



# Industrial Development Act 1982

## 1982 CHAPTER 52

### PART III

#### FINANCIAL ASSISTANCE FOR INDUSTRY

#### **8 Selective financial assistance: general powers.**

- (1) For the purposes set out in subsection (2) of section 7 above the Secretary of State may, with the consent of the Treasury, provide financial assistance where, in his opinion—
  - (a) the financial assistance is likely to benefit the economy of the United Kingdom, or of any part or area of the United Kingdom; and
  - (b) it is in the national interest that the financial assistance should be provided on the scale, and in the form and manner, proposed; and
  - (c) the financial assistance cannot, or cannot appropriately, be so provided otherwise than by the Secretary of State.
- (2) Financial assistance under this section may, subject to the following provisions of this section, be given in any of the ways set out in subsection (3) of section 7 above; but the Secretary of State shall not under this section use any money for the acquisition or assistance of banks or insurance companies.
- (3) Financial assistance shall not be given under this section in the way described in subsection (3)(a) of section 7 above unless the Secretary of State is satisfied that it cannot, or cannot appropriately, be so given in any other way; and the Secretary of State, in giving financial assistance in the way so described, shall not acquire any shares or stock in a company without the consent of that company.
- (4) The aggregate of—
  - (a) the sums paid by the Secretary of State under this section or section 8 of the <sup>M1</sup>Industry Act 1972, other than sums paid in respect of foreign currency guarantees, and
  - (b) the liabilities of the Secretary of State under any guarantees given by him under this section or that section, (exclusive of any liability in respect of

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interest on a principal sum so guaranteed and of any liability under a foreign currency guarantee),

less any sum received by the Secretary of State by way of repayment of loans under this section or that section, or repayment of principal sums paid to meet a guarantee under this section or that section (other than a foreign currency guarantee), shall not at any time exceed the limit specified in subsection (5) below.

(5) The said limit shall be [<sup>F1</sup>£2,100] million, but the Secretary of State may, on not more than four occasions, by order made with the consent of the Treasury increase or further increase that limit by a sum specified in the order, being a sum not exceeding £200 million.

(6) Subject to section 9 below, the aggregate of—

- (a) the liabilities of the Secretary of State under foreign currency guarantees (exclusive of any liability in respect of interest on a principal sum guaranteed by him under this section or section 8 of the <sup>M2</sup>Industry Act 1972), and
- (b) any sums paid by the Secretary of State in respect of foreign currency guarantees,

less any sums received by the Secretary of State by way of repayment of principal sums paid to meet foreign currency guarantees, shall not at any time exceed the limit specified in subsection (7) below.

(7) The said limit shall be 1,000 million special drawing rights, but the Secretary of State may, on not more than four occasions, by order made with the consent of the Treasury increase or further increase that limit by an amount specified in the order, being an amount not exceeding 500 million special drawing rights.

(8) Subject to subsection (9) below, the sums which the Secretary of State pays or undertakes to pay by way of financial assistance under this section in respect of any one project, excluding sums paid or to be paid in respect of foreign currency guarantees, shall not exceed £10 million, except so far as any excess over the said sum of £10 million has been authorised by a resolution of the Commons House of Parliament.

(9) Subsection (8) above shall not apply where the Secretary of State is satisfied that the payment or undertaking is urgently needed at a time when it is impracticable to obtain the approval of the Commons House of Parliament; and in that case the Secretary of State shall lay a statement concerning the financial assistance before each House of Parliament.

(10) An order under subsection (5) or (7) above shall be contained in a statutory instrument; and such an order shall not be made unless a draft of the order has been approved by a resolution of the Commons House of Parliament.

(11) In this section—

“foreign currency” means any currency other than sterling, including special drawing rights;

“foreign currency guarantee” means a guarantee given under that section or section 8 of the <sup>M3</sup>Industry Act 1972 by the Secretary of State under which his liability is measured in a foreign currency, whether or not it is to be discharged in a foreign currency, and for this purpose—

- (a) a liability measured in sterling but expressed to be subject to a limit in a foreign currency shall be taken to be measured in foreign currency, and
- (b) a liability measured in foreign currency but expressed to be subject to a limit in sterling shall be taken to be measured in sterling;

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“guarantee” includes any form of insurance.

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#### **Textual Amendments**

**F1** Limit specified in s. 8(5) increased (29.2.1996) by [S.I. 1996/569](#), **art. 2**

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#### **Modifications etc. (not altering text)**

**C1** S. 8: functions transferred (1.7.1999) by [1998 c. 46](#), **ss. 53**, 56(1)(h) (with [ss. 54](#), 126(3)-(11), [Sch. 4 Pt. III paras. 12-14](#)); [S.I. 1998/3178](#), **art. 3**.

**C2** S. 8 modified (W.) (1.7.1999) by [S.I. 1999/672](#), **art. 5**, **Sch. 2**

**C3** S. 8 (except subsections (5) and (7)): functions modified (1.7.1999) by [S.I. 1999/672](#), **art. 2**, **Sch. 1**

**C4** S. 8(5)(7): functions modified (1.7.1999) by [S.I. 1999/672](#), **art. 5**, **Sch. 2**

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#### **Marginal Citations**

**M1** [1972 c. 63](#).

**M2** [1972 c. 63](#).

**M3** [1972 c. 63](#).

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**Changes to legislation:**

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