Industry Act 1971

1971 CHAPTER 17

An Act to repeal the Industrial Reorganisation Corporation Act 1966 and dissolve the Industrial Reorganisation Corporation; to terminate the power to make industrial investment schemes under the Industrial Expansion Act 1968 otherwise than for the purpose of revoking or varying any such scheme made before the passing of this Act; and for purposes connected with those matters. [8th April 1971]

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:—

Repeal of Industrial Reorganisation Corporation Act 1966 and dissolution of the Corporation. 1966 c. 50.

1.—(1) Subject to the provisions of this Act, on such day as the Secretary of State may by order appoint (in this section and Schedule 1 to this Act referred to as " the appointed day ")—

(*a*) the Industrial Reorganisation Corporation Act 1966 shall cease to have effect; and

(*b*) the property, rights and liabilities which immediately before that day were property, rights and liabilities of the Industrial Reorganisation Corporation established by section 1 of that Act (in this Act referred to as " the Corporation ") shall, by virtue of this section, vest as follows, that is to say—

(i) such of the said property, rights and liabilities as the Secretary of State may by order direct shall vest in the Minister of Aviation Supply; and

(ii) the whole of the remainder of the said property, rights and liabilities shall vest in the Secretary of State for Trade and Industry:

Provided that paragraph (*b*) above shall not apply to rights or liabilities of the Corporation under any agreement for the rendering by any person of personal services to the Corporation, other than any liability to make payments under a pension scheme.

(2) The Secretary of State may by order make provision for any matter for which it appears to him requisite or expedient to do so in connection with, or in consequence of, the vesting by virtue of this section of property, rights or liabilities falling within subsection (1)(*b*) above.

(3) At the expiration of one month beginning with the appointed day, or at such later time as the Secretary of State may by order direct, the Corporation shall cease to exist; and on and after the appointed day the Corporation shall have such powers, and only such powers, as it requires for the purpose of performing the duties imposed on it by or by virtue of Schedule 1 to this Act.

(4) The provisions of Schedule 1 to this Act shall have effect with respect to the transitional and consequential matters there dealt with.

(5) No repeal made by this Act shall affect the continuance of the Corporation for purposes of that Schedule or its constitution while it continues for those purposes.

(6) Nothing in this section shall be read as effecting, or as authorising the Secretary of State to provide by order for, the transfer to any person of any statutory powers or duties conferred or imposed on the Corporation by the Industrial Reorganisation Corporation Act 1966. 1966 c. 50.

(7) Any sums required by the Minister of Aviation Supply or the Secretary of State for Trade and Industry for meeting any liability to which he becomes subject in consequence of the vesting in him by virtue of this section of any property, rights or liabilities falling within subsection (1)(*b*) above shall be defrayed out of moneys provided by Parliament; and any sums received by either of those Ministers in consequence of the vesting in him as aforesaid of any such property, rights or liabilities shall be paid into the Consolidated Fund.

(8) The power of the Secretary of State to make an order under subsection (1)(*b*) or (2) above shall include power to make an order under that provision varying or revoking any previous order under that provision.

(9) Any power to make an order conferred on the Secretary of State by this section shall be exercisable by statutory instrument; and any statutory instrument containing an order under this section shall be laid before Parliament after being made.

1895 c. 16.

(10) Section 12 of the Finance Act 1895 (which requires Acts to be stamped as conveyances on sale in certain cases) shall not apply to any transfer of property effected by or by virtue of this section, and stamp duty shall not be payable on any order made under this section.

Termination of power to make industrial investment schemes under Industrial Expansion Act 1968.

1968 c. 32.

2.—(1) No industrial investment scheme shall be made under the Industrial Expansion Act 1968 after the passing of this Act except for the purpose of revoking or, subject to subsection (2) below, varying an existing scheme, and accordingly, subject to subsection (3) below, the following provisions of that Act (which provide for the making of industrial investment schemes and related matters), namely sections 1 to 7 and Schedules 1 and 2, shall cease to have effect.

(2) The amount specified in any existing scheme in accordance with section 4(1) of the Industrial Expansion Act 1968 as the aggregate amount of the expenditure which may be incurred by a competent authority thereunder (other than expenditure in fulfilling any guarantee of the payment of interest) shall not be increased after the passing of this Act.

(3) The repeal by this Act of so much of the Industrial Expansion Act 1968 as relates to schemes shall not affect—

(*a*) the validity or operation of any existing scheme; or

(*b*) the power of a competent authority under that Act to revoke or (subject to subsection (2) above) vary a scheme under any provision of that Act by a subsequent scheme under that provision, or the validity or operation of any scheme made after the passing of this Act in the exercise of that power; or

(*c*) the operation of any of the provisions of that Act mentioned in subsection (4) below in relation to any existing scheme, or in relation to the said power and any scheme made in the exercise thereof after the passing of this Act.

(4) The provisions of the Industrial Expansion Act 1968 referred to in subsection (3)(*c*) above are the following, namely—

(*a*) sections 1 and 2 (provision of money for, and contents of, schemes);

(*b*) section 4(1) (specification in every scheme of limit on expenditure thereunder);

(*c*) section 15 (payments into Exchequer);

(*d*) section 16 (statutory instruments);

(*e*) Schedule 1 (bodies ineligible for financial support under schemes), as amended by paragraph 12 of Schedule 16 to the Transport Act 1968. 1968 c. 73.

(5) In this section "scheme" means an industrial investment scheme within the meaning of the Industrial Expansion Act 1968, 1968 c. 32. and "existing scheme" means a scheme made before the passing of this Act.

Short title and repeals.

3.—(1) This Act may be cited as the Industry Act 1971.

(2) The enactments mentioned in Part I or II of Schedule 2 to this Act, to the extent respectively mentioned in column 3 of that Part, are hereby repealed—

(*a*) in the case of the enactments mentioned in the said Part I, as from the appointed day within the meaning of section 1 of this Act, but subject to the provisions of that section;

(*b*) in the case of the enactments mentioned in the said Part II, as from the passing of this Act, but subject to the provisions of section 2 of this Act.

SCHEDULES

Section 1.

SCHEDULE 1

TRANSITIONAL AND CONSEQUENTIAL PROVISIONS IN CONNECTION WITH REPEAL OF INDUSTRIAL REORGANISATION CORPORATION ACT 1966 AND DISSOLUTION OF THE CORPORATION.

1966 c. 50.

1.—(1) The Secretary of State shall, as from the appointed day pay to members of the Corporation such salaries or fees and such allowances as the Secretary of State may with the approval of the Minister for the Civil Service determine; and any determination in force under paragraph 3(1)(*a*) of the Schedule to the Industrial Reorganisation Corporation Act 1966 immediately before the appointed day shall have effect for the purposes of this sub-paragraph as if it had been made thereunder.

(2) Any provision or payment which, if paragraph 3 of the Schedule to the Industrial Reorganisation Corporation Act 1966 had remained in force until the dissolution of the Corporation, would have fallen to be made by the Corporation on or after the appointed day under sub-paragraph (1)(*b*) of that paragraph (which relates to pensions and gratuities for or in respect of members of the Corporation) by virtue of a determination under that paragraph made before that day shall be made by the Secretary of State.

2.—(1) So long as it continues to exist on and after the appointed day the Corporation may employ such officers and servants as are required for the performance of the duties imposed on it by or by virtue of this Schedule; but it shall be the duty of the Corporation to take appropriate steps to secure that every person in its employment on or after the appointed day ceases to be in its employment before the Corporation is dissolved.

(2) Any liability arising on or after the appointed day under any pension scheme the participants in which include persons who are or have been employed by the Corporation, being a liability which, but for this sub-paragraph, would have arisen as a liability of the Corporation, shall instead be a liability of the Secretary of State.

1965 c. 62.

(3) Any liability to pay a redundancy payment under the Redundancy Payments Act 1965 to an employee of the Corporation which arises on or after the appointed day and which, but for this paragraph, would have arisen as a liability of the Corporation, shall instead be a liability of the Secretary of State.

3.—(1) The Corporation shall (if it has not already done so) comply with the provisions of sections 8(1) and (2) and 9(1) to (3) of the Industrial Reorganisation Corporation Act 1966 (which relate to the preparation and audit of the Corporation's accounts and the making by it of periodical reports) in relation to its last normal accounting year before the appointed day; and it shall also

comply with those provisions in respect of the interval (if any) between the end of that accounting year and the appointed day, and that interval shall by virtue of this paragraph be an accounting year for the purposes of those provisions.

(2) The Secretary of State shall lay a copy of any report made to him by virtue of this paragraph under the said section 9(1), and of the statements attached thereto pursuant to the said section 9(3), before each House of Parliament.

(3) In this paragraph "normal accounting year" means an accounting year (within the meaning of the said Act of 1966) of not less than twelve months.

4. Notwithstanding anything in this Act, section 8(3) of the Industrial Reorganisation Corporation Act 1966 (preparation by Secretary of State, as respects each financial year, of an account of certain sums, and related functions of Comptroller and Auditor General) shall have effect as respects the financial year ending 31st March 1971 and, if the appointed day is later than 1st April 1971, as respects the financial year ending 31st March 1972. 1966 c. 50.

5. It shall be the duty of the Corporation to give to the Minister of Aviation Supply and the Secretary of State for Trade and Industry all such information, to prepare all such documents and to do all such other things as appear to those Ministers respectively to be necessary or expedient for facilitating the carrying into effect of the transfers provided for by section 1 of this Act and for assisting either of those Ministers in managing or otherwise dealing with any property, rights or liabilities transferred to him under that section.

6. Any remuneration payable on or after the appointed day to the Corporation's auditors or to its employees, and any other expenses incurred by the Corporation in connection with the performance on or after that day of the duties imposed on it by or by virtue of this Schedule, shall be defrayed by the Secretary of State.

7. Any expenses incurred by the Secretary of State under or in consequence of the foregoing provisions of this Schedule shall be defrayed out of moneys provided by Parliament.

8. In consequence of section 1 of this Act the assets of the National Loans Fund shall on the appointed day be reduced by an amount equal to the difference between—

(*a*) the aggregate of the sums issued out of that Fund to the Secretary of State before that day under subsection (3) of section 4 of the Industrial Reorganisation Corporation Act 1966 (Exchequer loans); and

(*b*) so much of the aggregate of the sums paid by him into that Fund before that day under subsection (5) of the said section 4 as represents principal.

Section 3.

SCHEDULE 2

REPEALS

PART I

ENACTMENTS REPEALED ON THE DAY APPOINTED UNDER S. 1(1)

Chapter	Short Title	Extent of Repeal
1957 c. 20.	The House of Commons Disqualification Act 1957.	In Part II of Schedule 1, and in the Part substituted for it by Schedule 3, the words "The Industrial Reorganisation Corporation".
1966 c. 50.	The Industrial Reorganisation Act 1966.	The whole Act.
1968 c. 13.	The National Loans Act 1968.	In Schedule 1, the entries relating to the Industrial Reorganisation Corporation Act 1966.
1968 c. 75.	The Miscellaneous Financial Provisions Act 1968.	Section 3.

PART II

ENACTMENTS REPEALED ON THE PASSING OF THIS ACT

Chapter	Short Title	Extent of Repeal
1957 c. 20.	The House of Commons Disqualification Act 1957.	In Part II of Schedule 1, and in the Part substituted for it by Schedule 3, the words "An industry board constituted under the Industrial Expansion Act 1968".
1968 c. 32.	The Industrial Expansion Act 1968.	Sections 1 to 7. In section 15, the words "or any scheme thereunder" and the words "or any such scheme". In section 16, the words "scheme or", wherever occurring. Schedules 1 and 2.
1968 c. 73.	The Transport Act 1968.	In Schedule 16, paragraph 12.