CABINET.

BILL FOR THE NATIONALISATION OF COALMINING INDUSTRY.

MEMORANDUM BY THE MINISTER OF FUEL AND POWER.

1. At the meeting of the Lord President's Committee on the 2nd October (L.P. (45) 35th Meeting, Minute 2) the Committee had before them a memorandum (L.P. (45) 179) setting out the main features which I proposed to embody in the Bill for the Nationalisation of the Coalmining Industry, and they authorised me to proceed with the preparation of a draft Bill. In my memorandum I drew attention to the complexity of the Bill which results from the fact that it is concerned with the transfer of particular assets, interests, liabilities and benefits appertaining to undertakings engaged in a wide variety of activities besides coalmining. This has meant that the conveyancing aspects of the Bill are of a complicated character. The compensation provisions are correspondingly difficult.

2. At the meeting of the Lord President's Committee on the 23rd November (L.P. (45) 44th Meeting, Minute 5) the Committee had before them a further memorandum (L.P. (45) 238) covering a draft of the Bill and asking for authority to submit it to the consideration of the Cabinet and the Legislation Committee. It was decided, however, that the Lord President should convene a small Committee of Ministers to examine a revised draft and report direct to the Cabinet with a view to the consideration of the Bill by the Cabinet and the Legislation Committee being completed not later than the week ending Saturday, the 15th December.

3. A meeting of Ministers accordingly took place on the 6th December, when certain matters relating to the Bill were discussed, and it was agreed that the same draft should be circulated, as soon as possible, to the Cabinet with an indication of the respects in which the next print of the Bill would be altered from the draft then available. The draft now circulated is accordingly in the form in which it was considered by the meeting of Ministers.

4. Clause 1 of the Bill establishes the National Coal Board and sets out its primary duties in subsection (1). These are the working of the coal mines and the making available of coal in such quantities and at such prices as may seem to the Board best calculated to further the public interest. The functions and powers of the Board are set out in sub-clauses (2) and (3). They are drawn widely because it appears desirable, and will in general prove necessary, that the Board should be permitted to do anything which a privately owned colliery undertaking might find it requisite, advantageous or convenient to do, including, in particular, the treatment of coal and coal products, the production and sale of goods or utilities which could advantageously be so dealt with by the Board, and the provision of facilities for training, education and research. In performing their functions the Board are to act (sub-clause (4)) in such manner as they think best for furthering the safety, health and welfare of the workers they employ, and for securing that the industry will pay its way.

5. Clause 2 gives the constitution of the Board, which is to consist of a Chairman, Deputy Chairman and seven other members appointed by the Minister from among persons with appropriate qualifications set out in sub-clause (3). It is intended to add to this clause a provision to make it clear that members of the Commons House of Parliament will not be eligible for appointment to the Board.
Salaries and allowances of members of the Board are to be fixed by the Minister with the approval of the Treasury (sub-clause 5) and their appointment, tenure of office, &c., will be laid down in regulations (sub-clause 6). I ought perhaps at this point to call attention to the fact that there are some 20 clauses in the Bill which confer regulation-making powers, on matters which, on past precedents, would have been covered by detailed provisions in the Bill. This will be attacked as representing a new departure in legislation of this kind.

6. Clause 3 empowers the Minister to give the Board general directions as to the exercise and performance of their functions in relation to matters appearing to the Minister to affect the national interest. It is considered that this will enable directions to be given on such questions as the co-ordination of the industry's investment programme with that of the country generally, the expansion of the export trade, and the alleviation of social dislocations which might be caused by the closure of pits.

7. Clause 4 requires the Minister to establish two Consumers' Councils, covering industrial and domestic supplies respectively, to deal with matters which appear to them to require consideration, and to notify their conclusions to the Minister where action appears to them to be requisite.

8. Clauses 5 and 8, and the First Schedule, which should be read in conjunction therewith, deal with the transfer of assets to the Board. Part I of the Schedule consists of assets which are to be automatically transferred to the Board, and it includes, speaking broadly, the assets essential for coalmining, together with ancillary assets such as coke ovens (not forming part of an undertaking which owns iron and steel works) manufactured fuel plants, power stations, &c., which are owned by colliery concerns and are physically or financially closely associated with coalmining. Part II specifies assets to be transferred at the option of the Board or on the requirement of the owners. It includes assets less closely connected with coalmining, such as brick works, wharves, harbours, &c., housing and farming property, and one or two other classes of assets which the Board might find it advantageous to take over, or which cannot in fairness be left on the hands of colliery companies denuded of their principal activities. Part III is concerned with assets to be transferred at the option of the Board or of the owners, subject to arbitration if either side objects to the option exercised by the other. It covers assets such as certain manufactured fuel plants, private railways, &c., not owned by concerns but by persons engaged in activities which are particularly connected with the industry and which, if not transferred, might prejudice the Board or the present owners. Part IV covers all other assets owned by colliery concerns not covered by Parts I-III, but excludes from transfer things used wholly or mainly for purposes of iron and steel works.

9. Clause 6 provides for the transfer of rights and liabilities under existing contracts, and should be read in conjunction with the detailed classification thereof set out in the Second Schedule. The Clause includes an escape provision to enable the Board to avoid contracts of personal service entered into since the 1st August, 1945, and contracts entered into with unreasonable want of prudence by the previous owners.

10. The above-mentioned Clauses, with the addition of Clause 9 (which relates to compensation), and the Financial Provisions (Clauses 17-23) constitute the essential framework of the Bill. The remaining Clauses are of less importance and are of a general or miscellaneous character.

11. Clauses 9 to 16 deal with the payment and allocation of compensation, the determination and valuation of claims, and with the compensation machinery to be established. These provisions are of a somewhat complicated character, but are in broad accord with the procedure which was followed when the ownership of the minerals was transferred to the Coal Commission by the Coal Act, 1938. Attention is drawn to Clause 10, which is inserted in order to implement an undertaking which I gave to the Mining Association that money expended on capital development in anticipation of nationalisation would be reimbursed to colliery undertakings.

12. Clauses 17 to 23 are the draft financial provisions. It will be noted that the heading to those Clauses indicates that they are to be rewritten. I explained the more important of the additions and alterations to be made in these Clauses to the Meeting of Ministers, and secured their agreement to the proposals, and the Treasury and my Ministry are in consultation upon the details. These Clauses will accordingly appear in a somewhat altered form in the Bill presented
to Parliament. It will be noted that by Clause 17 compensation is generally to be made in Government stock, though that will not exclude compensation in cash in respect of the capital expenditure described in Clause 10 mentioned above, and in respect of stores transferred. Provision will be made for two annual revenue payments to the existing owners, equivalent to half the profits earned during a previous period. This payment will be in substitution for the interest payments which would otherwise have to be made between the date on which the assets were vested and the date on which valuation was completed and final compensation paid. It is necessary because of the delay which must inevitably occur before valuation and the determination of the compensation due to individual undertakings are completed. In addition the Bill will contain provision under which, for the purpose of paying off shareholders, equitable arrangements must be made to ensure that holders of particular classes of shares will not be differentially affected by reason of the fact that liquidation of the company may be necessitated as a result of nationalisation.

13. The broad intention of Clauses 18 to 20 is to empower the Board to borrow only from the Treasury, except for temporary purposes; to enable the Treasury to lend to the Board from the Consolidated Fund up to a maximum of £150 million, and to raise money for the purpose; to impose obligations upon the Board to provide for the service of the stock issued, or cash paid, by way of compensation, and of money lent by the Treasury; and to require the Board to make such payments for the redemption of the compensation and loans as the Treasury may direct. Furthermore, the Minister is to be obliged to lay before the House of Commons a statement of any payments due which have not been paid, and the Board are under obligation to apply any surplus revenue in a financial year in such manner as the Minister may direct. While these provisions impose somewhat stringent obligations upon the Board, I do not think they will prove unduly restrictive, and it will, of course, be necessary, if an effective national investment policy is to be carried through, to ensure that a considerable measure of control shall be exercisable over the financial transactions of the Board. Clauses 21 to 23 do not appear to call for any particular comment.

14. Clauses 24 to 34 are of a miscellaneous character, few of which raise issues of any great moment. Clause 25, however, gives power to make regulations to enable the Board to pay pensions to former employees of the Board and to assume responsibility for contractual or customary obligations incurred in respect of persons previously employed by colliery concerns and certain other bodies. I have not provided for compensation for the employees of colliery undertakings, and bodies connected with the industry who prove to be redundant, or whose status is detrimentally affected. As there is a considerable body of precedents from earlier enactments providing for compensation in such circumstances, I anticipate strong opposition. None the less, having regard to the circumstances of the coalmining industry, I feel that compensation should not be payable.

15. Clause 29 effects certain alterations in the constitution of the Miners’ Welfare Commission, and provides for persons holding office at the commencement of the Act to vacate office. It also enables the Minister to give directions to the Commission. These provisions are made to remove the anomalous situation which would otherwise exist as between the status of the Commission on the one hand, and the Board on the other.

16. Clause 26 reproduces the relevant provisions of the Public Authorities Protection Act, 1893, to make it clear that the officers and servants of the Board shall be given the benefit of the protection that Act provides to such persons when employed by a public authority.

17. Clauses 35 to 41 are “General” provisions which raise no questions of new policy. It may be appropriate, however, to draw attention to Clause 38 which sets out a number of provisions for which the regulations referred to in other Clauses of the Act may provide in addition to the provisions specified in those Sections. Regulations are to be laid before Parliament as soon as they are made and are subject to annulment by a negative resolution of either House within 40 days.

E. S.

Ministry of Fuel and Power, S.W.1,
8th December, 1945.
Coal Industry Nationalisation.

ARRANGEMENT OF CLAUSES.

The National Coal Board.

Clause.
1. Establishment of National Coal Board and functions thereof.
2. Constitution of the Board.
3. Powers of the Minister in relation to the Board.
4. Industrial and Domestic Consumers' Councils.

Transfer of assets to the Board.

5. Transfer to the Board of assets generally.
6. Transfer of rights and liabilities under contracts.
7. Vesting in the Board of certain rights to use land.
8. Determination of questions as to transfer of assets to the Board.

Compensation for transfer of assets.

10. Refund of capital outlay made since 1st August, 1945.
11. Allocation of transferred interests to compensation units and to districts, and determination of their status as respects coal industry value.
14. Regulations as to compensation machinery.
15. Payment of costs of compensation proceedings.
16. Time limit for questioning regularity of compensation proceedings.

Financial provisions [to be re-written].

[17. Satisfaction of the compensation.]
[18. Powers of the Board as to borrowing.]
[19. Advances to the Board out of the Consolidated Fund.]
[20. Service of stock issued for compensation and of loans to the Board, reserves, and surplus revenue.]
[21. Application to stock issued for compensation of provisions as to certain other government stocks.]
Clause.

[22. Board's accounts and audit thereof.]
[23. Board not to be exempt from taxation, etc.]

Miscellaneous.

24. Savings as to certain coal.
25. Provisions as to superannuation, etc., rights.
26. Limitation of actions, etc., in relation to the Board.
27. Transfer to the Board of property and functions of the Coal Commission other than interests in coal.
28. Repeal in part of s. 4 of 10 & 11 Geo. 5, c. 50.
30. Winding-up of Mining Research (Safety and Health) Enowment Fund.
31. Amendments of working facilities enactments.
32. Winding-up of coal-selling schemes.
33. The Board not to be required to insure against workmen's compensation liabilities.
34. Right to inspection and copies of the Board's plans of working.

General.

35. Payment of certain expenses of the Minister out of moneys provided by Parliament.
36. Restriction on disclosure of information.
37. Arbitration under this Act.
38. Provisions as to regulations.
39. Annual report of the Board.
40. Interpretation.
41. Short title and extent.

Schedules:

First Schedule.—Assets to be transferred to the Board.
Second Schedule.—Transfer of rights and liabilities under Contracts.
Third Schedule.—Tribunal for determining aggregate value for purposes of compensation, and terms of reference of the Tribunal.
Fourth Schedule.—Provisions as to schemes under Part I of the Coal Mines Act, 1930.
Establish public ownership and control of the coal-mining industry and certain allied activities; and for purposes connected therewith.

BE it enacted by the King'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:

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The National Coal Board.

1.—(1) There shall be a National Coal Board which shall, on and after the primary vesting date, be charged with the duties of—

(a) working and getting the coal in Great Britain, to the exclusion (save as in this Act provided) of any other person; and

(b) making supplies of coal available in such quantities and at such prices as may seem to them best calculated to further the public interest.

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(2) The functions of the National Coal Board (in this Act referred to as "the Board") shall include the carrying on of all such activities as it may appear to the Board to be requisite, advantageous or convenient for them to carry on for or in connection with the discharge of their duties under the preceding subsection, and in particular, but without prejudice to the generality of this section,—

(a) searching and boring for coal in Great Britain, to the exclusion of any other person;

(b) treating, rendering saleable, supplying and selling coal;
(c) producing, manufacturing, treating, rendering saleable, supplying and selling products of coal;

(d) producing, manufacturing, supplying and selling any goods or utilities which can advantageously be so dealt with by the Board by reason of their having materials or facilities therefor in connection with the working and getting of coal or with such activities as are mentioned in paragraphs (a) to (c) of this subsection;

(e) any activities which can advantageously be carried on by the Board with a view to making the best use of any of the assets vested in them by this Act;

(f) any activities conducive to advancing the skill of persons employed or to be employed for the purposes of any of the activities aforesaid, and the efficiency of equipment and methods to be used therefor, including the provision by the Board themselves, and their assisting the provision by others, of facilities for training, education and research.

(3) The Board shall have power to do any thing and to enter into any transaction (whether or not involving the expenditure, borrowing or lending of money, the acquisition of any property or rights, or the disposal of any property or rights not in their opinion required for the proper discharge of their functions) which in their opinion is calculated to facilitate the performance of their duties under subsection (1) of this section or the carrying on by them of any such activities as aforesaid, or is incidental or conducive thereto.

(4) The Board shall exercise and perform their functions in such manner as they think best for securing, consistently with the proper discharge of the duties imposed on them by subsection (1) of this section, —

(a) the safety, health and welfare of persons in their employment;

(b) that the revenues of the Board shall be sufficient to meet all their outgoings properly chargeable to revenue account.

Constitution of the Board.

2.—(1) The Board shall be a body corporate by the name of “the National Coal Board”, with perpetual succession and a common seal and power to hold land without licence in mortmain.

(2) The Board shall consist of a Chairman and eight other members.

(3) The Chairman and other members of the Board shall be appointed by the Minister of Fuel and Power (in this Act referred to as “the Minister”) from amongst persons appearing to him
to be qualified as having had experience of, and having shown capacity in, industrial, commercial or financial matters, applied science administration, or the organisation of workers.

(4) The Minister shall appoint one of the members of the Board to act as deputy Chairman.

(5) There shall be paid to the members of the Board such salaries and allowances as may be determined by the Minister with the approval of the Treasury, and, on the retirement or death of any of them as to whom it may be so determined to make such provision, such pensions and gratuities to them or to others by reference to their service as may be so determined, and the salaries and allowances, and any pensions and gratuities, to be so paid shall be paid out of the revenues of the Board.

(6) The Minister may make regulations with respect to—

(a) the appointment of, and the tenure and vacation of office by, the members of the Board;
(b) the quorum, proceedings and meetings of the Board, and determinations of the Board; and
(c) the execution of instruments and the mode of entering into contracts by and on behalf of the Board, and the proof of documents purporting to be executed, issued or signed by the Board or a member, officer or servant thereof.

(7) Subject to the provisions of any regulations made under the last preceding subsection the Board shall have power to regulate their own procedure.

3.—(1) The Minister may give to the Board directions of a general character as to the exercise and performance by the Board of their functions in relation to matters appearing to the Minister to affect the national interest, and the Board shall give effect to any such directions.

(2) In the exercise and performance of their functions as to training, education and research the Board shall act on lines settled from time to time with the approval of the Minister.

(3) The Board shall afford to the Minister facilities for obtaining information with respect to the property and activities of the Board, and shall furnish him with returns, accounts and other information with respect thereto and afford to him facilities for the verification of information furnished, in such manner and at such times as he may require.

4.—(1) There shall be established for the purposes mentioned in this section two consumers’ councils, to be known respectively as the Industrial Consumers’ Council and the Domestic Consumers’ Council.
1. Each of the said councils shall consist of such number of persons as the Minister may think fit appointed by him to represent the Board and—

(a) in the case of the Industrial Consumers' Council, consumers of coal for industrial purposes;

(b) in the case of the Domestic Consumers' Council, consumers of coal for domestic and other non-industrial purposes, and persons engaged in organising or effecting the sale or supply of coal for those purposes.

2. The Industrial Consumers' Council shall be charged with the duties—

(a) of considering any matter affecting the sale or supply of coal for industrial purposes which is the subject of a representation made to them by consumers of coal for those purposes, or which appears to them to be a matter to which consideration ought to be given apart from any such representation, and, where action appears to them to be requisite as to any such matter, of notifying their conclusions to the Minister;

(b) of considering, and reporting to the Minister on, any such matter which may be referred to them by the Minister.

3. The Domestic Consumers' Council shall be charged with the like duties in relation to the sale or supply of coal for domestic and other non-industrial purposes.

4. The said consumers' councils shall be furnished by the Minister with such clerks, officials and staff as appear to him, with the concurrence of the Treasury as to numbers, to be requisite for the proper discharge of their functions, and the Minister shall pay to them such remuneration and allowances as he may with the approval of the Treasury determine.

5. Provision may be made by regulations for or in connection with any such matters in relation to the said consumers' councils as are mentioned in subsection (6) of section two of this Act in relation to the Board, and, subject to the provisions of the regulations, the said councils shall have power to regulate their own procedure.

Transfer of assets to the Board.

5.—(1) The assets described in Part I of the First Schedule to this Act shall vest in the Board, by virtue of this section and without further assurance, on such date as the Minister may by order appoint in that behalf (in this Act referred to as "the primary vesting date").

(2) The assets described in Part II of the First Schedule to this Act shall be subject to the following provision, that is to say,
the Board and the owner of any such assets shall each have the option to require that they shall vest in the Board, exercisable by notice in writing served on the other, and any such assets as to which that option is duly exercised shall vest in the Board as aforesaid, on the date of service of the notice if it is served on the first day of a month, or, if not, on the next first day of a month:

Provided that if the notice is served before the primary vesting date, the vesting shall be on that date.

(3) The assets described in Parts III and IV respectively of the First Schedule to this Act shall be subject to the like provision as is mentioned in the last preceding subsection, except that, if the party served (whether the owner or the Board) gives to the other a counter-notice in writing objecting, as respects all or any of the assets to which the original notice relates, to the vesting thereof in the Board, the question whether the assets as to which objection is so made or any of them are so to vest shall be determined by arbitration under this Act, and the date of vesting of such of them as under the arbitrator's award are so to vest shall be as it would have been if the original notice had been served on the date of the award.

(4) Regulations shall be made for prescribing periods within which notices exercising such options as aforesaid, and counter-notices of objection, must be served, and different periods may be prescribed as to the service thereof in different circumstances or as to assets of different kinds.

(5) The vesting of any assets by virtue of this section shall take effect free from any charge or lien for securing money or money's worth to which they are subject.

(6) The Minister may by regulations make such provision supplementary to or consequential on the provisions of this section and of the First Schedule to this Act as appears to him to be necessary or expedient, and in particular, but without prejudice to the generality of this subsection, provision may be made by regulations made thereunder—

(a) for designating easements and other property and rights that are to vest in the Board, or be treated as having vested in them, with any of the assets vesting in them by virtue of this section;

(b) for designating easements and other restrictions, rights and liabilities subject to which any of the said assets are to vest in the Board, or are to be treated as having vested in them;

(c) for apportionments and indemnities consequent on the severance of leasehold interests, or of interests held
subject to leases, by reason of the vesting provided for by this section;

(d) for the registration of the title of the Board to assets vesting in them by virtue of this section of a kind subject to provisions for the registration of title thereto;

(e) for vesting in the Board the property in and the right to possession of documents of such kinds relating to the title to, or to the management of, things interests in which vest in the Board by virtue of this section, as may be specified in the regulations, for conferring on the Board the right to production of any other such documents as aforesaid as may be so specified, and for requiring persons having possession or control of any such documents as aforesaid to furnish in writing, to such person or authority within such time as may be specified in the regulations, such information with respect to the documents as may be so specified;

(f) for the modification of provisions of the Coal Act, 1938, which may be necessary or expedient in consequence of the vesting in the Board by virtue of this section of assets previously in the ownership of the Coal Commission.

6.—(1) Subject to the provisions of this section, contracts such as are mentioned in the Second Schedule to this Act shall have effect in favour of and against the Board as therein mentioned and to the extent therein mentioned.

(2) If the Board are of opinion, in the case of any contract as to which the provisions of the Second Schedule to this Act would have effect apart from this provision, either—

(a) in the case of a contract providing for the rendering of personal services which was entered into on or after the first day of August, nineteen hundred and forty-five, or which has been varied after that date as respects that provision or as respects consideration to be given under the contract attributable to that provision, that it is inexpedient that the provisions of the Second Schedule to this Act should have effect as to the contract, or

(b) in the case of any other contract, that the Board ought not to be subject to liabilities thereunder, on the ground that the contract was not reasonably necessary in the ordinary course of the activities to which it relates or that it was entered into with unreasonable want of prudence,

they may, at any time within twelve months from the date as from which the Board would be subject to liabilities thereunder
apart from this provision, serve notice to the effect that they are
of that opinion on each of the parties to the contract, and if the
Board serve such a notice, the provisions of the Second Schedule
to this Act shall not have effect as to the contract (except as
regards rights and liabilities accrued thereunder before the date
date of service of the notice):

Provided that, in the case of a contract other than such a
contract for the rendering of personal services as aforesaid, any
of the parties thereto may, within the prescribed period from the
date of service of the notice, refer the matter to arbitration under
this Act, and, if it is so referred, the arbitrator shall consider
whether or not the contract was reasonably necessary as aforesaid,
or was entered into as aforesaid, and shall determine whether,
and to what extent, the said provisions are to have effect as to
the contract.

7.—(1) On the primary vesting date the rights and powers
vested in the Coal Commission by section fifteen of the Coal Act, 1938
(which relates to the use as therein mentioned of underground
land) shall vest in the Board by virtue of this section and without
further assurance, and accordingly, as from that date references
in that section to the Coal Commission shall be construed as
references to the Board.

(2) The Board shall be entitled to use, in any manner requisite
for enabling them to exercise or perform any of their functions,
any land in which an interest subsists which the Board have for
the time being an option to require to be vested in them, subject
to an obligation on the Board to pay proper compensation, of an
amount to be determined in case of difference by arbitration
under this Act, for such use and for any damage sustained in
consequence of such use by the owner of any interest in the land
used which is not subsequently vested in the Board pursuant to
the exercise of such an option.

8. Any question arising between the Board and any other
person—

(a) as to what is or is not included in the assets described in
the First Schedule to this Act or in any Part thereof, or
otherwise as to the construction or effect, so far as
regards the vesting of assets, property or rights in the
Board, of section five of this Act of regulations made
thereunder, or of that Schedule, or

(b) as to whether a contract is such a contract as is mentioned
in the Second Schedule to this Act, or otherwise as to
the construction or effect of that Schedule,

shall be determined by arbitration under this Act.
Compensation for transfer of assets.

9.—(1) Compensation shall be made as hereinafter provided in respect of the transfer to the Board of the assets, property and rights (other than of the Coal Commission) that vest or are treated as having vested in them by virtue of section five of this Act or of regulations made thereunder, and of contractual rights and liabilities so far as transferred to the Board by virtue of section six of this Act (all of which assets, rights and liabilities are in this Act referred to as "the transferred interests").

(2) The compensation to be so made shall be ascertained separately as hereinafter provided in respect of—

(a) the value of the transferred interests so far as determined as hereinafter provided to be attributable to their usefulness for activities relevant to district wages ascertainment, that is to say, activities the proceeds and costs whereof would have fallen to be taken into account on making the periodical ascertainment of the results of the coal industry in accordance with which the wages of mineworkers have been regulated under agreements in that behalf entered into between colliery owners and mineworkers (in this Act referred to as the "coal industry value" of the transferred interests);

(b) the value thereof so far as not falling within the preceding paragraph (in this Act referred to as their "value for allied activities").

(3) The aggregate amount of the compensation to be made in respect of the coal industry value of all the transferred interests shall be a sum fixed by the finding of a tribunal constituted as specified in Part I of the Third Schedule to this Act on the terms of reference set out in Part II of that Schedule [, supplemented, in respect of the coal industry value of certain of those assets not covered by the said terms, so as to treat the said sum so fixed as representing ninety-seven per cent. of the aggregate amount of the compensation to be made].

(4) The said sum [, as so supplemented,] shall be apportioned as hereinafter provided as between the districts that are to be valuation districts for the purposes of this Act.

(5) The transferred interests shall be dealt with for the purposes of compensation in units constituted as hereinafter provided (in this Act referred to as "compensation units"), each of which shall be allocated as hereinafter provided to one of the valuation districts, and the amount of the compensation to be made in respect of a compensation unit which is allocated to any valuation district shall be the aggregate of—

(a) an amount bearing the same proportion to what is certified as hereinafter provided to be the coal industry
value of that unit as the amount apportioned to that
district under subsection (4) of this section bears to the
aggregate of what is so certified to be the coal industry
values of all compensation units allocated to that district
in respect of which compensation is to be made; and
(b) an amount equal to what is certified as hereinafter
provided to be the value for allied activities of that unit.

(6) [Additional compensation for severance of composite
undertakings.]

10.—(1) Apart from the compensation to be made under the
Refund of
last preceding section, but subject to such adjustment as is
capital outlay
mentioned in the proviso to subsection (3) of section thirteen of
made since
this Act, the Minister shall make a payment (in this Act referred to
1st August,
as a "capital outlay refund") in a case in which the transferred
1945.
interests of a colliery concern include an interest in any thing
mentioned in the First Schedule to this Act for the provision or
improvement of which expense on capital account has been
incurred by that concern at any time between the first day of
August, nineteen hundred and forty-five, and the date of the
vesting of that interest in the Board.

In this subsection expense on capital account means expense
not allowable as a deduction in computing the profits or gains of
the concern for the purposes of the Income Tax Acts.

(2) A capital outlay refund to be paid in respect of any expense
incurred as aforesaid shall be of an amount equal to that expense,
and shall be payable out of moneys provided by Parliament
to the colliery concern by which that expense was incurred,
with interest thereon at the rate of [three per cent, per annum]
from the date on which the interest in question vests in the
Board:

Provided that, if the interest that vests in the Board is an
interest in part only of the thing for the provision or improvement
of which the expense was incurred, the refund shall be of an
amount equal to so much of that expense as was attributable to
that part.

(3) Any question arising between the Minister and a colliery
concern whether expense was incurred by that concern as
mentioned in subsection (1) of this section, as to the amount of
any expense so incurred, or how much of it was attributable as
mentioned in the proviso to the last preceding subsection, shall
be determined by arbitration under this Act.

11.—(1) The Minister shall determine the districts that are
Allocation of
to be valuation districts for the purposes of this Act. The said
districts shall be districts corresponding in general with those

A.D. 1945.

for which district wages ascertainedments were made as respects the period comprising the month of June, nineteen hundred and thirty-nine, and shall be shown on a map to be kept available by the Minister for public inspection in accordance with regulations during usual business hours:

Provided that, if it appears to the Minister to be convenient for valuation purposes to divide any district for which such ascertainedments were so made, he may constitute two or more valuation districts to correspond with that district.

(2) Regulations shall be made for ascertaining, verifying and recording particulars of transferred interests and of matters relevant to the valuation thereof.

(3) The Minister shall constitute compensation units so as to include in some such unit every transferred interest, and shall allocate each such unit to one or other of the valuation districts:

Provided that regulations made under the last preceding subsection may render the inclusion of a transferred interest in such a unit conditional on due and punctual compliance with provisions of the regulations.

(4) In determining how transferred interests are to be dealt with as regards their arrangement in compensation units, and to what valuation district each compensation unit is to be allocated, the Minister shall, so far as may be practicable consistently with the arrangement of such interests in units convenient for valuation and with meeting special circumstances affecting particular assets,—

(a) treat as the normal compensation unit to be allocated to any district a unit comprising all transferred interests of a particular colliery concern in buildings, works and other land and fixed machinery and plant situated in that district; and

(b) normally include in a single unit assets whose value would or might be affected by severance.

(5) The Minister shall also determine, as to each transferred interest, whether its value is attributable in whole or in part to usefulness for activities relevant to district wages ascertainedment, and, if in part, to what extent:

Provided that provision shall be made by regulations for objection to the Minister's determination of any question under this subsection, and, if objection is duly made, for the determination of the question by two accountants being members respectively of firms of independent accountants which have acted for colliery owners and mineworkers respectively on district wages ascertainedments, or, failing an early determination by agreement of the accountants, for determination of the question by arbitration under this Act.
(6) Determinations under the last preceding subsection as to transferred interests included in compensation units allocated to any district shall be made by reference to the practice observed in making district wages ascertainment for the district corresponding with that valuation district as respects the period comprising the month of June, nineteen hundred and thirty-nine, and, in the case of a determination as to an interest of a colliery concern dealt with in making those ascertainment, to the practice observed as respects activities of that concern:

[Provided that, as respects transferred interests in movable property within the meaning of the First Schedule to this Act or in stores of materials or of timber or other supplies, provision may be made by regulations for the application of this subsection subject to such modifications as may be prescribed.]

(7) Notwithstanding anything in the last preceding subsection, a transferred interest consisting of an interest arising under a freeholder's lease within the meaning of section four of the Coal Act, 1943, granted under that section at a peppercorn rent, shall be treated for the purposes of this Act as if the value thereof had not been to any extent attributable to usefulness for activities relevant to district wages ascertainment.

12.—(1) The apportionment required by section nine of this Act as between valuation districts of the aggregate amount of the compensation to be made in respect of the coal industry value of all the transferred interests shall be made by the Central Valuation Board to be constituted under this section after consultation with such associations or persons as may be prescribed, in accordance with an estimate to be made by them, after consultation as aforesaid, of the proportion which the coal industry value of transferred interests included in compensation units allocated to any such district bears to the coal industry value of all the transferred interests.

(2) The Central Valuation Board shall certify the amount apportioned by them to each valuation district, and section three of the Rules Publication Act, 1893, shall apply to the certificate as it applies to statutory rules.

(3) Compensation units allocated to the several districts shall be valued by District Valuation Boards, subject to provision to be made by regulations for review of the valuations of those Boards by referees in such cases and in accordance with such provisions as may be prescribed.

(4) A Central Valuation Board, and such number of District Valuation Boards as appear to the Minister to be required, and a panel of persons to act as referees for the purpose of such review as aforesaid, shall be constituted in accordance with
Determination of values for compensation purposes.

The regulations may make provision for or in connection with any matters as are mentioned in subsection (6) of section two of this Act and also for or in connection with the dissolution of the said Boards and panel on the completion of their duties.

(5) The Minister shall by regulations assign to the jurisdiction of each District Valuation Board one or more valuation districts, and the valuation of all compensation units allocated to any such district shall be done by the Board to whose jurisdiction that district is assigned.

(6) The Minister shall pay—

(a) to the members, and to the clerks, officers and other members of the staff, of the Central Valuation Board, of a District Valuation Board, and of the said panel, and to accountants employed for the purpose of determinations under subsection (5) of section eleven of this Act, such remuneration (whether by way of salaries or by way of fees), and such allowances, as the Minister with the approval of the Treasury may determine; and

(b) such expenses incurred by the Central Valuation Board, a District Valuation Board or a referee appointed for the purposes of this section (including costs awarded by virtue of paragraph (6) of section fourteen of this Act) as the Minister, with the approval of the Treasury, may determine.

13.—(1) As soon as may be after a compensation unit has been allocated to a valuation district, and it has been determined under section eleven of this Act whether and to what extent the value of each transferred interest included therein is attributable to usefulness for activities relevant to district wages ascertainments, the District Valuation Board for the district shall determine the value of the unit and determine how much of that value is coal industry value and how much of it is value for allied activities.

(2) For the purposes of the District Valuation Board's determinations and of any review thereof by a referee, particulars of the transferred interests included in the compensation unit as ascertained by the Minister shall be transmitted to the District Valuation Board, and those particulars shall be presumed conclusively to be correct, subject only to any provision for rectification thereof which may be made by regulations.

(3) For the purposes aforesaid the value of a compensation unit shall be taken to be the amount which it might have been expected to realise if this Act had not been passed and it had been
sold on the primary vesting date in the open market by a willing seller to a willing buyer:

Provided that, in the case of a unit which includes a transferred interest by reference to which a capital outlay refund is payable, the value of the unit shall be taken to be the amount aforesaid less so much of that amount as is attributable to the expense that is the subject of the refund.

(4) For the purposes aforesaid the separation of the value of a compensation unit as between its coal industry value and its value for allied activities shall be made by reference to the determinations of the Minister or of the accountants or arbitrator under subsection (5) of section eleven of this Act; and, if the unit includes two or more transferred interests, to the extent to which the value of the unit appears to the Board to be attributable to those interests respectively.

(5) For the purposes aforesaid regard shall be had to the state of the things in which the transferred interests included in a compensation unit subsisted at the date of the vesting of those interests by virtue of this Act, to all relevant facts known at the time of the determination or review which were in existence at the time of the sale of the unit to be assumed under subsection (3) of this section notwithstanding that any of them would not have been known at that time, and, as respects prospects of utilisation of things in which the transferred interests subsisted, to competition from utilisation of other things, and no allowance shall be made on account of the vesting of transferred interests being compulsory.

(6) The sale of a compensation unit to be assumed under subsection (3) of this section shall be a sale thereof—

(a) with all property and rights which, by virtue of regulations made under section five of this Act, are to vest in the Board with the transferred interests included in the unit;

(b) free from any charge or lien for securing money or money's worth;

(c) subject to all matters subject to which, by virtue of regulations made as aforesaid, the transferred interests included in the unit are to vest in the Board.

(7) The determinations of District Valuation Boards, as made by them, or, if altered on review, as so altered, shall be certified by those Boards to the Minister in accordance with regulations.

14. Provision may be made by regulations generally for giving effect to the provisions of this Act as to dealing with transferred interests for the purpose of compensation and the determination machinery.
of the amounts of compensation to be made, and the regulations may in particular make provision——

(a) as to the procedure for determining any questions of fact or of law, and as to evidence for that purpose;

(b) for providing, where a determination has become conclusive for the purpose of compensation, whether on a question expressly raised or by virtue of the recording of particulars or otherwise, against the subsequent assertion of claims adverse to the Board which are inconsistent with the determination;

(c) for regulating (otherwise than in relation to any court proceedings for the determination of questions) any matters relating to the practice and procedure to be followed in connection with the making of determinations by District Valuation Boards, reviews thereof by referees, or the determination of questions, including provision as to parties and their representation and provision for the right to appear and be heard (as well in court proceedings as otherwise) of the Minister, District Valuation Boards, referees, or other authorities, and as to awarding costs, determining the amount thereof and the enforcement of awards thereof;

(d) for the use, for the purposes of any proceedings to which they are parties, of the official name of a District Valuation Board, and for enabling any such proceedings to be begun or carried on notwithstanding any change or vacancy in their membership;

(e) for rendering the right to compensation in respect of any compensation unit conditional on due and punctual compliance with provisions of the regulations;

(f) for the mode of selection of a referee from the panel for the purposes of any particular review, and for giving effect to decisions of referees;

(g) for the certification to the Minister, and notification to persons concerned, of determinations of the values of compensation units:

Provided that, before making regulations as to the practice and procedure of District Valuation Boards, the Minister shall consult the Central Valuation Board.

Payment of costs of compensation proceedings.

15.—(1) Provision shall be made by regulations for the payment by the Minister, subject to such conditions and limitations as may be prescribed, of costs incurred in, or in connection with, the ascertainment for compensation purposes of particulars of transferred interests and their arrangement in compensation units,
the allocation of such units to compensation districts, the valuation of such units, and the claiming of compensation and the satisfaction thereof.

(2) The provision to be made under this section shall include provision for settling the amounts of the costs to be paid, and for determining questions arising in giving effect to the regulations.

(3) Notwithstanding anything in this section, regulations made under the last preceding section may contain provision imposing liability for payment of costs on persons other than the Minister.

(4) Provision may be made by regulations as to costs remaining payable to or by a District Valuation Board at its dissolution.

16.—(1) When the District Valuation Board for any valuation district have sent to the Minister certificates stated by them to cover all compensation units allocated to that district in respect of which compensation is to be made and which have any coal industry value, the Minister shall publish in one or more newspapers circulating in the district a notice to the effect that the certification for that district has been completed, and the notice shall specify a place where the certificates relating to the district sent to him before the date of the publication of the notice may be seen at all reasonable hours by any person claiming to be concerned.

(2) Subject to the subsequent provisions of this section, as from the expiration of six weeks from the date of publication mentioned in the preceding subsection of the notice therein mentioned as to any valuation district,—

(a) the compensation units covered by the certificates relating to that district sent to the Minister before that date shall be deemed for the purposes of subsection (5) of section nine of this Act to be all the compensation units allocated to that district in respect of which compensation is to be made and which have any coal industry value; and

(b) the amounts specified in those certificates respectively shall be deemed for those purposes to have been properly determined and certified;

and the propriety of satisfaction on the basis of those certificates of the compensation required by virtue of paragraph (a) of the said subsection (5) to be made in respect of compensation units allocated to that district shall not be questioned by prohibition or certiorari or in any other legal proceedings whatsoever.

(3) If, within six weeks from the date of publication as mentioned in subsection (1) of this section of the notice therein
of the amounts of compensation to be made, and the regulation may in particular make provision—

(a) as to the procedure for determining any questions of fact or of law, and as to evidence for that purpose;

(b) for providing, where a determination has become conclusive for the purpose of compensation, whether of a question expressly raised or by virtue of the record of particulars or otherwise, against the subsequent assertion of claims adverse to the Board which are inconsistent with the determination;

(c) for regulating (otherwise than in relation to any court proceedings for the determination of questions) matters relating to the practice and procedure to be followed in connection with the making of determination by District Valuation Boards, reviews thereof by referees, or the determination of questions, including provision as to parties and their representation and provision for the right to appear and be heard (as we in court proceedings as otherwise) of the Minister, District Valuation Boards, referees, or other authorities and as to awarding costs, determining the amount thereof and the enforcement of awards thereof;

(d) for the use, for the purposes of any proceedings in which they are parties, of the official name of a District Valuation Board, and for enabling any such proceeding to be begun or carried on notwithstanding any change or vacancy in their membership;

(e) for rendering the right to compensation in respect of any compensation unit conditional on due and punctual compliance with provisions of the regulations;

(f) for the mode of selection of a referee from the panel for the purposes of any particular review, and for giving effect to decisions of referees;

(g) for the certification to the Minister, and notification to persons concerned, of determinations of the values of compensation units:

Provided that, before making regulations as to the practice and procedure of District Valuation Boards, the Minister shall consult the Central Valuation Board.

Payment of costs of compensation proceedings.

15.—(1) Provision shall be made by regulations for the payment by the Minister, subject to such conditions and limitations as may be prescribed, of costs incurred in, or in connection with, the ascertainment for compensation purposes of particulars transferred interests and their arrangement in compensation units.
the allocation of such units to compensation districts, the valuation of such units, and the claiming of compensation and the satisfaction thereof.

(2) The provision to be made under this section shall include provision for settling the amounts of the costs to be paid, and for determining questions arising in giving effect to the regulations.

(3) Notwithstanding anything in this section, regulations made under the last preceding section may contain provision imposing liability for payment of costs on persons other than the Minister.

(4) Provision may be made by regulations as to costs remaining payable to or by a District Valuation Board at its dissolution.

16.—(1) When the District Valuation Board for any valuation district have sent to the Minister certificates stated by them to cover all compensation units allocated to that district in respect of which compensation is to be made and which have any coal industry value, the Minister shall publish in one or more newspapers circulating in the district a notice to the effect that the certification for that district has been completed, and the notice shall specify a place where the certificates relating to the district sent to him before the date of the publication of the notice may be seen at all reasonable hours by any person claiming to be concerned.

(2) Subject to the subsequent provisions of this section, as from the expiration of six weeks from the date of publication as mentioned in the preceding subsection of the notice therein mentioned as to any valuation district,—

(a) the compensation units covered by the certificates relating to that district sent to the Minister before that date shall be deemed for the purposes of subsection (5) of section nine of this Act to be all the compensation units allocated to that district in respect of which compensation is to be made and which have any coal industry value; and

(b) the amounts specified in those certificates respectively shall be deemed for those purposes to have been properly determined and certified;

and the propriety of satisfaction on the basis of those certificates of the compensation required by virtue of paragraph (a) of the said subsection (5) to be made in respect of compensation units allocated to that district shall not be questioned by prohibition or certiorari or in any other legal proceedings whatsoever.

(3) If, within six weeks from the date of publication as mentioned in subsection (1) of this section of the notice therein
mentioned as to any valuation district, any person makes an application to the High Court complaining, on the ground that any requirement of this Act or of regulations made thereunder has not been complied with, either—

(a) of there being, in the case of some compensation unit allocated to that district, no certificate covering it amongst the certificates sent to the Minister before the said date; or

(b) of any irregularity as to matters affecting the determination or certification of an amount specified in a certificate covering a compensation unit allocated to that district which has been sent to the Minister before the said date;

the Court may make any such interim order as appears to the Court to be requisite, and, if satisfied upon the hearing of the application that the interests of the applicant have been substantially prejudiced by reason of any requirement of this Act or of regulations made thereunder not having been complied with, may give any such directions as appear to the Court to be requisite for remedying the matter complained of and enabling the giving of a valid certificate as to any compensation unit in respect of which compensation ought to be made.

(4) No legal proceedings shall be taken to remedy any alleged non-compliance with any requirement of this Act, or of regulations made thereunder—

(a) as to the inclusion of a transferred interest in some compensation unit, or

(b) as to allocating a compensation unit to some valuation district,

unless the proceedings are commenced before such date as may be prescribed in that behalf for the purpose of enabling the determination of all the compensation units having a value for colliery activities which ought to be allocated to any compensation district to be completed in time to prevent any delay in completing the certification of the values of such units for that district.
Financial Provisions [To be re-written].

17.—(1) The obligation to make compensation under section nine of this Act shall be satisfied by the issue as hereinafter provided of stock the principal whereof and the interest whereon is charged on the Consolidated Fund.

(2) In this Act the expression "stock issued for compensation" means any amount of such stock as aforesaid issued in satisfaction of compensation to be made under section nine of this Act, whether in satisfaction of the whole of the compensation to be made in respect of any compensation unit or of a part thereof.

(3) Stock issued for compensation shall be of a value equal on the date of issue thereof to the amount of the compensation in satisfaction of which the issue is made.

(4) Compensation to be made under section nine of this Act shall be due on [ ], subject to ascertainment of the amount thereof, and accordingly interest on stock issued for compensation shall begin to accrue on [ ], but such interest shall when paid be treated for the purposes of the Income Tax Acts as if it had been paid on each interest date occurring after the primary vesting date:

Provided that, in the application of this subsection to a unit which consists only of transferred interests vested by virtue of the exercise of an option, or of the benefit of a contract to which the Second Schedule to this Act applies by virtue of the exercise of an option, or of both, references to the relevant option notice date, or to the first if more than one, shall be substituted for references to the primary vesting date.

(5) Part satisfaction of compensation before ascertainment of the amount thereof.

(6) Stock issued for compensation shall be issued and disposed of as follows, that is to say,—

[ ]

18.—(1) Subject to the provisions of this section, the Board may borrow money for the purpose of meeting any expenses incurred or to be incurred by them in the discharge of any of their functions.

(2) The power of the Board to borrow shall be exercisable subject to such conditions as the Minister, with the consent of the Treasury, may from time to time impose.

(3) The Board shall keep the Minister informed of their proposals as to measures to be taken by them from time to time for the reorganisation of the coal industry, or for other purposes involving substantial outlay on capital account, and as to the
manner in which the expenses of carrying out those measures should be met.

(4) The Board shall not borrow otherwise than from the Treasury, except in the case of a temporary borrowing from bankers or otherwise for the purpose of meeting expenses intended to be met out of a loan from the Treasury or out of revenue.

19.—(1) For the purposes of borrowings from them by the Board the Treasury may issue out of the Consolidated Fund sums not exceeding in the aggregate—

(a) in the case of sums issued at any time within five years from the commencement of this Act, one hundred and fifty million pounds [the difference between four hundred million pounds and the aggregate amount of the compensation to be made under section nine of this Act]

(b) in the case of sums issued during any subsequent period, such amount as Parliament may hereafter determine.

(2) For the purpose of providing sums to be issued under this section the Treasury may at any time, if they think fit, raise money in any manner in which they are authorised to raise money under the National Loans Act, 1939, and any securities created and issued to raise money under this subsection shall be deemed for all purposes to have been created and issued under that Act.

20.—(1) The Board shall make to the Minister, at such times and in such manner as the Treasury may direct,—

(a) payments to a sinking fund or funds to be formed to provide the sums required for the redemption of stock issued for compensation, and payments to provide the sums required for payment of the interest on stock so issued, of such amounts respectively as the Treasury may direct; and

(b) payments to a sinking fund or funds to be formed to provide for the repayment of sums issued out of the Consolidated Fund under the last preceding section, of such amounts as the Treasury may direct, and payments of interest on sums so issued, at such rate as the Treasury may direct.

(2) Sums received by the Minister under this section shall be paid into the Exchequer, and shall be issued out of the Consolidated Fund at such times as the Treasury may direct, and shall be applied by the Treasury as follows, that is to say,—

(a) so much thereof as represents principal shall be applied in redeeming or paying off debt of such description as the Treasury think fit;

(b) so much thereof as represents interest shall be applied to the payment of interest which would, apart from this provision, have fallen to be paid out of the permanent annual charge for the National Debt.
(3) The Minister shall lay before the Commons House of Parliament a statement of any payments due from the Board under this section which are not duly paid to him as required thereunder.

(4) The Board shall make such provision for the establishment of reserve funds, for the carrying of sums out of their revenues to the credit of any such funds, and for the management and application of any such funds, as the Minister may direct.

(5) Any excess of the Board's revenues for any financial year of the Board over their liabilities properly chargeable to revenue account for that year shall be applied by the Board in such manner as the Minister may direct.

21.—(1) Section forty-seven of the Finance Act, 1942 (which empowers the Treasury to make regulations as respects the transfer and registration of stock and registered bonds of the descriptions specified in Part I of the Eleventh Schedule to that Act), and any regulations made under that section which are in force immediately before the primary vesting date, shall have effect as if stock issued for compensation were included among the stocks mentioned in the said Part I and among the stocks to which the said regulations apply.

(2) Paragraphs 3, 4 and 5 of the Second Schedule to the National Loans Act, 1939 (which applies certain enactments to securities issued under that Act) shall have effect as if references to securities issued under that Act included references to stock issued for compensation.

22.—(1) The Board shall prepare accounts of their transactions in respect of the period between the date of the passing of this Act and the thirty-first day of March, nineteen hundred and forty-seven, and of each subsequent period of twelve months (each of which periods shall be deemed to be a financial year of the Board), in such form and manner as the Minister, with the approval of the Treasury, may direct, and shall transmit the accounts to the Minister at such time as he may, with the approval of the Treasury, direct.

(2) The Minister shall, on or before the thirtieth day of November in each year transmit to the Comptroller and Auditor General the accounts prepared by the Board under the preceding subsection for their financial year last ended, and the Comptroller and Auditor General shall examine and certify them and lay copies thereof, together with his report thereon, before both Houses of Parliament.

23. Nothing in this Act shall be deemed to exempt the Board from liability for any tax, duty, rate, levy, or other charge whatsoever, whether general or local.
Savings as to certain coal.

24.—(1) Paragraph (a) of subsection (1) of section one of this Act shall not render unlawful the digging or carrying away of coal that is necessary to be dug or carried away in the course of activities other than colliery activities, and any such coal, and any mine of coal within the meaning of the First Schedule to this Act used immediately before the primary vesting date exclusively or mainly in the course of such other activities, shall be excepted from the vesting provided for by section five of this Act.

(2) A licence may be granted by the Board, either unconditionally or subject to any conditions specified in the licence, and either irrevocably or subject to revocation as therein specified, for the working and getting of—

(a) coal comprised in a mine within the meaning of the Coal Mines Act, 1911, with respect to which the Board are satisfied that the number of persons to be employed therein below ground is at no time likely to exceed, or greatly to exceed, thirty; or

(b) coal present amongst other minerals that appears to the Board to be of so small value that the working thereof is unlikely to be undertaken otherwise than as ancillary to the working of those other minerals;

and paragraph (a) of subsection (1) of section one of this Act shall not render unlawful any working or getting of coal for which a licence is in force under this subsection in accordance with the terms of the licence.

(3) A licence under the last preceding subsection may be granted either generally or with effect only as to working and getting by a particular person or as to particular coal or subject to other limitations, and the conditions which may be specified in such a licence may include (without prejudice to the generality of the power to impose conditions conferred by that subsection) conditions requiring the rendering of a payment in the nature of rent and conditions for controlling the sale or supply of coal gotten, as respects price, the person to whom it may be sold or applied, or other matters.

(4) Nothing in paragraph (a) of subsection (1) of section one of this Act shall affect any power exercisable by a competent authority by virtue of Regulation fifty-one of the Defence (General) Regulations, 1939.

25. Regulations may be made for all or any of the following purposes relating to pensions, gratuities and other like benefits, that is to say,—

(a) for providing for such benefits in favour of persons who have been in the Board’s employment, or in favour of
other persons by reference to the employment under the Board of persons who have been in their employment, and for the establishment and administration of schemes and funds for that purpose;

(b) in the case of persons who have been in the Board’s employment after having been employed by colliery concerns, the Coal Commission, bodies administering schemes under Part I of the Coal Mines Act, 1930, persons appointed under any such scheme as selling agents, committees constituted by drainage schemes under section eighteen of the Mining Industry Act, 1920, persons maintaining central rescue stations established in pursuance of regulations under the Coal Mines Act, 1920, or others, in circumstances in which those persons, or others by reference to their employment, had a right to, or expectation of, such benefits, or would have had such a right or expectation if those persons had continued to be employed as aforesaid, for securing in favour of those persons or those others the same or substituted benefits or other rights in lieu thereof;

(c) for the like purposes as are mentioned in the last preceding paragraph in the case of persons who had been employed as aforesaid in connection with any such activities as are mentioned in the First Schedule to this Act before the transfer to the Board of those activities, where those persons, or others by reference to their employment, have been in the enjoyment of such benefits;

(d) for amending or revoking schemes, trust deeds or other instruments or arrangements relating to the provision of such benefits in favour of any such persons as aforesaid, and for transferring in whole or in part, or winding-up, funds held for the purposes of any such instruments or arrangements.

26.—(1) As respects any action, prosecution, or other proceeding against the Board or a servant or agent of theirs for any act done in pursuance, or execution, or intended execution of any Act of Parliament, or of any public duty or authority, or in respect of any neglect or default in the execution of any such Act, duty or authority, the following provisions shall have effect, that is to say,—

(a) the action, prosecution, or proceeding shall not be brought, lie or be instituted unless it is commenced, if it is other than a criminal proceeding, within twelve months, or if it is a criminal proceeding, within six months, next after the act, neglect, or default complained of, or, when the act, neglect or default is a continuing one, next after it has ceased;
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(b) wherever in any such action a judgment is obtained by the defendant, it shall carry costs to be taxed as between solicitor and client;

c) where the proceeding is an action for damages, tender of amends before the action was commenced may, in lieu of or in addition to any other plea, be pleaded; and if the action was commenced after the tender, or is proceeded with after payment into court of any money in satisfaction of the plaintiff's claim, and the plaintiff does not recover more than the sum tendered or paid, he shall not recover any costs incurred after the tender or payment, and the defendant shall be entitled to costs, to be taxed as between solicitor and client, as from the time of the tender or payment, but this provision shall not affect costs on any injunction in the action;

d) if, in the opinion of the court, the plaintiff has not given the defendant a sufficient opportunity of tendering amends before the commencement of the proceeding, the court may award to the defendant costs to be taxed as between solicitor and client.

(2) So much of any public general Act as enacts, as respects any proceedings, that—

(a) the proceeding is to be commenced in any particular place; or

(b) the proceeding is to be commenced within any particular time; or

(c) notice of action is to be given; or

(d) the defendant is to be entitled to any particular kind or amount of costs, or the plaintiff is to be deprived of costs in any specified event;

shall not apply as respects any proceedings to which the proceeding subsection applies.

(3) No right adverse to the title of the Board to any coal or mine of coal shall be capable of being acquired under the Limitation Act, 1939.

27.—(1) On the primary vesting date there shall vest in the Board, by virtue of this subsection and without further assurance,—

(a) all interests of the Coal Commission in property of whatsoever kind not vested by virtue of section five of this Act; and

(b) the property in, and the right to possession of, all records and other documents the property in which and the
right to possession of which are vested in the Coal Commission by subsection (2) of section fourteen of the Coal Act, 1938:

Provided that paragraph (a) of this subsection shall not extend to—

(i) interests in cash, book-debts or other liquid assets; or
(ii) interests (other than interests in land) arising by virtue of a contract.

(2) Section six of, and the Second Schedule to, this Act shall apply to a contract which provides for the doing to or for the Coal Commission of any such thing as is mentioned in head (i), (ii) or (iii) of sub-paragraph (a) of paragraph 1 of that Schedule as they apply to the doing of such a thing to or for a colliery concern and as if the matter provision wherefor is made by the contract were specified in the said paragraph 1.

(3) On the primary vesting date there shall be transferred to the Board all the functions of the Coal Commission under the Coal Act, 1938, with respect to the payment of compensation in respect of holdings within the meaning of that Act and of costs incurred in connection with the payment and disposal of such compensation, and accordingly, as from that date, references to the Coal Commission in sections six, seven and thirty-nine of that Act and in Part IV of the Third Schedule thereto shall, so far only as may be necessary in consequence of the transfer of those functions, be construed as references to the Board.

(4) The Minister may by order dissolve the Coal Commission, and any such order may contain such incidental or supplemental provisions as appear to the Minister to be necessary or expedient in consequence of the dissolution.

28. On the primary vesting date section four of the Mining Industry Act, 1920, shall cease to have effect in so far as part of s. 4 of it requires the Minister to appoint a committee for the purpose of giving him advice and assistance on matters connected with his powers and duties under that Act relating to coal and the coal industry.

29.—(1) The Miners' Welfare Commission (in this section referred to as "the Commission") shall, instead of consisting of ten persons appointed by the Minister as provided by subsection (1) of section two of the Mining Industry (Welfare Fund) Act, 1939, consist of a chairman and nine other members appointed by the Minister, and all persons who hold office as members of the Commission at the commencement of this Act shall vacate office.

(2) If the Minister is satisfied that a member of the Commission is unable or unfit to discharge all or any of the functions
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of a member, the Minister may declare his office as a member of the Commission to be vacant and shall notify the fact in such manner as the Minister thinks fit, and thereupon his office shall become vacant.

(3) The power of the Commission, under sub-paragraph (ii) of paragraph (b) of subsection (4) of the said section two, to pay out of the Miners' Welfare Fund to the officers, agents and servants of the Commission salaries and remuneration, and, on the retirement or death of any of them, pensions and gratuities to them or their personal representatives or to their dependants, shall be exercised subject to the approval of the Minister.

(4) No sum shall be appropriated by the Commission under paragraph (b) of subsection (2) of section three of the Mining Industry (Welfare Fund) Act, 1934, for the purpose of promoting research into methods of improving the health and safety of workers in or about coal mines out of sums paid into the Miners' Welfare Fund under subsection (2) of section twenty of the Mining Industry Act, 1920, as respects the output of coal mines during the year nineteen hundred and forty-six or any subsequent year.

(5) The Commission shall have power to act as agent of the Board with respect to any matter relating to the health or welfare of workers employed by the Board notwithstanding any limitation or restriction imposed by the Mining Industry Acts, 1920 to 1943:

Provided that nothing in this subsection shall be construed as empowering the said Commission to appropriate sums standing to the credit of the Miners' Welfare Fund otherwise than in accordance with the provisions of the said Acts.

(6) The Minister may give to the Commission directions of a general character with respect to the discharge of their functions and the Commission shall give effect to any such directions.

(7) In this section the expression "Miners' Welfare Fund" means the fund constituted by subsection (1) of section twenty of the Mining Industry Act, 1920.

30.—(x) The trust declared by a deed executed on the nineteenth day of April, nineteen hundred and twenty-six, by Ernest Arthur Gowers, Permanent Under-Secretary for Mines, and Ernest Julian Foley, Senior Assistant Under-Secretary, both of the Mines Department of the Board of Trade, to apply the income of the Mining Research (Safety and Health) Endowment Fund in or towards defraying the expenses of and incidental to the work of research into the causes of mining dangers (including dangers to health) and the means for preventing such dangers carried on under the direction of the Safety in Mines Research Board, shall
be determined, all property subject to the trust and all property held by the trustees together with such property shall, by virtue of this subsection, vest in the Minister, and the Minister shall, at such times and in such manner as he thinks fit, apply the property so vesting, both as to the capital and the income thereof, for the purpose of promoting research into methods of securing the safety and health of workers in or about coal-mines.

(2) As respects an amount of stock of any description vested in the Minister by virtue of the preceding subsection, the Bank of England shall make, in the register relating to stock of that description kept by them under the Government Stock Regulations, 1941, such alterations as are requisite in consequence of the enactment of that subsection.

31.—(1) Section one of the Mines (Working Facilities and Support) Act, 1923, and subsection (1) of section thirteen of the Mining Industry Act, 1926 (which relate to the granting by the Railway and Canal Commission of rights to search for or work minerals), shall, on the primary vesting date, cease to have effect as respects coal:

Provided that this subsection shall not affect the power conferred on the Railway and Canal Commission by section eighteen of the Railway and Canal Traffic Act, 1888, to review and rescind or vary a working facilities order subsisting on the primary vesting date.

(2) As from the primary vesting date, no order shall be made under section two of the Mines (Working Facilities and Support) Act, 1923 (which relates to the granting of rights in the case of a failure or refusal of lessors of mines within the meaning of that Act to concur in an adjustment of boundaries) on the ground of any failure or refusal on the part of the Board.

(3) As from the primary vesting date, no application under subsection (2) of section thirteen of the Mining Industry Act, 1926 (which enables the Railway and Canal Commission to grant a right to work coal freed from restrictions contained in a mining lease within the meaning of the Mines (Working Facilities and Support) Act, 1923, or otherwise binding on the person entitled to work it, or to work coal on other terms and conditions) made otherwise than by the Board shall be referred by the Minister to the Railway and Canal Commission unless the Board have given notice in writing to the Minister that they have no power to grant the right or any of the rights for which the application is made.

(4) As from the primary vesting date, subsection (2) of section ten of the Mines (Working Facilities and Support) Act, 1923 (which requires the Minister and any other Government Depart-
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The Board not to be required to insure against workmen's compensation liabilities.

Right to inspection and copies of the Board's plans of working.

Winding-up of coal-selling schemes.

Payment of certain expenses of the Minister out of moneys provided by Parliament.

ment and the Coal Commission to give to the Railway and Canal Commission such assistance as that Commission may require for the purposes of their duties under Part I of that Act) shall have effect with the substitution, for the words “The Minister of Fuel and Power and any other Government Department and the Coal Commission,” of the words “The Minister of Fuel and Power and any other Government Department and the National Coal Board.”

(5) A right to search and bore for coal may be conferred on the Board under, and in accordance with the provisions of, Part I of the Mines (Working Facilities and Support) Act, 1923, and accordingly sections four, five, six and nine of that Act shall have effect as if references therein to working minerals (other than such references in subsection (2) of the said section five) included references to searching and boring for coal.

32. The provisions of the Fourth Schedule to this Act shall have effect with respect to the vesting in the Board of assets of bodies administering schemes under Part I of the Coal Mines Act, 1930, the making of compensation in respect of the vesting of such assets in the Board, the winding up of the affairs of those bodies and the consequential matters mentioned in that Schedule.

33. Section one of the Workmen's Compensation (Coal Mines) Act, 1934, (which prohibits the owner of a coal mine from employing workmen for the purposes of the undertaking carried on at that mine unless there is in force either a contract of insurance insuring him against all liability under the Workmen's Compensation Act, 1925, in respect of the employment of workmen by him or any other person for those purposes or a compensation trust for securing the discharge of all his liability as aforesaid) shall not apply to the Board.

34. Plans of workings of coal in the possession of the Board shall, during usual business hours, be open to the inspection of any person on payment of such fee, as may be prescribed, and any person shall, on payment of such fee as may be prescribed, be entitled to be furnished by the Board with a copy of, or of any part of, any such plan.

General.

35. There shall be paid out of moneys provided by Parliament any expenses incurred by the Minister in—

(a) the payment of costs which he is required to pay by virtue of section fifteen of this Act;

(b) defraying any expenses incurred by him with the consent of the Treasury in connection with reviews by referees of determinations of District Valuation Boards;
(c) the payment of any costs incurred by him of any proceedings under this Act in which he appears before a court, a District Valuation Board, a referee, an arbitrator, or accountants employed for the purposes of determinations under subsection (5) of section eleven of this Act.

36.—(1) No information relating to any individual business, being information which has been obtained by, or on behalf of, any person for the purposes of functions of his under this Act, shall, without the previous consent in writing of the owner for the time being of that business, be published or disclosed otherwise than in connection with the execution, or for the purposes of, this Act or of any regulation having effect by virtue of this Act.

(2) Nothing in the preceding subsection shall apply to any disclosure of any information made for the purposes of any legal proceedings (including arbitrations) pursuant to this Act, or of any criminal proceedings which may be taken whether pursuant to this Act or otherwise, or for the purposes of any report of any such proceedings as aforesaid.

(3) If any person discloses any information in contravention of this section, he shall be liable on summary conviction to imprisonment for a term not exceeding three months or to a fine not exceeding fifty pounds or to both such imprisonment and such fine or, on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine not exceeding one hundred pounds or to both such imprisonment and such fine.

37. For the purposes of the determination of any question as to which this Act provides that it is to be determined by arbitration thereunder, a panel of persons to act as arbitrators shall be appointed by the Lord Chancellor, and any such question shall be determined by the arbitration of such member of the panel as the Minister may select.

38.—(1) Regulations made for the purposes of any provision of this Act may, in addition to providing for any matters specified in that provision, provide—

(a) for imposing limits of time within which things to be done for the purposes of the regulations must be done, with or without power to any authority therein specified to extend limits imposed ;

(b) for punishing persons offending against provisions of the regulations, imposing criminal liability on directors, managers, secretaries and other officers of bodies corporate so offending and restricting the right of instituting criminal proceedings in respect of offences against such provisions ;
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(c) for amending or repealing enactments and for applying enactments with or without modification; and  

(d) for any incidental or supplementary matters for which it appears to the Minister to be necessary or expedient for the purposes of the regulations to provide.  

(2) Regulations made under this Act shall be laid before Parliament as soon as may be after they are made, and if either House of Parliament within the period of forty days beginning with the day on which any such regulations are laid before it resolves that the regulations be annulled, the regulations shall thereupon become void, without prejudice, however, to the validity of anything previously done thereunder or to the making of new regulations.  

In reckoning any such period of forty days as aforesaid no account shall be taken of any time during which Parliament is dissolved or prorogued, or during which both Houses are adjourned for more than four days.  

(3) Notwithstanding anything in subsection (4) of section one of the Rules Publication Act, 1893, regulations made under this Act by the Minister shall be deemed not to be, or to contain, statutory rules to which that section applies.  

39. The Board shall, as soon as possible after the end of each of the Board’s financial years, make to the Minister a report dealing generally with the operations of the Board during that year and containing such information with respect to the proceedings and policy of the Board as can in the opinion of the Minister be made public without detriment to the interests of the undertaking of the Board, and the Minister shall lay a copy of every such report before Parliament.  

Interpretation.  

40.—(1) In this Act, unless the context otherwise requires, the following expressions have the meanings hereby assigned to them respectively, that is to say,—  

“coal” means bituminous coal, cannel coal and anthracite;  

“coal industry value” has the meaning assigned to it by paragraph (a) of subsection (2) of section nine of this Act;  

“colliery activities” means searching or boring for, winning, working or getting, coal, bringing it to the surface, treating it and rendering it saleable, and includes depositing spoil arising from working coal or from any other of the activities mentioned in this definition;  

“colliery concern” means a company whose business includes the working of coal (excluding working undertaken for the purpose of digging or carrying away coal
in the course of activities other than colliery activities, and working undertaken only as ancillary to the working of minerals other than coal), and any other person whose business includes such working of coal as aforesaid;

"Consolidated Fund" means the Consolidated Fund of the United Kingdom, and includes the growing produce thereof;

"interest date" means, in relation to any stock issued for compensation, any date on which interest is made payable by the terms of issue of the class of stock to which that stock belongs;

"the Minister" means the Minister of Fuel and Power;

"prescribed" means prescribed by regulations;

"primary vesting date" has the meaning assigned to it by subsection (1) of section five of this Act;

"regulations" means regulations made by the Minister;

"stock issued for compensation" has the meaning assigned to it by subsection (2) of section seventeen of this Act;

"utilities" means electricity, gas, water, steam, compressed air and hydraulic power;

"value for allied activities" has the meaning assigned to it by paragraph (b) of subsection (2) of section nine of this Act.

(2) References in this Act to activities of any kind (whether or not described by that word) shall be construed as limited to activities of that kind carried on in Great Britain, but not so as to exclude, in the case of selling or supplying, selling or supplying for export or selling or supplying imported goods in Great Britain.

(3) References in this Act to any enactment shall, unless the context otherwise requires, be construed as references to that enactment as amended by or under any other enactment, including this Act.

41.—(1) This Act may be cited as the Coal Industry Nationalisation Act, 1945.

(2) This Act shall not extend to Northern Ireland.
FIRST SCHEDULE.

ASSETS TO BE TRANSFERRED TO THE BOARD.

Part 1.

Assets to be transferred without option.

1. Interests in unworked coal and in mines of coal of colliery concerns and of the Coal Commission, and, subject to the provisions of section twenty-four of this Act, any other interest therein that for the purposes of the Coal Act, 1938, would be a retained interest therein by virtue of section five of that Act.

In this paragraph the expression "coal" includes other minerals or substances the fee simple in which vested in the Coal Commission by virtue of the Coal Act, 1938, and has not been alienated by them.

2. Interests of colliery concerns and of class A subsidiaries thereof in fixed and movable property used immediately before the primary vesting date for colliery activities, coal carbonisation and coal products distillation activities allied with colliery activities, or manufactured fuel activities (in this Act referred to as "colliery production activities").

3. Interests of colliery concerns and of class A subsidiaries thereof in electricity property used immediately before the primary vesting date for the following (in this Act referred to as "colliery electricity activities"), namely, generating or transmitting electricity consumed exclusively or mainly in the course of colliery production, transport, sales or welfare activities.

4. Interests of colliery concerns and of class A subsidiaries thereof (other than any such concerns or subsidiaries whose business includes the operation of iron and steel works) in railways, aerial ropeways, canal wharves, and other fixed and movable property (not being things mentioned in paragraph 11 of this Schedule) used immediately before the primary vesting date exclusively or mainly for any of the following (in this Act referred to as "colliery transport activities"), namely, the inland transport, loading, discharging, handling, or storing, of products of colliery production activities or articles required for colliery production or electricity activities.

5. Interests of colliery concerns and of class A subsidiaries thereof in fixed and movable property used immediately before the primary vesting date for the purposes of the sale or supply by colliery concerns or by class A subsidiaries thereof of products of colliery production activities (in this Act referred to as "colliery sales activities").

6. Interests of colliery concerns and of class A subsidiaries thereof in fixed and movable property used immediately before the primary vesting date as or in connection with an institute, a hospital, baths, a
canteen, or otherwise, for providing for the benefit of staff employed in colliery production, electricity, transport, or sales activities (in this Act referred to as "colliery welfare activities").

7. Interests of colliery concerns and of class A subsidiaries thereof in patents for inventions relating to processes applied in the course of colliery production activities or to products of those activities, and in trade marks used or proposed to be used in relation to such products.

8. Interests of colliery concerns and of class A subsidiaries thereof in stocks of products of colliery production activities owned by such colliery concerns or subsidiaries immediately before the primary vesting date.

**PART II.**

**Assets to be transferred at option of the Board or of owners.**

9.—(1) Interests of colliery concerns and of class A subsidiaries thereof in stores of materials or of timber or other supplies owned by such concerns or subsidiaries immediately before the relevant option notice date for colliery production, electricity, transport, sales or welfare activities.

(2) Interests of companies or other persons whose business consists exclusively or mainly of activities for the purposes of the purchase for colliery concerns [or class A subsidiaries thereof] of materials, timber or other supplies for colliery production activities, in fixed and movable property used immediately before the relevant option notice date [exclusively or mainly] for those purposes.

10. Interests of colliery concerns and of class A subsidiaries thereof in—

(a) fixed and movable property used immediately before the relevant option notice date for the purposes of the making of bricks, tiles, or earthenware pipes, or in connection with those purposes, and stores of materials or supplies then owned by such concerns or subsidiaries for those purposes; and

(b) fixed and movable property used immediately before the relevant option notice date for supplying water [from a mine], and stores of materials or supplies then owned by such concerns or subsidiaries for that purpose;

and, where an option is exercised for the vesting in the Board of an interest in property mentioned in this paragraph, the activities for which that property is used shall be treated for the purposes of paragraphs 2 to 8 of this Schedule as if those activities had been colliery production activities, with the substitution for references in those paragraphs to the primary vesting date of references to the relevant option notice date.

11. Interests of colliery concerns and of class A subsidiaries thereof in fixed and movable property appurtenant thereto, used immediately before the relevant option notice date for colliery transport activities.

12. Interests of colliery concerns and of class A subsidiaries thereof in wharves not being canal wharves, private harbours, or staithes used in fixed and movable property appurtenant thereto, used immediately before the relevant option notice date for colliery transport activities.
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1ST SCH. —cont.

Housing property.

Farming property.

12. Interests of colliery concerns and of class A or class B subsidiaries thereof in dwelling-houses, or in other land, owned by such concerns or subsidiaries immediately before the relevant option notice date for the purposes of providing housing accommodation for staff employed in colliery production, electricity, transport, sales, or welfare activities.

13. Interests of colliery concerns in farms, farming stock and other agricultural assets, owned by such concerns immediately before the relevant option notice date.

PART III

Assets to be transferred at option of the Board or of owners subject to arbitration in case of objection.

14. Interests of persons by whom manufactured fuel activities are carried on, other than colliery concerns or class A subsidiaries thereof, in fixed and movable property used immediately before the relevant option notice date exclusively or mainly for the purposes of manufactured fuel activities.

15. Interests of persons whose business includes the operation of things mentioned in this paragraph other than such colliery concerns or class A subsidiaries thereof as are mentioned in paragraph 4 of this Schedule, in railways, aerial ropeways, wharves, harbours, staithes, and other fixed and movable property, used immediately before the relevant option notice date exclusively or mainly for colliery transportation activities for the purposes of a particular colliery concern or of a class A subsidiary of such a concern, or of both such a concern and such a subsidiary thereof.

16. Interests of companies in the business of which a colliery concern [or a class A subsidiary thereof] has an interest in fixed and movable property used immediately before the relevant option notice date for the purposes of the sale or supply by such a company of the products of colliery production activities of that concern or of that subsidiary, or of both of them.

17. Interests of any persons, being persons having an interest in fixed property that vests in the Board either without option or by virtue of the exercise of an option, in land the use of which is reasonably requisite for access to that property or for the convenient use of that property.

PART IV.

Other assets, to be transferred at option of the Board or of owners subject to arbitration in case of objection.

18. Interests of colliery concerns and of class A and class B subsidiaries thereof in any things (other than cash, book-debts or other liquid assets, or the benefit of contracts) not mentioned in any of the preceding paragraphs, of whatsoever kind, owned by such concerns or subsidiaries immediately before the relevant option notice date, except interests in things then used exclusively or mainly for supplying iron or steel works operated by such concerns or class A or class B subsidiaries thereof.
PART V.

Provisions supplementary to the preceding provisions of this Schedule.

19. A thing (other than a house or land owned for providing housing accommodation, or a farm, farming stock or other agricultural assets, which was used or owned for a given purpose at any time between the 1st day of January, nineteen hundred and forty-six, and the primary vesting date or the relevant option notice date, but which was no longer used or owned for that purpose at that date, shall be treated as if it had been used or owned for that purpose at that date in applying provisions of this Schedule as to interests that are to vest in the Board by reference to use or ownership for that purpose at that date, unless it is proved by the person whose interest in that thing would vest in the Board by virtue of this provision that the fact that the thing was not used or owned for that purpose at that date was due to something done or occurring in the ordinary course of business, and was in no way connected with any provision made by this Act or with any anticipation of the making of any such provision.

20. References in this Schedule to things used for any purpose therein mentioned immediately before any date or at any time shall include references to things normally used for that purpose but then temporarily diverted to another use, and to things suitable for use for that purpose which are then not in use for any purpose if an interest therein is then owned for that purpose by a colliery concern or other person whose interest therein would vest in the Board if the things were then in use for this purpose.

21. Where an option is exercised for the vesting in the Board of an interest in any property of a company or other person not being a colliery concern or a class A subsidiary thereof, the provisions of this Schedule relating to colliery electricity, transport, sales and welfare activities, to patents and trademarks, to stocks of products, and to stores, shall apply (so far as relevant) as if the company or other person whose interest vests had been a colliery concern, with the substitution for references in those provisions to the primary vesting concern, date of references to the relevant option notice date.

22. In this Schedule the following expressions have the meanings hereby assigned to them respectively, that is to say,—

"coal carbonisation and coal product distillation activities allied with colliery activities" means distilling coal, and treating, and rendering saleable, products (including coke) of the distillation of coal, being activities carried on otherwise than exclusively or mainly for the purposes of supplying iron or steel works operated otherwise than by a colliery concern or a class A or class B subsidiary thereof;

"electricity property" means power stations, transformers, transmissions and other fixed and movable property adapted for use for generating or transmitting electricity;

"farm" means any agricultural land and agricultural buildings within the meanings assigned to those expressions respectively by the Rating and Valuation (Apportionment) Act, 1928.
and "farming stock" and "other agricultural assets" have the meanings assigned to those expressions respectively by the Agricultural Credits Act, 1928;

"fixed property" means all buildings, works, fixtures, and fixed machinery and plant, and the sites thereof;

"manufactured fuel activities" means manufacturing and rendering saleable any manufactured fuel (including carbonised briquettes and ovoids) of which coal or coke is the principal constituent;

"mine of coal" means a space occupied by unworked coal or excavated underground for the purposes of colliery activities, and includes a coal quarry and opencast workings of coal;

"movable property" means all movable machinery and plant, wagons and other vehicles, engines, tractors, vessels (other than sea-going vessels) animals, and other movable equipment of any kind;

"option notice date" means the date of service of a notice exercising an option under subsection (2) or (3) of section five of this Act;

"site" includes, in relation to any fixed property, in addition to the land on which it stands at ground level, so much of the subsoil and of the space above that land as the Board may reasonably require to use for the purposes of any of their functions;

"subsidiary" means, in relation to a colliery concern, a company not less than ninety per cent. of the issued share capital of which is in the beneficial ownership of that concern, and, where a subsidiary (within the foregoing definition) of a colliery concern is the beneficial owner of any shares of another company, those shares shall be treated for the purposes of the foregoing definition as if they were in the beneficial ownership of that concern; "class A subsidiary" means, in relation to a colliery concern, a subsidiary thereof whose business includes coal carbonisation and distillation activities allied with colliery activities or includes manufactured fuel activities; and "class B subsidiary" means, in relation to a colliery concern, a subsidiary thereof not being a class A subsidiary.

SECOND SCHEDULE.

TRANSFER OF RIGHTS AND LIABILITIES UNDER CONTRACTS.

1. This Schedule applies to contracts which provide for any of the following matters, that is to say—

(a) for—

(i) the rendering of personal services,

(ii) the doing of work, or the rendering of any services other than personal services,
(iii) the sale or supply, or letting on hire or hire purchase, of goods or utilities, or the chartering of a vessel, to or for a colliery concern or a class A subsidiary thereof, for the purposes of colliery production, electricity, transport, sales, or welfare activities;

(b) for the sale or supply by a colliery concern or a class A subsidiary thereof of products of colliery production or electricity activities.

For the purposes of this paragraph there shall be treated as colliery production activities any activities that are to be so treated by virtue of paragraph 10 of the First Schedule to this Act, and there shall be treated as a colliery concern a company or other person having an interest that vests in the Board by virtue of the exercise of an option in property used or owned for purposes to which the contract relates.

2. This Schedule applies also to contracts—

(a) which provide for the doing of any such thing as is mentioned in head (i), (ii) or (iii) of sub-paragraph (a) of the preceding paragraph to or for a colliery concern or a class A or class B subsidiary thereof having an interest in dwelling-houses, or in other land, that vests in the Board by virtue of the exercise of an option, for the purposes for which that interest is owned; or

(b) which provide for the doing of any such thing as is mentioned in head (i), (ii) or (iii) of sub-paragraph (a) of the preceding paragraph to or for a colliery concern having an interest in a farm that vests in the Board by virtue of the exercise of an option, for the purposes of the farm, or which provide for the sale or supply by such a concern of produce of the farm.

3. A contract to which this Schedule applies shall, subject to the provisions of section six of this Act, have effect in favour of and against the Board, so far as regards the carrying out of the provision made by the contract for the matter specified in paragraph 1 or 2 of this Schedule on or after the primary vesting date (or, where the application of this Schedule to the contract depends upon the exercise of an option, on or after the relevant option notice date), and so far as regards the execution of the consideration to be given under the contract to the extent to which it is attributable to the provision aforesaid and is due under the contract to be executed on or after the date aforesaid, as if the Board had been a party to the contract instead of the person to whom the services were to be rendered, for whom the work was to be done, to whom the goods or utilities were to be sold or supplied, or by whom the products or produce were or was to be sold or supplied, as the case may be.

4. Provision shall be made by regulations, as to cases in which a contract to which this Schedule applies makes provision both for the matter specified in paragraph 1 or 2 of this Schedule and for matters not therein specified, for the substitution, where reasonably requisite, for that contract of separate contracts providing for those matters respectively, and the regulations shall provide for determining by
arbitration under this Act whether such substitution is reasonably requisite, and, where it is, for the settlement of the terms of the separate contracts by arbitration under this Act.

5. For the purposes of this Schedule, obligations of an employer under the reinstatement in Civil Employment Act, 1944, shall be treated as if they had arisen under provision made by a contract for the rendering of personal services.

THIRD SCHEDULE.

TRIBUNAL FOR DETERMINING AGGREGATE VALUE FOR PURPOSES OF COMPENSATION, AND TERMS OF REFERENCE OF THE TRIBUNAL.

PART I.

Constitution of the Tribunal.

The tribunal referred to in subsection (3) of section nine of this Act shall consist of two judges of the Supreme Court nominated by the Lord Chancellor, and an accountant nominated by the President of the Institute of Chartered Accountants in England and Wales.

In the event of a member of the tribunal dying, or becoming unable to act, provision for the substitution of a member in his place, and for the manner in which the tribunal is to proceed, shall be made by an order made by the Minister and approved by a resolution of each House of Parliament.

PART II.

Terms of Reference.

FOURTH SCHEDULE.

PROVISIONS AS TO SCHEMES UNDER PART I OF THE COAL MINES ACT, 1930.

Vesting of Interests and Compensation.

1. On the primary vesting date there shall vest in the Board, by virtue of this paragraph and without further assurance, the interests of the bodies administering schemes under Part I of the Coal Mines Act, 1930, in property of whatsoever kind, other than interests of bodies administering central selling schemes in cash, book-debts or other liquid assets.
2. Compensation shall not be made in respect of interests vested as aforesaid, other than interests of bodies administering central selling schemes.

3. The compensation to be made in respect of the interests vested as aforesaid of a body administering a central selling scheme shall be of an amount settled, in default of agreement between the Minister and [that body] [the trustees for that body], by arbitration under this Act, shall be payable out of moneys provided by Parliament to [that body] [those trustees], and, when paid shall be dealt with as if it had been money received by that body in respect of sales of coal.

4. On the primary vesting date—
   (a) the bodies administering the said schemes, other than the central selling schemes, shall be dissolved and those schemes shall cease to have effect; and
   (b) so much of any central selling scheme as prohibits the supply of coal by the owner of a mine otherwise than to, or to the order of, the body administering the scheme shall cease to have effect.

5. On the primary vesting date Part I of the Coal Mines Act, 1930, shall cease to have effect, but, subject to the provisions of the next succeeding paragraph, the central selling schemes shall, for the purpose of winding-up the affairs of the bodies administering them, have effect by virtue of this paragraph.

6. The Minister may by regulations provide—
   (a) for winding-up the affairs of, and dissolving, the body administering a central selling scheme;
   (b) for amending or revoking any such scheme so far as it appears to the Minister requisite or expedient so to do in consequence of the passing of this Act or for the purposes of the winding-up of the affairs of the body administering the scheme or in consequence thereof;

   and, without prejudice to the generality of sub-paragraph (a) of this paragraph, any such regulations may provide for the winding-up to be in accordance either with the provisions in that behalf contained in the scheme or with provisions substituted for those provisions by the regulation.

7. In this Schedule the expression "central selling scheme" means a scheme which prohibits (subject to exceptions specified in the scheme) the supply of coal by the owner of a mine otherwise to or to the order of the body administering the scheme.
DRAFT
OF A
BILL

To establish public ownership and control of the coal-mining industry and certain allied activities; and for purposes connected therewith.

5th December, 1945.