 or
 - (iii) sums borrowed by the Agency for the purpose of giving assistance under section 5 of this Act ; and
- (b) in relation to a subsidiary of the Agency, sums borrowed by it (whether or not it was such a subsidiary at the time any such sum was borrowed) other than sums borrowed from the Agency or from another subsidiary ;

but does not include any debt assumed by the Agency under paragraph 7(1) of Schedule 2 to this Act.

WELSH DEVELOPMENT AGENCY ACT 1975 (c. 70)

18.—(1) Schedule 3 to this Act shall have effect.

(2) The aggregate amount outstanding, otherwise than by way of interest, in respect of—

- (a) the general external borrowing of the Agency and their subsidiaries ;
- (b) sums issued by the Treasury in fulfilment of guarantees under paragraph 6 of Schedule 3 below and not repaid to the Treasury ;

(c) sums paid to the Agency by the Secretary of State out of money provided by Parliament less repayments to the Secretary of State by the Agency and less such sums paid in respect of the administrative expenses of the Agency ;

(d) loans guaranteed by the Agency otherwise than under section 12 above ;

shall not exceed the limit specified in subsection (3) below.

(3) The said limit shall be £250 million but the Secretary of State may by order made with the consent of the Treasury raise the limit to £400 million.

(4) Such an order shall not be made unless a draft of it has been approved by resolution of the House of Commons.

(5) In subsection (2) above “ general external borrowing ” means—

(a) in relation to the Agency, sums borrowed by them other than—

(i) sums borrowed from a body corporate which is one of the Agency’s subsidiaries at the time of the loan ;

(ii) any sums mentioned in subsection (2)(b) above ; or

(iii) sums borrowed by the Agency for the purpose of giving assistance under section 12 above ; and

(b) in relation to a subsidiary of the Agency, sums borrowed by it (whether or not it was such a subsidiary at the time any such sum was borrowed) other than sums borrowed from the Agency or from another subsidiary ;

but does not include any debt assumed by the Agency under paragraph 7(1) of Schedule 3 to this Act.

PRINTED IN ENGLAND BY BERNARD M. THIMONT

Controller of Her Majesty’s Stationery Office and Queen’s Printer of Acts of Parliament

(38672)

LONDON: PUBLISHED BY HER MAJESTY'S STATIONERY OFFICE

25p net

ISBN 0 10 543279 2