STATUTORY INSTRUMENTS

1979 No. 546

INDUSTRIAL TRAINING

The Industrial Training Levy (Shipbuilding) Order 1979

Made - - - -	14*th May* 1979
Laid before Parliament	29*th May* 1979
Coming into Operation	25*th June* 1979

Whereas proposals made by the Shipbuilding Industry Training Board for the raising and collection of a levy have been submitted to, and approved by, the Manpower Services Commission under section 7 of the Industrial Training Act 1964(a) ("the 1964 Act") and have thereafter been submitted by the said Commission to the Secretary of State under section 7(1C) of the 1964 Act;

And whereas in pursuance of section 7(1A)(*a*) of the 1964 Act the said proposals include provision for the exemption from the levy of employers who, in view of the small number of their employees, ought in the opinion of the Secretary of State to be exempted from it;

And whereas the Secretary of State estimates that the amount which, disregarding any exemptions, will be payable by virtue of this Order by any employer in the shipbuilding industry, does not exceed an amount which the Secretary of State estimates is equal to one per cent. of the aggregate of the emoluments and payments intended to be disbursed as emoluments which have been paid or are payable by any such employer to or in respect of persons employed in the industry, in respect of the period specified in the said proposals as relevant, that is to say, the period hereafter referred to in this Order as "the fifteenth base period";

And whereas the Secretary of State is satisfied that proposals published by the said Board in pursuance of section 4A of the 1964 Act provide for exemption certificates relating to the levy in such cases as he considers necessary;

Now, therefore, the Secretary of State, in exercise of the powers conferred on him by section 4 of the 1964 Act and of all other powers enabling him in that behalf hereby makes the following Order:—

Citation and commencement

1. This Order may be cited as the Industrial Training Levy (Shipbuilding) Order 1979 and shall come into operation on 25th June 1979.

(a) 1964 c. 16; the Industrial Training Act 1964 was amended by the Employment and Training Act 1973 (c. 50), section 6 and Part I of Schedule 2. The relevant provisions of the Industrial Training Act 1964, as amended, are reproduced in the Employment and Training Act 1973, Part II of Schedule 2.

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**(a)** or, in relation to Scotland, as in section 86(3) of the Agriculture (Scotland) Act 1948**(b)**;

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

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

(*d*) "the Board" means the Shipbuilding Industry Training Board;

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

(*f*) "charity" has the same meaning as in section 360 of the Income and Corporation Taxes Act 1970**(c)**;

(*g*) "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;

(*h*) "employer" means a person who is an employer in the shipbuilding industry at any time in the fifteenth levy period;

(*i*) "exemption certificate" means a certificate issued by the Board under section 4B of the 1964 Act;

(*j*) "the fifteenth base period" means the period of twelve months that commenced on 6th April 1978;

(*k*) "the fifteenth levy period" means the period commencing with the day upon which this Order comes into operation and ending on 31st March 1980;

(*l*) "the industrial training order" means the Industrial Training (Shipbuilding Board) Order 1964**(d)**;

(*m*) "the levy" means the levy imposed by the Board in respect of the fifteenth levy period;

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

(*o*) "shipbuilding establishment" means an establishment in Great Britain engaged in the fifteenth base period wholly or mainly in the shipbuilding industry for a total of twenty-seven or more weeks or, being an establishment that commenced to carry on business in the fifteenth base 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;

(*p*) "the shipbuilding 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 shipbuilding industry;

(*q*) "unit of British Shipbuilders" means British Shipbuilders or any wholly owned subsidiary thereof.

(a) 1947 c. 48. **(b)** 1948 c. 45. **(c)** 1970 c. 10.
(d) S.I. 1964/1782, amended by S.I. 1968/1614.

(2) 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.

Imposition of the levy

3.—(1) The levy to be imposed by the Board on employers in respect of the fifteenth 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 relevant establishment (that is to say, each shipbuilding establishment other than one in respect of which an exemption certificate has been issued to the employer, or one which is exempt from the levy by virtue of paragraph (6) of this Article).

(3) Subject to the provisions of this Article, the levy assessed in respect of a shipbuilding establishment of an employer shall be an amount equal to 0.7 per cent. of the sum of the emoluments of all the persons employed by the employer at or from that establishment in the fifteenth base period.

(4) Subject to paragraph (5) below the amount of the levy imposed in respect of a shipbuilding establishment that ceases to carry on business in the fifteenth levy period shall be in the same proportion to the amount that would otherwise be due under the foregoing provisions of this Article as the number of days between the commencement of the said levy period and the date of cessation of business (both dates inclusive) bears to the number of days in the said levy period.

(5) Paragraph (4) above shall not apply to cessation of business which consists only of a transfer of an establishment from one unit of British Shipbuilders to another.

(6) There shall be exempt from the levy—

(*a*) an employer in whose case the sum of the emoluments of all the persons employed by him in the fifteenth base period at or from the shipbuilding establishment or establishments of the employer (including any persons employed in that period at or from a shipbuilding establishment by an associated company of the employer) is less than £87,000;

(*b*) a charity.

(7) For the purposes of this Article no regard shall be had to the emoluments of any person—

(*a*) employed as the master or a member of the crew if a ship or any person ordinarily employed in or about a ship in port on work of a kind ordinarily done by a seaman on a ship while it is in port;

(*b*) engaged wholly in any operations mentioned in paragraph 1(*a*) or 1(*b*) of the Schedule to the industrial training order being a person undergoing a course of training as a sea-going officer or rating (otherwise than a sea-fishing service) under an agreement in writing with an employer in the shipping industry or with any organisation of employers in that industry or any association of such organisations;

(*c*) engaged wholly in agriculture; or

(*d*) engaged wholly in the supply of food or drink for immediate consumption.

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) The amount of any assessment payable under an assessment notice shall be rounded down to the nearest £1.

(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 it 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 each assessment appearing in an assessment notice served by the Board shall be due and payable to the Board on 1st June 1980.

(2) 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 assessment 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 to the power of the Board to serve a further assessment notice in respect of any establishment 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 fifteenth 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.

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 fifteenth 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)** except where the establishment to which the relevant assessment relates is wholly in Scotland, in which case the appeal or application shall be made in accordance with the Industrial Tribunals (Scotland) Regulations 1965**(b)**.

(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 to 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.

14th May 1979.

Jim Lester,
Joint Parliamentary Under Secretary of State,
Department of Employment.

(a) S.I. 1965/1101, amended by S.I. 1967/301.
(b) S.I. 1965/1157, amended by S.I. 1967/302.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order, which comes into operation on 25th June 1979, gives effect to proposals of the Shipbuilding Industry Training Board which were submitted to and approved by the Manpower Services Commission, and thereafter submitted by the Manpower Services Commission to the Secretary of State. The proposals are for the imposition of a levy on employers in the shipbuilding industry for the purpose of encouraging adequate training in the industry.

The levy is to be imposed in respect of the fifteenth levy period commencing with the day on which this Order comes into operation and ending on 31st March 1980. The levy will be assessed by the Board, and there will be a right of appeal against an assessment to an industrial tribunal.

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