STATUTORY INSTRUMENTS

# 1973 No. 749

# INDUSTRIAL TRAINING

## The Industrial Training Levy (Air Transport and Travel) Order 1973

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| *Made* - - - - | 16*th April* 1973 |
| *Laid before Parliament* | 27*th April* 1973 |
| *Coming into Operation* | 18*th May* 1973 |

The Secretary of State after approving proposals submitted by the Air Transport and Travel Industry Training Board for the imposition of a further levy on employers in the air transport and travel industry and in exercise of powers conferred by section 4 of the Industrial Training Act 1964**(a)** and now vested in him **(b)**, and of all other powers enabling him in that behalf hereby makes the following Order:—

*Title and commencement*

**1.** This Order may be cited as the Industrial Training Levy (Air Transport and Travel) Order 1973 and shall come into operation on 18th May 1973.

*Interpretation*

**2.**—(1) In this Order unless the context otherwise requires:—

(*a*) "agriculture" has the same meaning as in section 109(3) of the Agriculture Act 1947**(c)** or, in relation to Scotland, as in section 86(3) of the Agriculture (Scotland) Act 1948**(d)**;

(*b*) "British Airways Group" means the British Airways Board, the British Overseas Airways Corporation, the British European Airways Corporation and all subsidiaries and joint subsidiaries, and "member of the British Airways Group" shall be construed accordingly;

(*c*) "air transport and travel establishment" means an establishment in Great Britain that was engaged in the fifth base period wholly or mainly in the air transport and travel industry for a total of twenty-seven or more weeks or, being an establishment that commenced to carry on business in that period, for a total number of weeks exceeding one-half of the number of weeks in the part of the said period commencing with the day on which business was commenced and ending on the last day thereof;

(*d*) "the air transport and travel industry" means any one or more of the activities which, subject to the provisions of paragraph 2 of the Schedule to the industrial training order, are specified in paragraph 1 of that Schedule as the activities of the air transport and travel industry;

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**(a)** 1964 c. 16. **(b)** S.I. 1968/729 (1968 II, p. 2108).

**(c)** 1947 c. 48. **(d)** 1948 c. 45.

(*e*) "an appeal tribunal" means an industrial tribunal established under section 12 of the Industrial Training Act 1964;

(*f*) "assessment" means an assessment of an employer to the levy;

(*g*) "the Board" means the Air Transport and Travel Industry Training Board;

(*h*) "British air carrier" means any company that undertakes or offers to undertake for hire or reward the carriage by air of passengers (including their baggage) or of freight, being a company which, or an associated company of which, has its sole or principal place of business in Great Britain and is engaged in activities specified in paragraph 1(*b*) of the Schedule to the industrial training order;

(*i*) "business" means any activities of industry or commerce;

(*j*) "emoluments" means all emoluments assessable to income tax under Schedule E (other than pensions), being emoluments from which tax under that Schedule is deductible, whether or not tax in fact falls to be deducted from any particular payment thereof;

(*k*) "employer" means a person who is an employer in the air transport and travel industry at any time in the fifth levy period;

(*l*) "the fifth base period" means the period of twelve months that commenced on 6th April 1971;

(*m*) "the fifth levy period" means the period commencing with the day upon which this Order comes into operation and ending on 31st December 1973;

(*n*) "the industrial training order" means the Industrial Training (Air Transport and Travel Industry Board) Order 1970**(a)**;

(*o*) "the levy" means the levy imposed by the Board in respect of the fifth levy period;

(*p*) "notice" means a notice in writing;

(*q*) "subsidiary" and "joint subsidiary" have the same meaning as in section 60(1) of the Civil Aviation Act 1971**(b)**;

(*r*) "travel agency establishment" means an air transport and travel establishment engaged, wholly or mainly, in the business of a travel agent or of providing packaged tours (being activities to which sub-paragraph (*g*) of paragraph 1 of the Schedule to the industrial training order applies) or in any related or other activities to which sub-paragraph (*h*) of that paragraph applies in the case of an employer or of an associated company engaged in the first mentioned activities, but does not include an establishment of an employer, who is mainly engaged in any one or more of the activities to which sub-paragraphs (*a*) to (*f*) of that paragraph apply;

(*s*) other expressions have the same meanings as in the industrial training order.

(2) In the case where an air transport and travel establishment is taken over (whether directly or indirectly) by an employer in succession to, or jointly with, another person, a person who was employed at any time in the fifth base period at or from the establishment shall be deemed, for the purposes of this Order, to, have been so employed by the employer carrying on the said establishment on the day upon which this Order comes into operation, and any reference in this Order to persons employed by the employer in the fifth base period at or from an establishment shall be construed accordingly.

**(a)** S.I. 1970/252 (1970 I, p. 983). **(b)** 1971 c. 75.

(3) Any reference in this Order to an establishment that commences to carry on business or that ceases to carry on business shall not be taken to apply where the location of the establishment is changed but its business is continued wholly or mainly at or from the new location, or where the suspension of activities is of a temporary or seasonal nature.

(4) The Interpretation Act 1889**(a)** shall apply to the interpretation of this Order as it applies to the interpretation of an Act of Parliament.

*Imposition of the levy*

**3.**—(1) The levy to be imposed by the Board on employers in respect of the fifth levy period shall be assessed in accordance with the provisions of this Article.

(2) The levy shall be assessed by the Board separately in respect of each air transport and travel establishment of an employer, not being a member of the British Airways Group, the British Airports Authority or an employer who is exempted from the levy by virtue of paragraph (7) of this Article, but in agreement with the employer one assessment may be made in respect of any number of such establishments in which case those establishments shall be deemed for the purposes of that assessment to constitute one establishment.

(3) The levy assessed in respect of an air transport and travel establishment of an employer shall, subject to the provisions of this Article, be an amount equal to the following percentage, as the case may be, of the sum of the emoluments of all the persons employed by the employer at or from that establishment in the fifth base period—

(*a*) in the case of a travel agency establishment, 1·0 per cent, of that sum;

(*b*) in the case of an establishment of a British air carrier 2·0 per cent. of that sum;

(*c*) in any other case, 1·5 per cent. of that sum.

(4) In the case of an air transport and travel establishment that ceases to carry on business in the fifth levy period the said sum of emoluments mentioned in the last foregoing paragraph shall be reduced in the same proportion as the number of days between the commencement of that levy period and the date of cessation of business (both dates inclusive) bears to the number of days in the said period.

(5) The levy shall be assessed by the Board in respect of each member of the British Airways Group and of the British Airports Authority and shall, subject to the provisions of this Article, be an amount equal to 2·0 per cent. in the case of a member of the British Airways Group and 1·5 per cent. in the case of the said Authority of the sum of the emoluments of all the persons employed by such member or Authority, as the case may be, at or from its establishment or establishments in the fifth base period.

(6) For the purposes of this Article, no regard shall be had to any person employed as follows:—

(*a*) by a local authority in—

(i) any activities to which paragraph 1(*h*) or 1(*i*) of the Schedule to the industrial training order applies, not being activities mentioned in head (ii) or head (iv) of paragraph 3(*q*) thereof; or

**(a)** 1889 c. 63.

(ii) any operations (being certain building work or civil engineering work) specified in paragraph 2(*c*)(i) of that Schedule;

(*b*) as a member of the crew of an aircraft that is operated by an employer having his sole or principal place of business outside Great Britain;

(*c*) wholly in agriculture; or

(*d*) wholly in the supply of food or drink for immediate consumption, except where such person is a member of the crew of an aircraft.

(7) There shall be exempted from the levy to be imposed in respect of the fifth levy period an employer in whose case the number of all the persons employed by him on 31st March 1972 at or from the air transport and travel establishment or establishments of the employer was less than sixteen.

*Assessment notices*

**4.**—(1) The Board shall serve an assessment notice on every employer assessed to the levy, but one notice may comprise two or more assessments.

(2) An assessment notice shall state the amount (rounded down, where necessary, to the nearest £1) of the levy payable by the person assessed thereto, and where the notice comprises two or more assessments the said amount shall, before any such rounding down, be equal to the total amount of the levy assessed by the Board under Article 3 of this Order in respect of each establishment included in the notice.

(3) An assessment notice shall state the Board's address for the service of a notice of appeal or of an application for an extension of time for appealing.

(4) An assessment notice may be served on the person assessed to the levy either by delivering it to him personally or by leaving it, or sending to to him by post, at his last known address or place of business in the United Kingdom or, if that person is a corporation, by leaving it, or sending it by post to the corporation, at such address or place of business or at its registered or principal office.

*Payment of the levy*

**5.**—(1) Subject to the provisions of this Article and of Articles 6 and 7, the amount of the levy payable under an assessment notice served by the Board shall be payable to the Board in two instalments determined in accordance with the provisions of the next following paragraph, and the first instalment shall be due one month after the date of the assessment notice and the second instalment one month after the date (not being earlier than five months after the date of the assessment notice) of a notice requiring payment of that instalment, which notice shall be served by the Board on the person assessed to the levy in the same manner as an assessment notice.

(2) The first of the said instalments shall be equal to 0·35 per cent. of the sum of emoluments by reference to which the amount of the said levy has been assessed in accordance with the provisions of Article 3 of this Order, and the second instalment shall be equal to the balance of the amount payable under the assessment notice.

(3) The amount of an instalment mentioned in the last foregoing paragraph, may be rounded up or down by the Board to a convenient figure, but so that the aggregate amount of both instalments shall be equal to the amount of the levy stated in the assessment notice in accordance with Article 4(2) of this Order.

(4) An instalment of an assessment shall not be recoverable by the Board until there has expired the time allowed for appealing against the assessment by Article 7(1) of this Order and any further period or periods of time that the Board or an appeal tribunal may have allowed for appealing under paragraph (2) or (3) of that Article or, where an appeal is brought, until the appeal is decided or withdrawn.

*Withdrawal of assessment*

**6.**—(1) The Board may, by a notice served on the person assessed to the levy in the same manner as an assessment notice, withdraw an assessement if that person has appealed against that assessment under the provisions of Article 7 of this Order and the appeal has not been entered in the Register of Appeals kept under the appropriate Regulations specified in paragraph (5) of that Article.

(2) The withdrawal of an assessment shall be without prejudice—

(*a*) to the power of the Board to serve a further assessment notice in respect of any establishment or, as the case may be, persons to which that assessment related and, where the withdrawal is made by reason of the fact that an establishment has ceased to carry on business in the fifth levy period, the said notice may provide that the whole amount payable thereunder in respect of the establishment shall be due one month after the date of the notice; or

(*b*) to any other assessment included in the original assessment notice, and such notice shall thereupon have effect as if any assessment withdrawn by the Board had not been included therein.

*Appeals*

**7.**—(1) A person assessed to the levy may appeal to an appeal tribunal against the assessment within one month from the date of the service of the assessment notice or within any further period or periods of time that may be allowed by the Board or an appeal tribunal under the following provisions of this Article.

(2) The Board by notice may for good cause allow a person assessed to the levy to appeal to an appeal tribunal against the assessment at any time within the period of four months from the date of the service of the assessment notice or within such further period or periods as the Board may allow before such time as may then be limited for appealing has expired.

(3) If the Board shall not allow an application for extension of time for appealing, an appeal tribunal shall upon application made to the tribunal by the person assessed to the levy have the like powers as the Board under the last foregoing paragraph.

(4) In the case of an establishment that ceases to carry on business in the fifth levy period on any day after the date of the service of the relevant assessment notice, the foregoing provisions of this Article shall have effect as if for the period of four months from the date of the service of the assessment notice mentioned in paragraph (2) of this Article there were substituted the period of six months from the date of the cessation of business.

(5) An appeal or an application to an appeal tribunal under this Article shall be made in accordance with the Industrial Tribunals (England and Wales) Regulations 1965**(a)** as amended by the Industrial Tribunals (England and Wales) (Amendment) Regulations 1967**(b)** except where the assessment relates to an establishment that is wholly in Scotland in which case the appeal or application shall be made in accordance with the Industrial Tribunals (Scotland) Regulations 1965**(c)** as amended by the Industrial Tribunals (Scotland) (Amendment) Regulations 1967**(d)**.

(6) The powers of an appeal tribunal under paragraph (3) of this Article may be exercised by the President of the Industrial Tribunals (England and Wales) or by the President of the Industrial Tribunals (Scotland) as the case may be.

*Evidence*

**8.**—(1) Upon the discharge by a person assessed to the levy of his liability under an assessment the Board shall if so requested issue to him a certificate to that effect.

(2) The production in any proceedings of a document purporting to be certified by the Secretary of the Board to be a true copy of an assessment or other notice issued by the Board or purporting to be a certificate such as is mentioned in the foregoing paragraph of this Article shall, unless the contrary is proved, be sufficient evidence of the document and of the facts stated therein.

Signed by order of the Secretary of State.

*R. Chichester-Clark,*
Minister of State,
Department of Employment.

16th April 1973.

## EXPLANATORY NOTE

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

This Order gives effect to proposals submitted by the Air Transport and Travel Industry Training Board (formerly known as the Civil Air Transport Industry Training Board) to the Secretary of State for Employment for the imposition of a further levy upon employers in the air transport and travel industry (formerly the civil air transport industry) for the purpose of raising money towards the expenses of the Board.

A levy is to be imposed in respect of the fifth levy period commencing on the day upon which this Order comes into operation and ending on 31st December 1973. The levy will be assessed by the Board and there will be a right of appeal against an assessment to an industrial tribunal.

**(a)** S.I. 1965/1101 (1965 II, p. 2805).
**(b)** S.I. 1967/301 (1967 I, p. 1040).
**(c)** S.I. 1965/1157 (1965 II, p. 3266).
**(d)** S.I. 1967/302 (1967 I, p. 1050).

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