
STATUTORY INSTRUMENTS

1975 No. 1309 (N.I. 14)

NORTHERN IRELAND

**The Shipbuilding Industry (No. 2)
(Northern Ireland) Order 1975**

Laid before Parliament in draft

Made 6th August 1975

Coming into Operation 13th August 1975

At the Court at Buckingham Palace, the 6th day of August 1975

Present,

The Queen's Most Excellent Majesty in Council

Whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, Her Majesty, in exercise of the powers conferred by paragraph 1 of Schedule 1 to the Northern Ireland Act 1974 (a) and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

Title and commencement

1. This Order may be cited as the Shipbuilding Industry (No. 2) (Northern Ireland) Order 1975 and shall come into operation on the seventh day after the day on which it is made.

Interpretation

2.—(1) The Interpretation Act (Northern Ireland) 1954 (b) shall apply to Article 1 and the following provisions of this Order as it applies to a Measure of the Northern Ireland Assembly.

(2) In this Order—

“the Company” means Harland and Wolff Limited having its registered office at Queen's Island in the County of the City of Belfast;

“the Department” means the Department of Commerce;

“securities” means the ordinary and preference stock of the Company;

“the vesting date” means the date on which this Order comes into operation.

Vesting of the Company's securities in the Department

3.—(1) On the vesting date all securities of the Company (other than securities held immediately before that date by the Department) shall, by virtue of this Article, vest in the Department free from all trusts and encumbrances.

(a) 1974 c. 28.

(b) 1954 c. 33 (N.I.).

(2) The Department shall, in respect of the securities vested in it by virtue of paragraph (1), be entitled or subject, as from the vesting date, to the exclusion of the previous holders thereof, to all the rights, privileges and advantages and all the liabilities and obligations arising from the holding of those securities, in all respects as if the securities had been duly transferred to the Department in accordance with the enactments and rules of law (other than this Order) applicable thereto and everything necessary to make those rights, privileges, advantages, liabilities and obligations fully effective had been duly done.

(3) Without prejudice to paragraph (2) the person concerned with the keeping of the register of the holders of the securities of the Company shall, on the vesting date, register as holders of the securities vested by virtue of paragraph (1) the Department and such person or persons as may be nominated by the Department to be registered in respect of such of those securities as may be specified in the nomination and the Company shall forthwith issue to the Department the appropriate documents of title relating to those securities.

Compensation

4.—(1) The Department shall pay compensation in accordance with the provisions of this Article to the persons who immediately before the vesting date were the holders of securities of the Company vested in the Department by virtue of this Order.

(2) The compensation payable under this Article shall be calculated at the rate of 8 pence for each £1 of cumulative preference stock and 9 pence for each £1 of ordinary stock.

(3) Compensation under this Article shall be paid on an application in writing made by or on behalf of a party entitled thereto within a period of three years from the vesting date or within such further period not exceeding three years as the Department may allow in any particular case.

(4) If any compensation is payable under this Article to a minor or a person of unsound mind the receipt of the minor's guardian or the committee of that person's estate shall be a sufficient discharge to the Department.

Financial assistance to the Company

5.—(1) Subject to the provisions of this Article and Article 6, the Department with the approval of the Department of Finance, may, for the purposes of assisting or promoting the carrying on or development of the business and undertaking of the Company in Northern Ireland whether as a separate or as part of another enterprise or of facilitating the reorganisation or reconstruction of the Company or for any or any combination of those purposes, give financial assistance to the Company in any of the ways set out in paragraph (2).

(2) Financial assistance under this Article may be given by—

- (a) subscribing for share capital in the Company;
- (b) entering into an arrangement with the Company for the conversion into share capital in the Company of the principal and interest of loans made at any time by the Department to the Company;
- (c) writing off the principal and interest of loans made at any time by the Department to the Company;
- (d) making loans or grants to the Company on such terms and conditions as the Department may think fit;
- (e) any form of assurance or guarantee to meet any contingency, and in particular to meet default on payment of a loan (including a bank overdraft) or of interest on such a loan.

(3) All sums received by way of interest on, or in repayment of, loans made by the Department to the Company shall be paid into the Consolidated Fund.

(4) No financial assistance shall be given under this Article after 31st March 1979.

Limit on aggregate expenditure

6.—(1) Subject to paragraphs (2) and (3), the aggregate of—

(a) expenditure on capital acquired, together with financial assistance given, under the Shipbuilding Industry (Northern Ireland) Order 1975 (a);

(b) compensation paid under Article 4;

(c) financial assistance given under Article 5,

including any liability under a guarantee given under that Order or Article 5 (exclusive of any liability in respect of interest on a principal sum so guaranteed) less any sum received by the Department by way of repayment of loans made under that Order or that Article or repayment of principal sums paid to meet a guarantee so given, shall not at any time exceed £60 million.

(2) The conversion into share capital, and the writing off, of any loans made before 21st May 1975 by the Department to the Company and the making of any loan or grant to the Company to enable it to discharge any loan made to it by the Shipbuilding Industry Board shall be left out of account for the purposes of paragraph (1).

(3) Where any loan or other financial assistance, which is taken into account for the purposes of paragraph (1), is written off by the Department or converted into share capital, the sum so written off or so converted shall not again be taken into account for the purposes of that paragraph.

Disqualification for membership of Northern Ireland Assembly

7. In Part III of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975 (b) (which specifies certain offices the holders of which are disqualified for membership of the Northern Ireland Assembly) after the entry "Director of Cable and Wireless Limited" there shall be inserted the entry "Director of Harland and Wolff Limited" and in the entry beginning "Director or receiver of any company in receipt of financial assistance" the words "or the Shipbuilding Industry (Loans) Act (Northern Ireland) 1966 or the Shipbuilding Industry (Northern Ireland) Order 1975" shall be repealed.

Repeal and revocation

8. The Shipbuilding Industry (Loans) Act (Northern Ireland) 1966 (c) is hereby repealed and the Shipbuilding Industry (Northern Ireland) Order 1975 is hereby revoked.

N. E. Leigh

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order provides for the vesting in the Department of Commerce of all the issued share capital in Harland and Wolff Ltd. (other than capital already held by the Department), for the payment of compensation for capital so vested and for the giving of financial assistance to the Company to assist it to carry on or develop its business and undertaking in Northern Ireland or to facilitate its reorganisation or reconstruction. No financial assistance may be given under the Order after 31st March 1979.

(a) S.I. 1975/814 (N.I. 5).

(b) 1975 c. 25.

(c) 1966 c. 30 (N.I.).

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