CABINET.

COMMITTEE ON THE ORGANISATION OF THE COAL MINING INDUSTRY.

COAL BILL.

Note by the President of the Board of Trade.

I circulate to the Cabinet a memorandum by the Secretary for Mines covering the draft Coal Bill.

The Prime Minister has agreed that the draft should be examined on Monday, November 8th, by the Cabinet Committee on the Organisation of the Coal Mining Industry and that this examination should take the place of the usual examination by the Committee of Home Affairs.

O.F.G.S.

Board of Trade,
5th November, 1937.
COMMITTEE ON THE ORGANIZATION OF THE COAL MINING INDUSTRY.

COAL BILL.

MEMORANDUM BY THE SECRETARY FOR MINES.

I attach a draft Bill, revised on the lines indicated in the Committee's Report (C.P. 240(37)) and approved by the Cabinet on the 20th October last.

I attach also a draft of an explanatory White Paper which I propose should be circulated to Members with the Bill.

The two main respects in which Part I. of the Bill has been revised are:

(a) that it now leaves the coal-properties in their present ownership during a valuation period of $\frac{3}{2}$ years, from 1st January, 1935, to 1st July, 1942; and

(b) that, broadly speaking, it adopts the valuation scheme proposed by the Royalty Owners, under which the valuations are to be made by the mineral agents of the present owners acting under an "independent" chairman.

Effect is given in the Bill to the two qualifications made by the Cabinet, viz:

(i) that any re-arrangement (i.e. consolidation) of leases which the Coal Commission, in agreement with a colliery lessee, may propose to introduce during the valuation period shall not be held up for more than 6 months for the settlement of terms with the present owners; and

(ii) that the Commission shall have power to compel the present owners to accept payments on account of compensation during the valuation period.
I have, however, to report that, whilst the Royalty Owners have no objection to the former, they express themselves fundamentally opposed to the latter. They say that they have no doubt that, on a voluntary basis, many millions would be accepted by owners who have mortgages on their properties, but they strongly object to any owner who has no such use for the money being compelled to accept it before the vesting day. They represent that in settled estates it would be necessary to obtain the directions of the Court as to the disposal of the money and, indeed, would need an amendment of the Settled Land Acts. But their main point is one of principle, viz., that it would "pro tanto" impose upon the vendors a risk which, in the nature of the case, must properly be carried by the purchaser, viz., the risk of the cost of money having risen by the agreed completion-date. They point out that if interest rates rose during the valuation period a payment of, say, £100,000 during that period would on the agreed completion-day have fallen to a value of less than £100,000; and in such an event they ask how it could be justifiable that an owner, to whom no payment on account had been made, would receive the full value of his compensation on the agreed completion date, while one who had been forced to accept such a payment would receive something which on the agreed completion date was of less value than the payment then due to him.

It is, I suggest, for the consideration of the Committee and the Cabinet whether the power to enforce acceptance of payments on account must nevertheless remain in the Bill.

In that event there is also the question what rate of interest should be charged upon such advances.
The draft Bill at present prescribes 5% as the rate payable, both on payments on account and, conversely, on unpaid compensation after the vesting day.

I wish also to call special attention to the valuation scheme contained in the Third Schedule.

It is an essential feature of the Royalty Owners' Scheme that the total global figure of £66.45 million should first be subdivided into district global figures.

They inform me that their Committee have virtually secured an agreement amongst their members as to what this subdivision should be (see the Schedule to the Hastings Scheme; Ref: C.P. 196 (57)); and their proposal was that this subdivision should be specified in the Bill.

I do not think that this is acceptable, and the Bill is drawn to provide that this subdivision shall be made, not by Parliament in the Act, but by a Central Valuation Board set up by the Act for that and other purposes. The Royalty Owners have no objection to this variation.

This Central Board, it is proposed, shall consist of professional mineral agents drawn from each (prospective) district or "valuation region", with an "independent" chairman and shall reach their decisions by a majority vote.

Similarly, the Regional Valuation Boards to be appointed for each "valuation region" (as determined by the Central Board) are to consist of all the mineral agents practising in that region, with an independent chairman.

The idea of the Royalty Owners in proposing this scheme is that their mineral agents virtually have already the authority of some seventy-five per cent. (in terms of value) of the present owners as to the subdivision of the global figure into regional figures, and that, similarly, they will provide the best means of arriving at the individual valuations in each region.
As regards the global subdivision, the Royalty Owners' Committee admit that something like twenty-five per cent. of the value of coal is not represented by them, but about one half of this minority consists of the colliery-owned freehold coal and the Mining Association definitely favour the Royalty Owners' proposals on this subject. There is thus only about 12½% outstanding and there seems to be force in the argument that a division which is satisfactory to so large a majority can safely be assumed to be as fair a one as could be made.

I ought also to report that, as regards the Regional valuations, the Chief Valuer to the Inland Revenue does not accept the Royalty Owners' view that their scheme is the most likely to work with expedition and satisfaction, but that it is submitted by the Owners as a condition precedent to their agreement of a 3½ years' valuation period.

Another matter which has now been raised by the Royalty Owners is one on which representations have previously been made to me by the Chartered Institute of Surveyors, and other professional bodies, viz., that compensation should be provided for firms or persons, at present engaged in the management of mineral estates, who after the vesting date are deprived of employment, or financially injured, by reason of the Act. This raises a question which is frequently arising in one form or another in various Bills, and, for purposes of co-ordination, an informal Interdepartmental Committee of officials has met from time to time at the Board of Trade. The advice of this Committee is that there is little, if any, precedent for providing by legislation for compensation of this kind to any but salaried and "established" employees of the
undertakings affected, and that the present claim should be resisted - more particularly as the class affected will for some years be provided with a large accretion of remunerative work by reason of the Act, and some proportion of them may expect to be offered employment by the Coal Commission afterwards. It has to be expected, however, that the claim will be pressed.

I have not agreed the Bill with the Royalty Owners in detail, and I expect some criticism from them of certain subjects such as the liability for damage to the surface. In particular, I expect them to press for an alteration of the present law in order to make the Coal Commission responsible for the torts of its lessees in this respect, and they will doubtless have other points.

In addition to any alterations in the attached draft which may be necessary in consequence of Cabinet decisions on the points already raised there may be certain other amendments and additions still to be made but they are mainly of a technical character and not, I think, of a kind which would affect any decision of this Committee or of the Cabinet.

As regards the Colliery Owners, I understand that their main point of criticism on Part I. is still directed to the "Working Proprietors" clause, to which they urge that an addition should be made to give any working proprietor the option, in effect, to waive his compensation and be given a lease at a nominal rent. This matter has been before the Committee on several occasions.

Their other main point of attack is likely to be on Part II. I understood at first that they would not oppose it in its present form. They appear, however, to have misunderstood what its form was to be, and they have now written to me to urge the importance of retaining the existing "safeguards" within the jurisdiction of the Court. In short,
I understand their attitude to be that they do not object to a provision that no scheme can be submitted to the Court without the consent of Parliament, provided that, when it is so submitted, it shall continue to be just as impossible as it now is to get the Court to enforce it.

On that I need not comment.

It will be found, however, that in the amended sub-section 8 (in the Seventh Schedule) a safeguard against "financial injury" now appears.

The present draft also differs from the previous one in that it varies the stage at which compulsory amalgamation proposals are affected by the two years' respite during which the power to launch schemes is to be inoperative.

APPENDED are the exact words of the pledge given by the then President of the Board of Trade on the subject in May, 1936. The present proposal is that the statutory respite shall apply to the submission of schemes to the Board of Trade for reference to the Court and not to references to Parliament. Seeing, however, that the date in the Bill is 31st December, 1939, as against the 1st July, 1938, specified in the pledge there can be no legitimate ground for criticism.

"The Amendment will leave it open to the commission, at any time after the Bill is passed, to foster voluntary amalgamations on the one hand, and on the other to make all necessary inquiries and investigations to enable them to decide what schemes they propose if they should have to fall back on compulsion. But within the powers granted by the Bill, they will not be able actually to launch any compulsory schemes before 1st July, 1938, that is to say two years from the present time. That lapse of two years should give ample time for a large measure of re-organisation by voluntary action if the will to amalgamate is there. Failing that will, of course, compulsory powers must be put into operation."
Part III. of the Bill and the Eighth Schedule provide (1) for the extension of Part I. of the Coal Mines Act, 1939, for five years from the end of 1937, and (2) for certain modifications in the powers of Committees of Investigation set up under that Act.

The selling schemes in force in the coal industry derive their statutory authority from Part I. of the Act and the reason for the extension of the Act was given in C.P. 106(36) of 6th April, 1936.

The Committees of Investigation are the bodies to which consumers who consider that they are unfairly treated under the selling schemes may refer their complaints. In June, 1936, before the schemes came into operation, agreement with regard to the future powers of these Committees was reached with the colliery owners and the Conjoint Conference of Public Utility Associations representing the gas, electricity, water and sewage works. The Conjoint Conference have since informed me that they desired that further amendments should be made in the powers of the Committees of Investigation. I deemed it wise to take informally into consultation the Association of Chambers of Commerce and the Federation of British Industries in order to secure some expression of the views of consumers generally with regard to the powers of the Committees. It has not been found possible to reconcile completely the views of all these bodies, nor those of the colliery owners and mineworkers in this matter but the proposals in the Eighth Schedule substantially cover the various representations that have been made to me. Summarised briefly, these proposals are:-

1. The present constitution of the Committees will be retained, that is to say, the representatives of the coal industry and of the consumers will continue to serve, but in the event of the members of a Committee not being unanimous on any matter, the decision shall be taken by the Independent Chairman, a member of the legal profession.
(2) The Committees shall meet in public, unless for any special reason they decide to meet in private.

(3) The Committees shall have power to disclose to the complainants information given to them by the colliery owners in reply to the complaint, provided that the particulars of individual businesses are not disclosed in an identifiable manner.

(4) Any person may appeal against a decision of a Committee of Investigation to a Central Appeal Tribunal of three independent persons, the Chairman of which will be a member of the legal profession.

I think myself that these proposals are right and fully defensible, but they have not been formally accepted by the bodies concerned. I have hopes that they will not raise violent opposition.

H. C.

5th November, 1937.
Coal Bill.

ARRANGEMENT OF CLAUSES.

PART I.

UNIFICATION OF COAL MINING ROYALTIES.

The Coal Commission.

Clause.
2. General provisions as to functions of the Commission under Part I.

Unification of ownership of coal in the hands of the Commission.

3. Commission to acquire fee simple in coal.
4. Property and rights with which, and matters subject to which, coal is to be acquired.
5. Retention of leasehold, &c. interests carrying right to work.

Compensation of existing owners.

6. Compensation payable in respect of acquisition as a whole.
7. Ascertaining and distribution of compensation.

Transitional provisions.

8. Rights and obligations arising from contract for sale to have effect in respect of interim period.
9. Notice to the Commission, and effect, of dispositions made during interim period.
10. Separation of vested and non-vested premises that are demised together by a subsisting lease.
11. Powers of the Commission for consolidation of leases before the vesting date.
Clause.

12. Right of freeholder in possession of coal to lease thereof.

13. Provisions as to obtaining information for purposes of Part I.

Provisions supplemental to, and consequential on, unification.


15. Commission to have exclusive right to search and bore for coal.

16. Coal not to alienated from the Commission.

17. Restriction on certain dispositions by lessees of coal.

18. Amendments of working facilities enactments.

Financial Provisions.

19. Receipts of, and payments by, the Commission.

20. Reserve fund.

21. Reduction by the Commission of rents.


23. Purpose for which the Commission may borrow.


25. Power of Treasury to guarantee loans raised by the Commission.

26. Accounts and audit.

Miscellaneous.

27. Commission not to be exempt from taxation, &c.

28. Competence of the Commission to acquire associated minerals and rights.

29. Saving for certain statutory rights.

30. Execution of Registration Act and amendment as to inspection of the register.

31. Extension of time limits on applications for registration in respect of which costs are to be payable.

32. General power to extend time limits.

33. Limitation of costs payable in case of disputes between adverse claimants.

34. Application of Part I to registered land.

35. Application of Part I to Crown and Duchy of Cornwall.
Clause.
36. Application of Part I to Forest of Dean.
37. Definitions for purposes of Part I.
38. Application of Part I to Scotland.

PART II.

REDUCTION IN NUMBER OF COAL-MINING UNDERTAKINGS.

40. Duty of the Commission to reduce number of coal-mining undertakings where necessary in interests of efficiency.
41. Powers of the Commission as to obtaining information for purposes of Part II.
42. Exemption from stamp duty in respect of amalgamation or absorption schemes and instruments executed thereunder.

PART III.

AMENDMENT AND CONTINUANCE OF PART I OF THE COAL MINES ACT, 1930.

43. Amendment and continuance of Part I of 20 & 21 Geo. 5. c. 34.

PART IV.

MISCELLANEOUS AND GENERAL.

44. Acquisition of sites for pithead baths, &c.
45. Prevention of disclosure of information.
46. Liability of directors, &c. of bodies corporate for offences.
47. Service of notices, &c.
48. Powers as to inquiries, &c.
49. Reports to Board of Trade.
50. Short title and extent.

SCHEDULES:

First Schedule—Constitution and procedure of the Coal Mines Commission.
Second Schedule—Provisions for defining property and rights with which, and matters subject to which, coal is to be acquired.
Third Schedule—Provisions as to compensation payable under section six of this Act.

Fourth Schedule—Procedure for separation of vested and non-vested premises that are demised together by a subsisting lease.

Fifth Schedule—Lease consolidation schemes.

Sixth Schedule—Grant of leases to freeholders in possession of coal immediately before the vesting date.

Seventh Schedule—Amendments of 20 & 21 Geo. 5. c. 34, s. 13.

Eight Schedule—Amendments of 20 & 21 Geo. 5. c. 34, ss. 5 and 8.
DRAFT OF A BILL

Make provision for the acquisition of the property in all unworked coal and mines of coal and in certain associated minerals, and of certain associated property and rights in land, by a Commission with power of management thereover; for amending the enactments relating to facilities for the working of minerals; for empowering the Commission to promote a reduction in the number of coal-mining undertakings; for continuing Part I of the Coal Mines Act, 1930, and for amending the provisions thereof with respect to committees of investigation; for enabling land to be acquired compulsorily for the purposes of the miners welfare committee; and for purposes connected with the matters aforesaid.

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:—

PART I.

UNIFICATION OF COAL MINING ROYALTIES.

The Coal Commission.

1.—(1) There shall be a Coal Commission (in this Act called "the Commission") to exercise and perform the powers and duties set out in this Act.

5—2
A.D. 1937.

PART I.

(2) The Commission shall be a body corporate by the name of "the Coal Commission," with perpetual succession and a common seal, and with power to hold land without licence in mortmain.

(3) The provisions of the First Schedule to this Act shall have effect with respect to the constitution and procedure of the Commission.

2.—(1) The Commission shall not themselves engage in the business of coal-mining or carry on any operations for coal-mining purposes, other than searching and boring for coal, but shall be charged with the duty of controlling and managing the premises acquired by them under this Part of this Act, by granting coal-mining leases and otherwise, in such manner consistently with the provisions of this Act as they think best for promoting the interests, efficiency, and better organisation of the coal-mining industry.

(2) The Board of Trade may give to the Commission general directions as to the exercise and performance by the Commission of their functions under this Part of this Act in relation to matters appearing to the Board to affect the national interest, including all matters affecting the safety of the working of coal, and the Commission shall give effect to any such directions.

Unification of ownership of coal in the hands of the Commission.

3.—(1) The Commission shall acquire in accordance with the provisions of this Part of this Act the fee simple in all coal and mines of coal together with such property and rights annexed thereto and such rights to withdraw support as are hereinafter mentioned, subject to such servitudes, restrictive covenants and other matters adversely affecting any of the said coal or mines as are hereinafter mentioned, and subject to the provisions of this Part of this Act with respect to the retention of interests arising under coal-mining leases or created by working facilities orders.

(2) During the period between the first day of January, nineteen hundred and thirty-nine (in this Act referred to as the "valuation date") and the first day of
July, nineteen hundred and forty-two (in this Act referred to as the "vesting date") all coal and mines of coal shall be held as if the existing owners thereof had, in respect of all their interests therein other than retained interests, entered into a contract for the sale thereof to the Commission, at a price to be ascertained by valuation, with provision for completion of the contract on the vesting date.

(3) On the vesting date all coal and mines of coal shall vest in the Commission for a title comprising all interests then subsisting in any such coal or mine other than retained interests.

(4) In this Part of this Act the expression "coal"—

(a) means bituminous coal, cannel coal and anthracite; but

(b) shall, in a case in which minerals or substances other than bituminous coal, cannel coal or anthracite are comprised in a lease subsisting at the valuation date which confers a right to work and carry away both that coal or anthracite and those other minerals or substances, include those other minerals or substances, so however that the Commission may, by direction given in the prescribed manner before the expiration of six months from the valuation date, exclude any such other minerals or substances from the operation of this paragraph; and

(c) except in the case of references to the making merchantable or disposing of coal, means coal that is unworked, that is to say, not so severed as to have become a chattel.

4.—(1) The premises comprised in the contract relating to any coal or mine referred to in subsection (2) of the last preceding section shall be deemed to include all property and rights, other than rights to withdraw support or rights created by working facilities orders, that would pass with that coal or mine under a conveyance thereof such as is specified in Part I of the Second Schedule to this Act taking effect on the valuation date, and all property and rights with which, and matters subject to which, coal is to be acquired.
A.D. 1937.

such property and rights (in this Act referred to as
"acquired property and rights") shall be held during the
interim period accordingly.

(2) The said contract shall be deemed to have been
for a sale subject to all matters subject to which the 5
premises comprised therein would pass on such a con-
veyance as aforesaid.

(3) On the vesting date there shall vest in the
Commission with any coal or mine of coal—

(a) all property and rights, other than rights to 10
withdraw support or rights created by working
facilities orders, that would pass under a con-
vveyance thereof such as is specified in Part I
of the Second Schedule taking effect on the
vesting date; and

(b) such right, if any, to withdraw support as is
under the provisions of Part II of the Second
Schedule to this Act to vest therewith.

(4) The vesting of any coal, mine, property or
rights in the Commission shall take effect subject to 20
all matters subject to which those premises would have
passed on such a conveyance as is mentioned in the
last preceding subsection.

Retention of leasehold, &c. interests carrying right to work.

5.—(1) An interest in coal or a mine of coal that
arises under a coal-mining lease shall be a retained 25
interest—

(a) where the term of years created by the lease is
not, as regards that coal or mine, held in reversion
on any under-lease, being a coal-mining
lease, derived out of that lease; and also

(b) where the term of years created by the lease is
held in reversion as aforesaid, if the interest is
not one as respects which a direction is given
under the next succeeding subsection.

(2) In the case of coal or a mine of coal that is at 35
the valuation date comprised both in a lease and in an
under-lease derived out of that lease, both being coal-
mining leases, the Commission may, by notice in writing
served on the lessee under the lease, either before, on or within six months from, the valuation date, give a direction that all interests in that coal or mine that arise under the lease shall be acquired interests:

5 Provided that the Commission shall not give a direction under this subsection in the case of any coal or mine as respects interests arising under a lease which is itself an under-lease derived out of a superior coal-mining lease, unless, they have given a direction thereunder in the case of that coal or mine as respects interests arising under the superior lease also.

(3) For the purposes of this section a lease shall not be deemed to be a coal-mining lease unless a person carrying on the business of coal-mining has a substantial beneficial interest in the exercise of the rights thereby conferred.

(4) A right to work granted by an order of the Railway and Canal Commission under the Mines (Working Facilities and Support) Act, 1923, either as originally enacted or as extended by section thirteen of the Mining Industry Act, 1926 (in this Act referred to as a "working facilities order"), shall, in so far as it creates an interest in any coal or mine of coal, be a retained interest.

(5) In this Part of this Act—

25 (a) references to an interest arising under a lease shall be construed as references to the interest of the lessee thereunder as such lessee and any interest held by a person claiming under him as so claiming;

30 (b) reference to the valuation date shall, where a direction is given under subsection (2) of this section after that date, be construed in relation to the interests as respects which the direction is given as references to the date on which the direction is given; and

35 (c) references to a retained interest shall be construed as references only to an interest that is a retained interest by virtue of this section.
Compensation of existing owners.

6.—(1) The Commission shall pay, as compensation to existing owners for the acquisition of their interests, sums ascertained in accordance with the provisions of this and the next succeeding section in respect of all coal and mines of coal, of all acquired property and rights, and of all rights to withdraw support that are to vest in the Commission under Part II of the Second Schedule to this Act.

(2) The compensation shall be ascertained separately in accordance with the next succeeding section in respect of—

(a) all the said matters in respect of which compensation is to be payable, with the exception of—

(i) minerals or substances other than bituminous coal, cannel coal or anthracite, and property and rights annexed to any such minerals or substances and not to any such coal or anthracite or to a mine thereof, and

(ii) surface servitudes,

which matters are in this and the next succeeding section referred to as "principal coal hereditaments";

(b) the matters within the exception aforesaid, in this and the next succeeding section referred to as "subsidiary coal hereditaments."

(3) The aggregate amount of the compensation payable in respect of all principal coal hereditaments shall be the sum of sixty-six million, four hundred and fifty thousand pounds.

(4) The Central Valuation Board established under the Third Schedule to this Act shall prepare and deposit with the Board of Trade a map showing a division of the whole of Great Britain into regions (in this Act referred to as "valuation regions"), and shall allocate a part (in this Act referred to as a "regional allocation") of the said sum of sixty-six million, four hundred and fifty thousand pounds to each valuation region.
7.—(1) The sums to be paid for compensation as aforesaid shall be ascertained by valuation, in accordance with the provisions of this section, of the interests, other than retained interests, that subsist at the valuation date in coal, mines of coal and acquired property and rights (in this Act referred to as “acquired interests”).

(2) The subject of each valuation shall be a unit (in this Part of this Act referred to as “a holding”) consisting of an acquired interest, or of a group of such interests, that is under the provisions of the Third Schedule to this Act to constitute a unit for compensation purposes.

(3) In order for compensation to be payable in respect of any holding the requirements of the Third Schedule to this Act as to—

(a) the registration of particulars under the Coal (Registration of Ownership) Act, 1937 (in this Act referred to as the “Registration Act”); and

(b) the making of claims for compensation; must be satisfied within the limits of time specified in that Schedule.

(4) The value of a holding shall be taken to be the amount which the holding might have been expected to realise if this Act had not been passed and the holding had been sold on the valuation date in the open market by the existing owners thereof, selling as willing vendors to a willing purchaser, under a contract providing for completion thereof on the vesting date, so however that, where a right to withdraw support is to vest in the Commission with coal or a mine of coal in which a holding subsisted, it shall be valued as if each of the existing owners thereof, having power to grant that right to the purchaser for an interest corresponding to the existing owner’s interest in the coal or mine, had agreed so to grant it in addition to any acquired rights in which the holding subsisted.

(5) The said amount shall be ascertained, subject to the provisions of the Third Schedule to this Act, by the Regional Valuation Board established under the Third Schedule to this Act, and where the premises in which a holding subsisted include subsidiary coal hereditaments, the Regional Valuation Board shall also ascertain the...
parts of that amount that are attributable to principal and to subsidiary coal hereditaments respectively.

(6) The Regional Valuation Board shall certify to the Commission the amounts ascertained by them under the preceding subsection in respect of all holdings within their jurisdiction for which compensation is payable, indicating which of those amounts are amounts attributable to principal and to subsidiary coal hereditaments respectively.

(7) There shall be paid in respect of each holding for which compensation is payable in any valuation region—

(a) a sum bearing to the amount certified in respect thereof as attributable to principal coal hereditaments the same proportion as the amount of the regional valuation bears to the aggregate of the amounts so certified in respect of all such holdings in that valuation region; and

(b) a sum equal to any amount certified in respect thereof as attributable to subsidiary coal hereditaments.

(8) The sum or sums to be paid in respect of any holding shall be a debt due from the Commission to the person entitled in accordance with the provisions of the Third Schedule to this Act to the compensation for the holding, payable on the vesting date, and the said sum or sums, or, where any payment on account thereof is made, the part thereof for the time being remaining due, shall carry interest at the rate of three pounds per cent per annum from the vesting date to the date of actual payment thereof.

(9) Subject as aforesaid, the compensation payable under section six of this Act shall be ascertained and paid subject to and in accordance with the provisions of the Third Schedule to this Act.

Transitional provisions.

R. & O. 8.—(1) The rules of law and equity that regulate rights and obligations in relation to land that is the subject of a contract for sale in respect of the period between the date of the contract and the date fixed for completion thereof shall have effect in relation to the premises that are to vest in the Commission by virtue of this Act in
respect of the interim period, subject to such modifications as are requisite by virtue of the fact that those premises are so to vest in lieu of being conveyed, or are otherwise requisite by virtue of the express provisions of this Act.

(2) Without prejudice to the generality of the preceding subsection the said rules shall have effect as aforesaid as regards—

(a) the destination of the rents and profits of the said premises accruing, and the right to the possession and enjoyment thereof, during the interim period, so however that rents and profits accruing, or coal worked, during that period from a mine of coal that is opened during that period shall be treated in like manner as if the mine had been open at the valuation date;

(b) the incidence of liabilities in respect of the said premises accruing during the said period;

(c) the apportionment of rents and profits, and of liabilities, accruing partly before and partly after the vesting date;

(d) obligations to take due care of, and to repair, the said premises; and

(e) obligations as to the management of the said premises, including the granting of new leases.

9.—(1) Where it is proposed to grant during the interim period (otherwise than in accordance with the provisions of section eleven of this Act) a coal-mining lease of or comprising any coal or mine of coal or any acquired property or rights, or to vary or renew such a lease, a draft of the proposed lease or other instrument must be delivered to the Commission at least two months before the date on which it is to take effect.

If any such lease is granted, or any such variation or renewal is effected, during the interim period otherwise than in terms of a draft delivered as aforesaid, any interest in coal or a mine of coal thereby created shall, notwithstanding anything in section five of this Act, not be a retained interest, and any interest thereby created in any acquired property or rights shall be extinguished on the vesting date.
PART I.
—cont.

(2) Where it is proposed to make during the interim period any other disposition of or affecting any coal or mine of coal or any acquired property or rights, notice of the proposal may be given to the Commission.

(3) A lease, variation, renewal or other disposition granted or effected pursuant to a proposal notified to the Commission under either of the preceding subsections shall be deemed to have been granted or effected in conformity in all respects with the rules mentioned in the last preceding section unless, in any proceedings commenced by the Commission within two months from the date on which they have been notified of the proposal, the Court makes a declaration that the proposal is not in conformity therewith.

(4) Subject as aforesaid any disposition made during the interim period of or affecting any coal or mine of coal or any acquired property or rights, the making of which would contravene any of the said rules shall, so far as regards the title for which the premises in question vest in the Commission, be void, and any right accruing to the Commission to sue for damages in respect of any act or omission that contravenes any of the said rules may be enforced as well after as before the vesting date, notwithstanding that the Commission became aware thereof before that date.

10.—(1) In the case of every coal-mining lease subsisting on the vesting date that comprises both premises the immediate reversion wherein is vested in the Commission and premises the immediate reversion wherein is not so vested, the Commission shall have power, subject to and in accordance with the provisions of the Fourth Schedule to this Act, to cause the lease to be determined at any time after that date and separate leases of those premises respectively to be granted in substitution therefor, and, in the case of premises in mortgage, to cause the requisite alteration of the security to be made.

(2) A substituted lease granted under this section shall be a lease for such a term, at such a rent and subject to such conditions, that the rights and liabilities thereunder of the Commission or of the persons interested in the reversion not vested in the Commission, as the case may be, on the one hand, and of the lessee on the other hand, will, so far as is reasonably practicable, be of not less
value and not more onerous than their rights and liabilities respectively under the subsisting lease in respect of the premises to be comprised in the substituted lease.

This subsection shall have effect subject to any agreement between the lessee and the Commission, or, in the case of premises the immediate reversion wherein is not vested in the Commission, between the lessee and the person competent to grant the substituted lease of those premises.

(3) For the purpose of enabling substituted leases to be granted under this section as soon as may be after the vesting date, the provisions of the Fourth Schedule to this Act for the settlement of the terms of substituted leases and securities shall have effect as well during the interim period as thereafter.

(4) The following provisions shall have effect with respect to the charge of stamp duty where a substituted lease is granted under this section, that is to say:

(a) unless the Commission are satisfied that there was need for the substitution apart from the severance of the reversion expectant on the subsisting lease resulting from the vesting in the Commission by virtue of this Act of a part of the premises comprised in that lease, they shall certify whether the whole or part, and if part what part, of the rent or other consideration reserved by the substituted lease, and of the term thereby created, ought in their opinion to be taken as being reserved and created in substitution for rent or other consideration reserved by the subsisting lease and for the term thereby created respectively, and the amount of the stamp duty, if any, to be charged upon a substituted lease in respect of which a certificate is given under this subsection shall be computed as if the rent or other consideration reserved thereby, and the term thereby created, had included only such part, if any, thereof respectively as is not stated in the certificate as being in substitution as aforesaid;

(b) the substituted lease shall not be deemed to be duly stamped unless the Commissioners of Inland Revenue have expressed their opinion thereon.
in accordance with the provisions of section twelve of the Stamp Act, 1891;

c) no stamp duty shall be chargeable upon a substituted security, or an instrument making provision for the variation of a subsisting security, made and expressed to be made pursuant to the provisions of the Fourth Schedule to this Act.

11.—(1) Where rights to work a number of parcels of coal in the same colliery area are subsisting under a number of coal-mining leases and it appears to the Commission that it is expedient that arrangements should be made before the vesting date for the working of that coal as a whole under a single lease, the Commission may make, in agreement with the working lessee, a scheme for the purposes of this section (in this section referred to as a “lease consolidation scheme”).

(2) The provisions of the Fifth Schedule to this Act shall have effect as to the procedure for making, and as to the operation of, a lease consolidation scheme.

(3) In connection with each lease consolidation scheme provision shall be made in the manner specified in the Fifth Schedule to this Act for ascertaining an amount (in this section referred to as the “standard amount of rent”) representing the amount of rent which, if the scheme had not been made, might reasonably have been expected to become receivable, in right of each reversion (whether immediate or superior) on a subsisting working lease in premises that are to be comprised in the single lease, for each half year (or other period in respect of which rent is to be receivable under the single lease) between the coming into operation of the scheme and the vesting date.

(4) If the amount of the rent receivable under the single lease, for any period for which standard amounts of rent are fixed in connection with the scheme, is less than the aggregate of those standard amounts, the person by whom that rent was receivable shall be entitled at any time after the expiration of that period to recover the deficiency as a simple contract debt from the Commission.

(5) If the amount of the rent receivable as aforesaid is greater than the aggregate aforesaid, the Commission
shall be entitled at any time after the expiration of the period aforesaid to recover the excess as a simple contract debt from the person by whom that rent was receivable.

(6) In this section and in the Fifth Schedule to this Act—

(a) the expression "colliery area" means an area comprising all parcels of coal which are capable of being conveniently and economically worked to the shafts of a single colliery, and which a single person carrying on the business of coal-mining has rights to work by virtue of coal-mining leases held by him in possession (that is to say not subject to any underlease) or so held by another on his behalf;

(b) the said single person is, in relation to the lease consolidation scheme in question, referred to as the "working lessee"; and

(c) the said coal-mining leases are, in relation to the lease consolidation scheme in question, referred to as the "subsisting working leases".

12.—(1) A person carrying on the business of coal-mining immediately before the vesting date, who is then beneficially entitled (whether or not subject to a mortgage) to the entire fee simple in coal or a mine of coal that is not subject at that date to any coal-mining lease, shall have the right, if he has made an application in writing in that behalf to the Commission before the vesting date, to a grant from the Commission of a coal-mining lease for a term commencing on that date and comprising any coal or mine of coal specified in his application to which he is so entitled and any property and rights that vest in the Commission therewith:

Provided that a person shall not be entitled under this section to a lease the grant of which would interfere with the exercise of a right granted by a working facilities order or with the use or exercise under a coal-mining lease of any property or right comprised therein.

(2) A lease granted under this section shall be granted for such a term as the person entitled to the lease may require, not being longer than may be reasonably requisite for enabling the coal comprised therein to be worked out, and subject to such conditions with respect to rent and otherwise as are customary in the district, or, where there
are no customary conditions or the customary conditions are not applicable, subject to such conditions as may be reasonable.

(3) The provisions of the Sixth Schedule to this Act shall have effect with respect to the granting of leases under this section and the substitution or variation of securities in the case of premises that were subject to a mortgage.

(4) No stamp duty shall be chargeable upon a lease granted and expressed to be granted under this section, or upon a substituted security, or an instrument making provision for the variation of a subsisting security, made and expressed to be made pursuant to the provisions of the Sixth Schedule to this Act.

13.—(1) The lessee under every coal-mining lease subsisting at the date of the passing of this Act shall within one month from that date deliver to the Commission notice in writing of the subsistence of the lease stating the date thereof and the parties thereto and indicating generally the situation of the premises comprised therein, and, if required by the Commission so to do, shall deliver to the Commission within one month after being so required a copy of the lease or, if the lease is by parole a statement in writing setting out all the terms of the lease.

A person required by this subsection to deliver a copy of a lease or a statement shall be entitled to be paid by the Commission all costs reasonably incurred by him in the preparation and delivery thereof.

(2) On the vesting date the property in and the right to possession of the following documents relating to the management of coal or a mine of coal shall vest in the Commission, that is to say, all plans, sections, records of survey and other similar documents, that belonged immediately before the vesting date to a person interested in coal or a mine of coal, other than—

(a) documents that belonged to the lessee under a coal-mining lease, or to a person claiming under him, and that relate to premises not affected by any direction given under subsection (2) of section five of this Act as respects interests arising under that lease; and
documents that belonged to a person who has duly made application under section twelve of this Act for a grant from the Commission of a lease of any premises and that relate to those premises.

Where after the vesting date a person retains possession of any document relating to the title to or to the management of coal or a mine of coal, he shall be deemed to have given to the Commission, to the Central Valuation Board and to the Regional Valuation Board, an acknowledgment in writing of the right of the Commission and of the Board to production of that document and to delivery of copies thereof, and section sixty-four of the Law of Property Act, 1925, shall have effect accordingly (and on the basis that the acknowledgment did not contain any such expression of contrary intention as is mentioned in that section), subject however to the following modification, that is to say, that the references in subsection (4) of that section (which relates to the purposes of production of documents) to the title or claim of the person entitled to request production shall be deemed to include references to the ascertainment of values for the purposes of section seven of this Act.

This subsection shall have effect without prejudice to any powers exercisable under the Arbitration Acts, 1889 to 1934, as applied by the Third Schedule to this Act.

Any person authorised in writing by the Commission, a referee appointed by the Central Valuation Board, and any person authorised in writing by the Central Valuation Board, the Regional Valuation Board or such a referee as aforesaid, shall be entitled, on production in the case of a person authorised as aforesaid of his authority if so required, with or without workmen or other assistants at all reasonable times to enter upon, inspect and examine any premises where operations for coal-mining purposes or purposes connected therewith are carried on and to take plans and measurements of workings therein and to use free of charge all machinery and other facilities therein requisite or convenient for the exercise of any of the powers aforesaid, and it shall be the duty of all persons competent in that behalf to refrain from any act which might obstruct, and to give all assistance...
PART I.
—cont.

Powers of the Commission in relation to underground land other than coal.

(5) Any person who makes default in compliance with the provisions of subsection (1) of this section, or who, on being duly required by virtue of the provisions of subsection (3) or (4) of this section to produce any document or to do or refrain from doing any other act, makes default in complying with the requirement, shall be guilty of an offence under this section and shall be liable on summary conviction to a fine not exceeding fifty pounds, and, in the case of a continuing offence, to a fine not exceeding ten pounds in respect of every day [after conviction] on which the offence continues.

Provisions supplemental to, and consequential on, unification.

14.—(1) In respect of any underground land not being coal or a mine of coal, the Commission shall themselves have the right, and shall have power to grant a licence to any person, to do any of the following acts in the course of operations carried on for coal-mining purposes on or after the vesting date, that is to say, to enter upon, remove, execute works in, pass through and occupy any such land and to do all such other acts in relation to any such land as are requisite or convenient for the purposes of any such operations:

Provided that neither the Commission nor a person to whom a licence has been granted under this subsection shall be entitled by virtue of this subsection or of the licence—

(a) to interfere with the carrying on of underground operations carried on for a purpose other than a coal-mining purpose;
(b) to interfere with the surface of any land; or
(c) to withdraw support from any land.

(2) Where the Commission are subject to any restriction as respects acts to be done in relation to any coal or mine by reason of their title thereto being subject by virtue of subsection (4) of section four of this Act to a servitude or restrictive covenant, they and a person to whom a licence has been granted under the preceding subsection shall be subject to the like restriction as
respects acts to be done in relation to any underground land which is subjacent to or superincumbent on that coal or mine and which, if it had been included in the conveyance of that coal or mine assumed for the purposes of the said subsection (4), would have passed subject to the same servitude or covenant.

15. On and after the vesting date it shall not be lawful for any person, other than the Commission or a person authorised by them by a coal-mining lease or otherwise so to do, to search or bore for coal.

16.—(1) A power to acquire land compulsorily conferred by or under any enactment (including, unless the contrary intention appears therein, an enactment passed after the date of the passing of this Act) shall not be exercisable on or after the date of the passing of this Act in respect of any coal or mine of coal, other than coal that is necessary to be dug or carried away in the course of operations for the purposes of which the power is conferred or a mine that is necessary to be used in the course of such operations.

(2) No right adverse to the title to any coal or mine of coal vested in the Commission by virtue of this Act shall be capable of being acquired under the Real Property Limitation Acts, 1833, 1837, and 1874, or any of them or under any enactment (including, unless the contrary intention appears therein, an enactment passed after the date of the passing of this Act) that amends, or repeals and re-enacts any of those Acts.

(3) The Commission shall not alienate for any freehold interest any coal or mine of coal, other than coal that is necessary to be dug or carried away in the course of operations for purposes other than coal-mining or a mine that is necessary to be used in the course of such operations, or coal present among other minerals that is of so small value that the working thereof is unlikely to be undertaken except as an operation subsidiary to the working of such minerals, or a mine used primarily for the working of minerals other than coal.

(4) In this section references to coal shall not be construed as including references to minerals or substances that are subsidiary coal hereditaments within the meaning of section six of this Act.
17.—(1) On and after the valuation date no term of years in coal or a mine of coal shall be capable of being conveyed or created either at law or in equity by way of underlease derived out of a term of years therein:

Provided that this subsection shall not apply to the conveyance or creation as aforesaid of a term of years by way of mortgage or pursuant to a lease consolidation scheme, or to minerals or substances that are subsidiary coal hereditaments within the meaning of section six of this Act.

(2) In every lease granted by the Commission there shall be implied, and every coal-mining lease the immediate reversion wherein is vested in the Commission by virtue of this Act, either as to the whole or as to part of the premises comprised therein, shall have effect as if from the vesting date as if it had contained, a covenant on the part of the lessee or of the lessees jointly and severally, as the case may be, not to assign or to part with the possession of any coal or mine of coal comprised therein without first obtaining the written consent of the Commission, and a condition of re-entry in the event of any breach of the said covenant:

Provided that where such a lease as aforesaid comprises premises the immediate reversion wherein is vested in the Commission and other premises, the condition of re-entry shall extend only to the first-mentioned premises.

(3) The covenant mentioned in the last preceding subsection shall have effect as a covenant to which section seventy-nine of the Law of Property Act, 1925, applies and which does not contain any such expression of contrary intention as is therein mentioned.

18.—(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 vesting date, cease to have effect as respects coal within the meaning of this Act:

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 vesting date.

(2) 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 to concur in an adjustment of boundaries), on the ground of any failure or refusal on the part of the Commission.

(3) To the rights specified in paragraphs (a) to (e) of subsection (2) of section three of the Mines (Working Facilities and Support) Act, 1923 (which specifies certain ancillary rights that may be conferred where required in order that minerals may be properly and conveniently worked) there shall be added the following right, so far as it may be required in order that coal within the meaning of this Act may be properly and conveniently worked, that is to say—

"(f) In a case in which the surface has been used for the erection of any works for a coal-mining purpose within the meaning of the Coal Act, 1937, or of dwellings for persons employed in connection with the working of coal within the meaning of that Act, or with any such works as aforesaid or as are mentioned in paragraph (c) of this subsection, a right to use and occupy the works or dwellings for the purposes for which they were erected."

(4) Where such a right as is specified in the last preceding subsection is to be granted on the termination of a lease, and a right to erect or use the works or dwellings was comprised in that lease, the Railway and Canal Commission, in determining whether any compensation or consideration is to be paid or given in respect of the right to be granted by them and the amount thereof, if any, shall have regard to the fact that the right comprised in the lease was therein comprised and to the amount of any rent reserved by the lease in respect thereof.

(5) In subsection (2) of section ten of the Mines (Working Facilities and Support) Act, 1923, there shall be inserted, after the words "The Board of Trade and any other Government Department", the words "and the Coal Mines Commission."
PART I.

Any right which under the Mines (Working Facilities and Support) Act, 1923, or under section thirteen of the Mining Industry Act, 1926, may be granted to a person having the right to work coal may be granted to the Commission where required by them for the purpose of searching and boring for coal.

Financial provisions.

19. All sums received by the Commission shall be paid into a separate fund, to be called "the Coal Fund", and all payments by the Commission shall be made out of that fund.

20.—(1) The Commission shall establish a reserve fund, and shall carry to the credit of that fund, immediately after their accounts for each financial year have been made up, an amount equal to any excess of their revenues for that year over their liabilities for that year in respect of salaries, allowances, remuneration, pensions and gratuities payable under the First or Third Schedule to this Act, of interest on any loan raised or stock issued by them, of any sums which by the terms of the raising or issue of any such loan or stock they are bound to set aside towards the repayment of the principal thereof and which are properly chargeable to revenue account, and of any other matter involving a liability properly so chargeable (which excess is in this and the next succeeding section referred to as the Commission's "annual surplus").

(2) The reserve fund shall be applicable primarily for the purposes of meeting any deficiency at any time arising on the revenue account of the Commission and of meeting any extraordinary claim or demand at any time arising against the Commission, and the Board of Trade shall from time to time, with the approval of the Treasury, by regulation prescribe—

(a) an amount, in this and the next succeeding section referred to as "the prescribed minimum reserve", being such an amount as ought, in the opinion of the Board and the Treasury, to be held for the time being to the credit of the reserve fund for answering those purposes; and
(6) an amount, in this and the next succeeding section referred to as “the prescribed appropriation to reserve,” being such an amount as ought, in the opinion of the Board and the Treasury, to be made available for carrying to the credit of the reserve fund at the end of each financial year of the Commission whilst the regulation remains in force.

(3) At any time at which the value of the reserve fund is greater than the prescribed minimum reserve, the Commission may apply a part thereof not exceeding in value the amount of the excess in purchasing for cancellation stock issued by them under this Part of this Act or otherwise for the redemption of debt.

(4) Sums credited to the reserve fund shall be invested from time to time in such annuities, exchequer bonds or other parliamentary securities, of the Government of the United Kingdom as the Commission may, with the approval of the Board of Trade, think fit, and references in this and the next succeeding section to the value of the reserve fund or of any part thereof shall be construed as references to the value of the investments and cash of which the reserve fund or that part thereof consists, as determined by the Treasury.

21.—(1) If at any time, on an estimate made by the Commission, it appears to them that their annual surplus for future financial years is likely on the average to exceed the amount which is at that time the prescribed appropriation to reserve, they may reduce any such rents within their control as are specified in the next succeeding subsection by amounts not exceeding in the aggregate one-half, or if the value of the reserve fund is then greater than the prescribed minimum reserve the whole, of the estimated excess of their annual surplus over the prescribed appropriation to reserve.

(2) The rents which may be reduced under the preceding subsection shall be—

(a) rents payable in respect of underground way leaves, whether expressly reserved in respect thereof or not,

(b) rents payable by particular lessors working coal in any district or part of a district which are,
A.D. 1937. having regard to all the circumstances, more onerous than the average of the rents payable by lessees working coal under similar conditions in that district or part of a district; and

(c) rents payable by lessees generally working coal in any district or part of a district which are, having regard to all the circumstances, more onerous than the average of the rents payable by lessees generally working coal under similar conditions in other districts or in another part of that district:

Provided that if at any time the Commission report to the Board of Trade that such reduction of rents as they have power to effect under the foregoing provisions of this subsection has been substantially completed, the Board of Trade may make and lay before Parliament an order making provision to the effect that the preceding subsection shall apply to rents within the control of the Commission generally or to any class of such rents, and, if each House of Parliament resolves that the order be approved, the order shall have effect from such date as the Board of Trade may appoint.

(3) Subject as aforesaid the Commission shall not reduce any rent during the currency of the lease by which it is reserved, and in granting leases, other than leases to be substituted for subsisting leases under subsection (1) of section ten of this Act, the Commission shall reserve the best rent which in their opinion can reasonably be obtained, regard being had to any power to reduce rents for the time being exercisable by them in accordance with the preceding provisions of this section, to any money laid out or to be laid out by the lessee and generally to the circumstances of the case:

Provided that the Commission may reduce the rent reserved by a lease, or may grant a lease reserving a rent less than the best rent, if they are satisfied that other provision made by the lease in consideration of their so doing affords a financial advantage substantially equivalent in value to the amount of the reduction or to the amount by which the rent is less than the best rent, as the case may be.
22.—(1) For the purposes hereinafter mentioned the Commission may, in accordance with regulations made by the Board of Trade with the approval of the Treasury, borrow money in such manner and subject to such provisions as to the repayment thereof and as to re-borrowing for the purpose of paying off a loan previously raised as may be prescribed by the regulations.

(2) The regulations may empower the Commission to borrow temporarily from bankers or otherwise, and may apply with or without modifications any enactment relating to borrowing by any local authority.

(3) Except in the case of a temporary borrowing from bankers or otherwise for the purpose of defraying, pending the raising of a loan, expenses intended to be defrayed by means of the loan, the consent of the Board of Trade shall be requisite as respects the times at which the Commission are to exercise the powers of borrowing conferred on them by this Part of this Act.

23.—(1) Subject to the provisions of this section, the Commission may borrow for all or any of the following purposes:

(a) the payment of the principal sums payable by way of compensation under section six of this Act and of the interest on those sums;

(b) the payment of the sums payable by the Commission under the Registration Act or this Part of this Act in respect of costs;

(c) the payment of the sums payable by the Commission under paragraph 5 of the Third Schedule to this Act in respect of remuneration and expenses;

(d) the payment of interest accrued up to the first anniversary of the vesting date on money borrowed by the Commission, of the administrative expenses of the Commission incurred before the said first anniversary, and of any other expenditure properly incurred by the Commission before the said first anniversary on revenue account;

(e) any purpose within the powers of the Commission the cost of which ought in the opinion of the Board of Trade to be provided for out of the loan.
A.D. 1937.

PART I.

— cont.

(2) Any money borrowed under this section and the interest thereon shall be charged on all the property and revenues of the Commission, and shall be repaid within 5 such period as the Board of Trade may determine.

(3) The Commission shall not have power to borrow under subsection (1) of this section more than the aggregate of amounts sufficient to raise £500,000.

(4) The Commission may borrow for the purpose of paying off moneys previously borrowed by them under subsection (1) of this section which are intended to be repaid, so far as provision has not been made for the repayment of those moneys under subsection (2) of this section.

24.—(1) The Commission may, for the purpose of raising money which they are authorised to borrow under this Act, create and issue stock to be called Coal Mines Commission Stock.

(2) Any stock issued by the Commission and the interest thereon shall be charged on all the property and revenues of the Commission.

(3) Subject to the provisions of this Act, any stock created by the Commission shall be issued, transferred, dealt with and redeemed according to regulations made by the Board of Trade with the approval of the Treasury.

(4) Any such regulations may apply for the purposes of this section, with or without modifications, any provisions of the Local Loans Act, 1875, or of any enactment relating to stock issued by any local authority.

25.—(1) The Treasury may guarantee in such manner and on such conditions as they think fit the payment of the principal and interest on any loan proposed to be raised by the Commission.

(2) Any sums required by the Treasury for fulfilling any guarantee given under this section shall be charged on and issued out of the Consolidated Fund of the United Kingdom or the growing produce thereof, and any sums received by way of repayment of any sums so issued or of interest thereon shall be paid into the Exchequer.
(3) All the property and revenues of the Commission shall be charged with the repayment of any sums so issued out of the Consolidated Fund, including interest thereon at such rates as the Treasury may determine, next after the principal and interest of the guaranteed loan and any sums which by the terms of the raising or issue of the loan the Commission are bound to set aside towards the repayment of the principal thereof, and in priority to any other charge not existing at the date on which the loan is raised.

(4) The Treasury shall, so long as any such guarantee is in force, lay before both Houses of Parliament within one month after each thirty-first day of March a statement of the guarantees, if any, given during the last preceding year ending on that date, and an account of the total sums, if any, which have up to that date been either issued out of the Consolidated Fund under this section or received by way of repayment of any sums so issued.

26.—(1) The Commission 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 next following and of each subsequent period of twelve months (each of which periods shall be deemed to be a financial year of the Commission) in such form and manner as the Board of Trade, with the approval of the Treasury, may direct, and shall transmit the accounts to the Board of Trade at such time as the Board, with the approval of the Treasury, may direct.

(2) The Board shall, on or before the thirtieth day of November in each year transmit to the Comptroller and the Auditor General the accounts prepared by the Commission 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.

27. Nothing in this Act shall be deemed to exempt the Commission from liability for any tax, duty, rate, royalties, welfare levy, or other charge whatsoever, whether general or local.
28.—(1) It shall be within the competence of the Commission to acquire—

(a) the fee simple or a term of years or other interest in any minerals or substances other than coal that are capable of being economically worked to a shaft or adit to which coal is being, or is proposed to be, worked; and

(b) the benefit of any right to be exercised in respect of any land for a coal-mining purpose.

(2) The provisions of section fourteen of this Act shall have effect in relation to minerals acquired by the Commission under this section as if the reference therein to operations for coal-mining purposes included references to operations for the like purposes as regards those minerals.

29.—(1) Nothing in this Part of this Act shall affect any right of a highway authority to the support of the highway or any right of any person to restrict or prevent the working of any coal under the provisions substituted by section fifteen of the Mines (Working Facilities and Support) Act, 1923, for sections seventy-eight to eighty-five of the Railway Clauses (Consolidation) Act, 1845, under the Public Health (Support of Sewers) Act, 1883, under any private or local Act, or under any order having effect, with or without confirmation by Parliament, under an enactment.

(2) This Part of this Act shall have effect in relation to an interest in coal or a mine of coal that arises under a coal-mining lease, the lessee whereunder is a Committee appointed for the purposes of a drainage scheme made under section eighteen of the Mining Industry Act, 1920, as if it had been a retained interest, and any such Committee that is immediately before the vesting date entitled to the fee simple in any coal or mine of coal held by them for the purposes of such a scheme as aforesaid shall have the right, on making application in writing in that behalf to the Commission, to a grant from the Commission of a coal-mining lease thereof at a peppercorn rent for such term and on such conditions as they may reasonably require.

30.—(1) The functions of the Board of Trade under the Registration Act, other than any power thereby
 conferred on the Board to make rules, are hereby transferred to, and shall be performed by, the Commission, and the Registration Act shall accordingly have effect with the substitution for references to the Board of references to the Commission.

(2) The Commission shall pay to the Board a sum equal to the expenses incurred by the Board under the Registration Act, and section two of that Act shall cease to have effect.

Any difference arising between the Commission and the Board as to the amount payable under this section by the Commission shall be determined by the Treasury, and any sum so payable shall be recoverable as a debt due from the Commission to the Crown and, when received by the Board, shall be paid into the Exchequer.

(3) As from the vesting date the particulars registered in respect of a holding in the case of which notice of the registration has been duly given to the compensation tribunal under the Third Schedule to this Act shall be open to the inspection of the public at all convenient times, subject to such regulations as may be prescribed, and subsection (7) of section one of the Registration Act shall have effect subject to this provision.

(4) The obligation of the Commission under subsection (2) of section one of the Registration Act to receive an application made under that Act in respect of any holding shall cease at the expiration of the period within which such an application is required by the Third Schedule to this Act to be made in order for compensation to be payable in respect of the holding.

31. The period specified in sub-paragraph (3) of paragraph 5 of the Second Schedule to the Registration Act as the period within which applications for registration of particulars in respect of a holding must be made, in order for such costs as are therein mentioned to be payable shall be extended so as to terminate (without prejudice to the provisions of that sub-paragraph as to cases in which sufficient cause is shown for no application having been made within the specified period) on the valuation date, or, in the case of a holding coming into existence within six months before that date, at the expiration of six months from its coming into existence,
A.D. 1937.

PART I.

General power to extend time limits.

32. Where any period or date is specified in this Part of this Act or prescribed thereunder as the period within which or the date before which any act or thing is to be done, the Commission shall have power, on application being made to them in that behalf, to extend that period or to fix a later date for the doing of that act or thing:

Provided that this section shall have effect, in relation to an act or thing to be done to or before the Board of Trade, with the substitution for the reference to the Commission of a reference to the Board.

33. The provisions of this Part of this Act with respect to the payment of costs by the Commission, and the provisions of the Registration Act with respect to the payment of costs by the Board of Trade, shall have effect subject to the following limitation, namely, that the liability of the Commission or of the Board under those provisions shall not extend to costs occasioned by any proceedings for the determination of disputes between adverse claimants, and in giving effect to the provisions of this section regard shall be had so far as practicable to the principles observed in giving effect to the corresponding provisions of section eighty of the Lands Clauses Consolidation Act, 1845.

34. This Part of this Act shall have effect in relation to premises that are registered land within the meaning of the Land Registration Act, 1925, as if they had not been registered land, and all rights and title conferred on the Commission by this Act shall be overriding interests within the meaning of that Act.

35.—(1) This Part of this Act binds the Crown and shall accordingly apply to land belonging to His Majesty or forming part of the possessions of the Duchy of Cornwall, or belonging to a Government department or held in trust for His Majesty for the purposes of a Government department.
(2) In the application of the provisions of this Part of this Act that relate to the payment and disposal of compensation payable under section six of this Act to holdings that consist of or comprise interests in land specified in the preceding subsection, those provisions shall have effect subject to the following modifications, that is to say, that the persons entitled to the compensation for such holdings shall be the persons specified in the second column of the Table set out at the end of the Third Schedule to this Act in the case of holdings consisting of or comprising interests in the lands respectively specified in the first column of that Table, and those persons shall, notwithstanding anything in any other enactment, dispose of the principal sums and interest attributable to such interests in the manner specified in the third column of that Table.

(3) In this section and in the said Table, "possessions of the Duchy of Cornwall" has the meaning assigned to it by section thirty-seven of the Duchy of Cornwall Management Act, 1863, and "private estates of His Majesty" has the meaning assigned to it by section one of the Crown Private Estates Act, 1862.

36.—(1) This Part of this Act shall have effect in its application to land in the Forest of Dean or in any other part of the Hundred of Saint Briavels in the county of Gloucester, being land in respect of which the privileges of free miners are exercisable, subject to the following modifications.

(2) The provisions of subsections (1) to (3) of section three, and section four, of this Act, and the Second Schedule to this Act, shall not have effect, but this Part of this Act shall have effect as if for the said provisions there had been substituted the following provision, that is to say, on the vesting date all the estate and interest of the Forestry Commissioners in all unworked coal and mines of coal shall vest in Commission, subject to and in accordance with the provisions of the Dean Forest (Mines) Act, 1838, and any enactment amending that Act, in this section referred to as "the Dean Forest enactments") and to all estates, interests, rights, powers and liabilities subsisting or to be created under or by virtue thereof.

(3) Sections five and eight to eleven of this Act shall not have effect.
(4) Provision shall be made by rules made by the Board of Trade under the power in that behalf conferred upon them by the Third Schedule to this Act for treating the said estate and interest vested in the Commission as constituting a unit for compensation purposes and the Forestry Commissioners shall be the persons entitled to the compensation therefor.

(5) All powers conferred by the Dean Forest enactments that were vested in the Forestry Commissioners immediately before the vesting date shall continue to be exercisable by them notwithstanding the vesting in the Commission of the said estate and interest, and accordingly rent attributable to the said estate and interest shall continue to be recoverable by the Forestry Commissioners, until other provision in that behalf is made under the next succeeding subsection, but the following provisions shall have effect in relation to such rent, that is to say—

(a) the Forestry Commissioners shall pay to the Commission all such rent recovered by them that accrues after the vesting date;

(b) any difference between the Commission and the Forestry Commissioners as to the amount of the rent to be paid under the last preceding paragraph shall be determined by the Treasury.

(6) His Majesty may by Order in Council make provision for vesting in the Commission any of the powers conferred by the Dean Forest enactments that were vested in the Forestry Commissioners immediately before the vesting date in so far as they relate to coal or mines of coal, and any such order may make provision for any requisite modification of the Dean Forest enactments.

The Board of Trade shall lay before Parliament the draft of any Order which it is proposed to recommend His Majesty in Council to make under this subsection, and no further proceedings shall be taken in relation thereto except in pursuance of an Address presented to His Majesty by both Houses of Parliament praying that the Order may be made in the terms of the draft.
37.—(1) In this Part of this Act, unless the context otherwise requires, the following expressions have the meanings hereby assigned to them respectively, that is to say:

"Acquired interest" has the meaning assigned to it by subsection (1) of section seven of this Act;

"Acquired property and rights" has the meaning assigned to it by subsection (1) of section four of this Act;

"Claiming under" shall be construed, in relation to a person referred to as claiming under the estate owner in respect of the fee simple, or under the estate owner in respect of a term of years, in any land, as referring to any person interested in that land in respect of—

(a) any equitable interest enforceable against that estate owner (other than an equitable term of years under a coal-mining lease or an interest created out of such a term of years);

(b) a legal mortgage, or charge by way of legal mortgage, of that fee simple or of that term of years, as the case may be;

(c) a rentcharge in possession which confers a right to take the income incident to that fee simple or to that term of years, as the case may be; or

(d) a term of years under a lease, other than a coal-mining lease, which is derived out of that fee simple or of that term of years, as the case may be (either immediately or by way of under-lease derived out of a lease other than a coal-mining lease), or an interest created out of such a term of years;

and shall be construed, in relation to a person referred to as claiming under the estate owner in respect of the fee simple in any land, as referring also to any person interested in that land in respect of a right saved by paragraph (5) of the Twelfth Schedule to the Law of Property Act, 1922 (which relates to land formerly copyhold);
"Coal" has the meaning assigned to it by subsection (4) of section three of this Act;

"Coal-mining lease" means in relation to any coal a lease that confers a right to work and carry away that coal, and means in relation to any mine of coal a lease that confers a right to use it for a coal-mining purpose;

"Coal-mining purpose" means searching and boring for, winning, working, getting, carrying away, making merchantable or disposing of, coal;

"District" means the area for the time being treated under the Coal Mines (Minimum Wage) Act, 1912, as a district for the purposes of the minimum rate;

"Existing owners" means, in relation to any coal or mine of coal, all persons who have at the valuation date any interest, other than a retained interest therein;

"Interested" shall be construed, in relation to a person referred to as interested in any coal or mine, or in any other land, as referring to any person entitled to, or to exercise, or interested in, or in the exercise of, any estate, interest, charge or power (including a contingent executory or future interest or a possibility coupled with an interest, whether or not the object of the gift or limitation of such interest or possibility be ascertained) in, on or over that coal or mine or that other land, as the case may be, otherwise than in respect only of the benefit of a servitude or restrictive covenant adversely affecting that coal or mine or that other land, as the case may be, and "interest" has a corresponding meaning;

"Interim period" means the period between the valuation date and the vesting date;

"Lease" includes an under-lease and an agreement under which the right to have a lease or under-lease granted is subsisting, and in relation to such an agreement the expressions "term of years" and "estate owner" mean respectively the term agreed to be created and the person
entitled to have that term vested in him; "lease" and "under-lease" each include a licence, and in relation to a licence the expressions "rent" and "reversion" and other expressions importing a reference to a lease shall be construed accordingly with the requisite adaptations; neither "lease" nor "under-lease" includes a mortgage;

"Licence" does not include a right granted by a working facilities order, but subject as aforesaid means any licence, whether personal or by way of profit à prendre, that confers a right to work and carry away coal or a right to use a mine of coal for a coal-mining purpose;

"Mine of coal" means a space which is occupied by coal or which has been excavated underground for a coal-mining purpose, and includes a shaft and an adit made for a coal-mining purpose;

"Prescribed" means prescribed by rules made by the Board of Trade;

"Registration Act" means the Coal (Registration of Ownership) Act, 1937;

"Rent" includes yearly or other rent, and toll, duty, royalty, or annual or periodical payment in the nature of rent, whether payable in money or money's worth or otherwise, but does not include mortgage interest;

"Retained interest" has the meaning assigned to it by section five of this Act;

"Servitude" means any liberty, privilege, easement, right or advantage annexed to any land and adversely affecting other land (with the exception of a right saved by paragraph five of the Twelfth Schedule to the Law of Property Act, 1922); "surface servitude" means any servitude annexed to coal or a mine of coal so far as it adversely affects the surface of any land (with the exception of a right to withdraw support); and "annexed to" means, in relation to any coal or mine, or to any other land, appertaining or reputed to appertain thereto.
A.D. 1937.

Part I.

[430x661]or to any part thereof, or demised, occupied, or enjoyed therewith or with any part thereof, or reputed or known as part or parcel thereof or appurtenant thereto or to any part thereof;

"Working facilities order" has the meaning assigned to it by subsection (4) of section five of this Act.

(2) Unless the context otherwise requires, references in this Part of this Act to any enactment shall be construed as references to that enactment as amended by any subsequent enactment, including this Act.

Application of Part I to Scotland.

38.—(1) The provisions of this section shall have effect for the purpose of the application of this Part of this Act to Scotland.

[(2) "covenant" means agreement or stipulation and "restrictive covenant" shall be construed accordingly and shall include a real burden ad factum præstandum; "fee simple" means the estate or interest of the proprietor of the dominium utile, and "freeholder" means such a proprietor; "demised" means let; "under-lease" means sub-lease, "under-let" means sub-let, and any reference to an under-lease derived out of another lease shall be construed as a reference to a sub-lease granted by a superior lessee; "mortgage" means a heritable security and "mortgagee" and "mortgagor" respectively mean the creditor and the debtor in a heritable security; "premises in mortgage" means premises subject to a heritable security; "chattel" means corporeal moveable; "condition of re-entry" means power to bring a lease to an end or to resume possession; "leasehold interest" means the interest of the lessee in premises subject to a lease; "freehold reversion" means the interest of the proprietor of the dominium utile in property subject to a lease, and "leasehold reversion" means the interest of a lessee of property who is the landlord under a sub-lease thereof; any reference to a term of years shall be construed as a reference to the lessee's interest under a lease; references to a reversion or a reversionary interest or an immediate reversion or a right of reversion expectant or immediately expectant on a lease shall be construed as references to the interest of the landlord in property subject to a lease, and the}
expression "reversioner" shall be construed accordingly; any reference to rent reserved under a lease shall be construed as a reference to rent payable under or stipulated for in a lease; any reference to a charge or power in, on or over any subjects shall include a reference to a heritable security affecting such subjects and any reference to a lease by parole shall be construed as a reference to a verbal lease.

(3) The definition in section thirty-seven of this Act of the expression "claiming under" shall not apply and the expression "person claiming under" shall have the meaning assigned thereto by paragraph 3 of the First Schedule to the Registration Act;

(4) "heritable creditor" means the creditor in a heritable security, and "heritable security" means a heritable security within the meaning of the Conveyancing (Scotland) Act, 1924, exclusive of a real burden ad factum praesumendum; "superior" includes the Crown (without prejudice to the Crown's inherent right of superiority over all land in Scotland) and a subject superior or mid-superior;

(5) For references to the Lands Clauses Consolidation Act, 1845, and to section eighty thereof there shall be substituted respectively references to the Lands Clauses Consolidation (Scotland) Act, 1845, and to section seventy-nine thereof; for references to the Railways Clauses Consolidation Act, 1845, and to sections seventy-eight to eighty-five thereof there shall be substituted respectively references to the Railways Clauses Consolidation (Scotland) Act, 1845, and to sections seventy-one to seventy-eight thereof; for any reference to the High Court or the Court of Appeal there shall be substituted a reference to the Court of Session;

(6) Subsection (1) of section three of this Act shall have effect as if the words "the fee simple in" were omitted;

(7) For subsection (3) of section three of this Act the following subsection shall be substituted—

"(3) On the vesting date all interests then subsisting in any coal or mine of coal other than retained interests shall vest in the Commission."
A.D. 1937.

For subsection (1) of section five of this Act the following subsection shall be substituted—

PART I.

(1) An interest in coal or a mine of coal that arises under a coal-mining lease shall be a retained interest—

(a) where the lessee's right [created by the lease] is not, as regards that coal or mine, subject to any sub-lease being a coal-mining lease derived out of that lease; and also

(b) in the case of an interest arising under a coal-mining lease subsisting at the valuation date, where the lessee's right [created by the lease] is subject to such a sub-lease as aforesaid if the interest is not one as respects which a direction is given under the next succeeding subsection.”

(9) Subsection (4) of section nine of this Act shall have effect as if for the words “so far as regards the title for which those premises vest in the Commission” there were substituted the words “so far as conflicting with the title of the Commission;”

(10) Subsection (3) of section thirteen of this Act shall not apply;

(11) Subsection (2) of section sixteen of this Act shall not apply, but no right adverse to the title to any coal or mine of coal given to the Commission by the vesting thereof in them by this Act shall be capable of being acquired by prescriptive possession;

(12) Subsection (2) of section seventeen of this Act shall have effect as if all the words occurring after the 30 words “consent of the Commission” were omitted.

PART II.

REDUCTION IN NUMBER OF COAL-MINING UNDERTAKINGS.

39.—(1) The functions of the Coal Mines Reorganisation Commission constituted by Part II of the 1930 Coal Mines Act, are hereby transferred to and shall be performed by the Commission and the Coal Mines Reorganisation Commission shall cease to exist and accordingly the said Part II shall have effect with the substitution, for references therein to the Coal Mine
Mines Reorganisation Commission, of references to the Commission.

(2) Such expenses of the Commission in connection with the preparation, submission and carrying out of schemes under Part I of the Mining Industry Act, 1926, as the Board of Trade may, with the approval of the Treasury, determine shall be paid to the Commission by the Board, and any expenses of the Board under this subsection shall be defrayed out of moneys provided by Parliament.

(3) Section eleven of the Coal Mines Act, 1930, is hereby repealed.

40.—(1) Where in the opinion of the Commission the number of separate undertakings consisting of or comprizing coal mines (hereinafter referred to as "coal-mining undertakings") to which the coal in any area is leased is so great as to be detrimental to the economical and efficient working, treating or disposing thereof, it shall be the duty of the Commission, to endeavour to effect a reduction in the number of such undertakings:

Provided that the Commission shall not, under the powers conferred by section thirteen of the said Act, submit to the Board of Trade any scheme under Part I of the Mining Industry Act, 1926, until after the thirty-first day of December, nineteen hundred and thirty-nine, nor shall they thereafter exercise the powers of submitting such a scheme except in pursuance of an order made under this section.

(2) The Commission may, at any time, if they are of opinion that adequate progress in the reduction of the number of coal-mining undertakings cannot otherwise be made, make a report to the Board of Trade recommending that the powers of the Commission under the said section thirteen of submitting amalgamation and absorption schemes should become exercisable in any area specified in the report as an area in which such progress has in the opinion of the Commission been inadequate, and the Board may give effect to any such recommendation, either wholly or in part, by making an order declaring that it is expedient that the number of coal-mining undertakings should be reduced in that area or in any part thereof specified in the order and directing that the powers aforesaid shall at any time after the thirty-first
Provided that—

(a) any such order shall so define the area in which the said powers are to become exercisable as to show, so far as practicable, what undertakings are likely to be affected by their exercise; and

(b) before any such order is made, a draft thereof shall be laid before Parliament together with a copy of the report in pursuance of which the order is proposed to be made, and if either House of Parliament, within the next subsequent twenty-eight days on which the House has sat after the order has been laid before it, resolves that the order be not made, no further proceedings shall be taken thereon, but such a resolution shall not prejudice the making of any subsequent order.

(3) The said section thirteen shall have effect subject to the amendments specified in the Seventh Schedule to this Act.

Powers of the Commission as to obtaining information for purposes of Part II.

41.—(1) Any member or officer of, or technical or professional agent appointed by, the Commission, authorised in writing by the Commission to make inquiries on their behalf as to any coal-mining undertaking specified in the authority, may, for the purpose of obtaining information required by them for the discharge of the functions to be performed by them by virtue of this Part of this Act, enter any premises used in connection with the carrying on of that undertaking, and may inspect any such premises and may measure or weigh any stocks, and may take copies or extracts of any accounts, books, plans, or other documents, and may require copies or extracts of any such accounts, books, plans, or other documents to be delivered to the Commission.

(2) The Commission may require the owner of any coal-mining undertaking in an area in which their powers under section thirteen of the Coal Mines Act, 1930, of submitting schemes are exercisable, to prepare such accounts, plans, or other documents, relating to the
undertaking and such valuations of the property and liabilities of the undertaking as the Commission consider necessary for the discharge of the functions aforesaid, and may require copies thereof to be delivered to the Commission.

(3) Any member or officer of, or technical or professional agent appointed by, the Commission, before exercising his powers under subsection (1) of this section shall, if required to do so, produce his written authority to make inquiries on behalf of the Commission as to the coal-mining undertaking with respect to which the powers are exercised; and any person required under this section to deliver any copies or extracts to the Commission shall be entitled to be paid by the Commission all costs reasonably incurred by him in the preparation and delivery thereof.

(4) Any person who, after having had produced to him the written authority of any such member officer or agent as aforesaid, obstruct him in the exercise of his powers under this section or refuses or neglects when required to produce any accounts, books, plans or other documents under his control, any person who refuses or neglects when required to deliver to the Commission any copy or extract of such accounts, books, plans or other documents, and any owner of a coal-mining undertaking who makes default in complying with any requirement made under subsection (2) of this section, shall be guilty of an offence and shall be liable on summary conviction to a fine not exceeding fifty pounds or, in the case of a person convicted of a second or subsequent offence under this section, to a fine not exceeding five hundred pounds or to imprisonment for a term not exceeding three months or to both such imprisonment and fine.

42.—(1) No stamp duty shall be payable—

35 (a) in respect of any amalgamation or absorption scheme confirmed under Part I of the Mining Industry Act, 1926; or

(b) in respect of any amalgamation scheme framed in accordance with the provisions of Part I of that Act by the owners of two or more coal-mining undertakings, if the Board of Trade are satisfied, on the recommendation of the
Commission that the scheme is in the national interest, and, on the recommendation of the owners by whom the scheme was framed that it is unnecessary for the purpose of giving effect to the scheme that it should be referred to and confirmed by the Railway and Canal Commission under that Act; or

(c) in respect of any share or loan capital issued, or any conveyance agreement assignment or transfer made, or document executed, or thing done, in pursuance of any scheme exempt from stamp duty under the foregoing provisions of this section, or in pursuance of any arrangements for combining the financial interests in coal-mining undertakings by the formation of holding companies or otherwise, being arrangements approved on the recommendation of the Commission by the Board of Trade as being in the national interest, if in either case the Board certify that the issue, making, execution or the doing thereof is reasonably required for the purposes of such a scheme, or of such arrangements, and of conducing to the more economical and efficient working or disposing of coal.

(2) Subsection (2) of section five of the Mining Industry Act, 1926, and subsection (7) of section thirteen of the Coal Mines Act, 1930, are hereby repealed.

PART III.

AMENDMENT AND CONTINUANCE OF PART I OF THE COAL MINES ACT, 1930.

43. Sections five and eight of the Coal Mines Act, 1930, shall have effect subject to the amendments specified in the Eighth Schedule to this Act, and Part I of that Act (which, by virtue of subsection (1) of section one of the Coal Mines Act, 1932, is limited to expire on the thirty-first day of December, nineteen hundred and thirty-seven) shall, as amended by this Act, continue in force until the thirty-first day of December, nineteen hundred and forty-two, and no longer unless Parliament otherwise determines.
PART IV.

MISCELLANEOUS AND GENERAL.

44. The powers of the Railway and Canal Commission under the Mines (Working Facilities and Support) Act, 1923, in relation to the grant of ancillary rights shall include power to make orders under that Act with a view to assisting the miners' welfare committee in the performance of their duty under section seventeen of the Mining Industry Act, 1926 or under subsection (1) of section three of the Mining Industry (Welfare Fund) Act, 1934 (which relate respectively to the provision of accommodation and facilities for workmen taking baths and drying clothes and of accommodation and facilities which can be conveniently and properly combined there) by conferring rights to use and occupy land for buildings, or any other right in respect of any land, upon trustees for the benefit of workpeople employed in or about coal mines.

45. Any person who discloses any information obtained by him in the exercise of powers conferred upon him by section thirteen or section forty of this Act shall be liable on conviction on indictment to imprisonment for a term not exceeding two years or to a fine not exceeding five hundred pounds or to both such imprisonment and fine:

Provided that nothing in this section shall apply to the disclosure of any information in so far as it is required to be published or disclosed for the purposes of the performance of functions to be performed by the Commission, the Central Valuation Board or a referee appointed by them, a Regional Valuation Board or the Board of Trade under or by virtue of this Act, or for the purposes of any legal proceedings (including arbitrations), or in so far as it may be contained in any scheme submitted under section thirteen of the Coal Mines Act, 1930.

46. Where an offence under this Act committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any negligence on the part of, any director, manager,
A.D. 1937. secretary or other officer of the body corporate, he as well as the body corporate shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Powers as to inquiries, &c. 48. The Board of Trade Arbitrations, &c. Act, 1874 (which relates to the powers of the Board of Trade with respect to inquiries, appointments and other matters under special Acts) shall apply as if this Act were a special Act within the meaning of the first mentioned Act.

Service of notices, &c. 47. Any notice, application in writing or other document required or authorised to be served, made or delivered under this Act may be served, made or delivered either—

(a) by delivering it to the person on whom it is to be served, or to whom it is to be made or delivered; or

(b) by leaving it at the usual or last known place of abode of that person; or

(c) by sending it in a prepaid registered letter addressed to that person at his usual or last known place of abode; or

(d) in the case of an incorporated company or body, the Central Valuation Board or a Regional Valuation Board by delivering it to the secretary or clerk of the company, body or Board at their registered or principal office or sending it in a prepaid registered letter addressed to the secretary or clerk of the company, body or Board at that office; or

(e) if it is not practicable after reasonable inquiry to ascertain the name or address of a person on whom it should be served, or to whom it should be made or delivered, as being a person having any interest in land, by addressing it to him by the description of the person having that interest in the premises (naming them) to which it relates, and by delivering it to some person on the premises or, if there is no person on the premises to whom it can be delivered, by affixing it, or a copy of it, to some conspicuous part of the premises.

42 Coal. [1 Geo. 6.]
49. The Commission shall annually, at such date and in such form as the Board of Trade may direct, make to the Board a report as to their proceedings under this Act during the preceding year, and the Board shall lay every such report before Parliament, and the Commission shall also, if at any time they are directed by the Board so to do, make to the Board a report as to any matter relating to their functions specified in the direction.

50.—(1) This Act may be cited as the Coal Act, 1937.

(2) This Act shall not extend to Northern Ireland.
CONSTITUTION AND PROCEDURE OF THE COAL MINES COMMISSION.

1. The Commission shall consist of a chairman and four other members appointed by the Board of Trade. The Board of Trade shall nominate one of the members of the Commission other than the chairman to act as deputy chairman.

2. The appointment of a member of the Commission shall, subject to the provisions of this Schedule, be for such term, not being less than five years or more than ten years, as may be determined by the Board of Trade with the approval of the Treasury before his appointment, and shall be subject to such conditions as may be so determined.

3. A person shall be disqualified for being appointed or being a member of the Commission so long as he is a member of the Commons House of Parliament.

4. A person shall be disqualified for being appointed or being a member of the Commission so long as he is a member, or an officer or servant, of an organisation of employers or of workpeople in the coal-mining industry, a practising mining engineer, or in any other manner directly connected with that industry.

5. A member of the Commission shall, within three months after his appointment, sell or dispose of any interest or securities which he may hold in his own name or in the name of a nominee for his benefit in any undertaking carrying on [in Great Britain] the business of coal mining or supplying or selling coal or the manufacture or sale of by-products of coal or machinery or plant for coal mining.

6. It shall not be lawful for a member of the Commission while he holds office to acquire, directly or indirectly, for his own benefit any interest or securities in any such undertaking as aforesaid, and if a member of the Commission becomes entitled for his own benefit under any will or succession or otherwise to any interest or securities in any such undertaking he shall sell or dispose of it or them within three months after he has so become entitled thereto.
7. If a member of the Commission becomes disqualified for holding office, or is absent from meetings of the Commission for more than six months consecutively except for some reason approved by the Board of Trade, or fails to comply with either of the two last preceding paragraphs, the Board shall forthwith declare his office to be vacant and shall notify the fact in such manner as they think fit, and thereupon his office shall become vacant.

8. The Commission shall appoint a secretary and such other officers, agents and servants as the Commission may determine.

9. There shall be paid out of the revenues of the Commission to the members of the Commission, or to any of them, such salaries and allowances for expenses as the Board of Trade with the approval of the Treasury may determine, and to the secretary, officers, agents and servants of the Commission such salaries and remuneration, and, on retirement or death, such pensions and gratuities, as the Commission may determine.

10. The Commission may act notwithstanding a vacancy in their number, but a quorum of the Commission shall be not less than two.

11. The seal of the Commission shall be authenticated by the signature of the chairman of the Commission or some other member of the Commission authorized by the Commission to act in that behalf, and of the secretary or some other person authorized by the Commission so to act.

12. Every document purporting to be an order or other instrument issued by the Commission, and to be sealed with the seal of the Commission authenticated in the manner provided by this Schedule, or to be signed by the secretary or any person authorized to act in that behalf, shall be received in evidence and be deemed to be such an order or instrument without further proof unless the contrary is shown.

13. Subject to the provisions of this Schedule, the Commission shall have power to regulate their own procedure.

14. In this Schedule the expression "securities" includes shares, stock, debentures and debenture stock.
SECOND SCHEDULE.

PROVISIONS FOR DEFINING PROPERTY AND RIGHTS WITH WHICH, AND MATTERS SUBJECT TO WHICH, COAL IS TO BE ACQUIRED.

PART I.

General.

1. The conveyance of any coal or mine to be assumed for the purposes of section four of this Act shall be a conveyance, to which all persons having any interest other than a retained interest in that coal or mine are conveying parties, to a purchaser for value for money or money's worth with notice of all matters whereof notice is material, containing, in the cases mentioned in paragraph 2 of this Schedule provisions to the effect therein mentioned, but subject as aforesaid not containing any such term or provision as might have limited the application of section sixty-two or sixty-three of the Law of Property Act, 1925, to the conveyance.

2.—(1) In a case in which any of the conveying parties has, besides the interest in respect of which he is a conveying party, a retained interest in the coal or mine, he shall be deemed not to be a conveying party in respect of his retained interest.

(2) In a case in which any of the conveying parties has an interest in land that would be adversely affected by a servitude that the conveyance might include, or might operate to grant, for any interest, by virtue either—

(a) of section sixty-two of the Law of Property Act, 1925; or

(b) of any rule of law relating to the grant of servitudes as servitudes of necessity;

the conveyance shall not operate further or otherwise, as regards the inclusion or the grant of that servitude or the interest (if any) for which it is to be included, than it would have operated if none of the conveying parties had had any interest in that land.

(3) In a case in which any of the conveying parties has an interest in land to which a servitude that adversely affects the coal or mine is annexed, or with which the benefit of a restrictive covenant that adversely affects the coal or mine runs, the conveyance shall reserve that servitude for the greatest interest for which it could be reserved by that party, or shall reserve any right to enforce that covenant which would have subsisted in right of that party's interest in land with which the benefit of that covenant runs if he had not been a conveying party, as the case may be.
3. A person having an interest vested in him without power to convey it, or having power to convey an interest with or on some consent approval or request, shall be deemed for the purposes of this Schedule to have had that power or to have received that consent approval or request, as the case may be.

**PART II.**

**Vesting of rights to withdraw support.**

4. The following provisions of this Schedule shall have effect with respect to the vesting in the cases therein mentioned in the Commission with any coal or mine of coal of a right to withdraw support.

5. In a case in which the fee simple in the coal or mine, or the term of years under a coal-mining lease thereof, was vested on the valuation date in a person other than the person in whom the fee simple in land supported thereby was then vested, and any right to withdraw support from that land, other than a right granted by a working facilities order, was then annexed to the coal or mine, there shall vest in the Commission therewith a right to withdraw support similar in all respects, whether as regards terms, conditions, extent, duration (save as in this paragraph provided) or otherwise, to the said right that was then annexed to the coal or mine:

Provided that where the fee simple in the coal or mine and the fee simple in land supported thereby was vested in the same person but the term of years under a coal-mining lease was subsisting in the coal or mine and a right to withdraw support was annexed thereto, the duration of the right that vests in the Commission shall extend to the whole of the period during which any coal to which the first-mentioned right was annexed remains ungotten.

6.—(1) In a case in which the fee simple in the coal or mine of coal and the fee simple in land supported thereby was vested on the valuation date in the same person and no coal-mining lease of that coal or mine was then subsisting, there shall vest in the Commission, with the coal or mine, the like right to withdraw support from that land as if all such persons interested in that land at the valuation date as are existing owners had conveyed therewith a right to withdraw support from that land so far as may be reasonably requisite for the working of any coal, subject to an obligation to make good, or to pay proper compensation for:

(a) damage arising from such working to that land, exclusive of buildings or works thereon; and

(b) subject as hereinafter provided, damage arising from such working to buildings or works thereon.
(2) The Commission shall give public notice by advertisement in one or more newspapers circulating in the locality of any proposal on their part to exercise, or to grant to a lessee the benefit of, a right vested in them by this paragraph, and, in the case of buildings or works whose construction is begun after the date of the first publication of the notice, the obligation to make good or to pay compensation referred to in the preceding sub-paragraph shall be limited to damage which could not have been avoided by reasonable and proper precautions taken in the design and construction of the buildings or works to minimise damage in the event of subsidence.

(3) On an application under section eight of the Mines (Working Facilities and Support) Act, 1923 (which provides for the imposition by the Railway and Canal Commission of restrictions on the working of minerals where a person having an interest in land is not entitled to support or to sufficient support for buildings or works), the applicant shall not be required to pay or give any compensation or consideration in respect of the imposition of restrictions appearing to the Railway and Canal Commission to be justified by circumstances due to the subsistence of a right to withdraw support vested in the Commission under this paragraph:

Provided that this sub-paragraph shall not have effect in the case of an application sent to the Board of Trade after the expiration of six months from the date of the first publication of a notice in relation to the right in question under subparagraph (2) of this paragraph.

(4) Notwithstanding anything in section thirteen of the Mines (Working Facilities and Support) Act, 1923, restrictions may be imposed under section eight of that Act on the application of, and so as to vest the right to enforce the restrictions in, any such company, authority or body as is mentioned in the said section thirteen.

Application to Scotland.

7. This Schedule shall apply to Scotland, subject to the following modifications—

(a) For paragraph 1 the following paragraph shall be substituted—"1. The conveyance of any coal or mine of coal to be assumed for the purposes of section four of this Act shall be a conveyance in common form (including a clause of assignation of writs, and with entry at the vesting date) duly recorded in the appropriate Register of Sasines and granted by all persons having any interest in the said coal or mine of coal other than a retained interest (each of
such persons being assumed to be of full age and capacity) and conveying all their rights, titles and interests in and to the said coal or mine of coal, to the effect and intent of vesting the said coal or mine of coal absolutely in the Commission freed from all feudal prestations, and rights in security, if any, and subject only to the inherent right of superiority of the Crown.

(b) For sub-paragraph (2) of paragraph 2 the following sub-paragraph shall be substituted—

"(2) In a case in which any of the conveying parties has an interest in land that would be adversely affected by a servitude that the conveyance might operate to grant by virtue of any rule of law relating to the grant of implied servitudes or of servitudes of necessity, the conveyance shall not operate as regards the grant of that servitude otherwise than it would have done if none of the conveying parties had had any interest in that land."

THIRD SCHEDULE.

PROVISIONS AS TO COMPENSATION PAYABLE UNDER SECTION SIX OF THIS ACT.

PART I.
PRELIMINARY.

Units for Compensation Purposes.

1. Subject to the provisions of paragraph 2 of this Schedule, each of the following acquired interests, or groups of such interests, in coal, mines of coal, and acquired property and rights, shall constitute a unit for compensation purposes,—

(e) each freehold reversion (that is to say, in the case of all the coal and mines of coal that are on the valuation date comprised in a coal-mining lease derived immediately out of the fee simple and in the case of acquired property and rights annexed to any such coal or mine, the interest therein of the estate owner in respect of the fee simple in the coal and mines together with the interests therein of all persons claiming under him);

(b) each acquired leasehold reversion (that is to say, in the case of all the coal and mines of coal that are on the valuation date comprised in a coal-mining lease
being an underlease and are the subject of a direction given under subsection (2) of section five of this Act and in the case of acquired property and rights annexed to any such coal or mine, the interest therein of the estate owner in respect of the term created by the lease out of which that underlease was immediately derived together with the interests therein of all persons claiming under him;  

(c) each freehold in possession in any valuation region (that is to say, in the case of all the coal and mines of coal in any valuation region that are not on the valuation date comprised in any coal-mining lease, and are in the legal ownership as respects the fee simple of the same estate owner and in the case of acquired property and rights annexed to any such coal or mine, the interest therein of the estate owner in respect of the fee simple in the coal and mines together with the interests therein of all persons claiming under him).

2.—(1) If the estate owner in respect of a unit for compensation purposes as ascertained under paragraph 1 of this Schedule, or a person claiming under him, makes application in writing in that behalf to the Commission not later than the expiration of six months from the valuation date and satisfies them that, by reason of the subsistence of different interests in different parcels of coal or different mines in the ownership of the estate owner, the interests in those parcels or mines respectively and in acquired property and rights annexed thereto ought to be treated as constituting separate units for compensation purposes, they shall be so treated.

(2) Provision may be made by rules made by the Board of Trade for the consolidation of two or more units for compensation purposes as ascertained under the preceding provisions of this Schedule, or for the division of a unit as so ascertained into two or more units, or for treating as included in any unit as so ascertained, or as constituting a separate unit for compensation purposes, any acquired interest or interests, and for the manner in which the compensation for units to which the rules relate is to be ascertained and paid having regard to the special circumstances of such units.

Constitution of Valuation Boards.

3.—(1) There shall be a Central Valuation Board consisting of the following members, that is to say—

(a) an independent person appointed to act as chairman of the Board;

(b) two other independent persons; and
(c) in respect of each valuation region one person who is at the
date of his appointment engaged in the management of
mineral estates in that region and who has a knowledge of
coal-mining and experience in the valuation of minerals:

5 Provided that for the purpose of the exercise by the Board of
their duty under subsection (4) of section six of this Act to divide
Great Britain into valuation regions, the Board shall consist of the
chairman, the two other independent members, and of such number
of other members having the qualifications specified in head (c) of
this sub-paragraph as the Board of Trade may determine.

(2) The appointments aforesaid shall be made by the Board
of Trade after consultation with the chairman of the Mineral
Owners' Joint Committee and the President of the Chartered
Surveyors Institution, and, in the case of the chairman of the
Board, with the president of the Law Society.

(3) The Board of Trade may make a temporary appoint­
ment of a person to act as chairman or other member of the
Board at any time when the chairman or another member is
temporarily absent or unable to act.

(4) The quorum of the Board shall be not less than ten
members.

(5) A determination of the Board shall be taken by the
votes of the members of the Board present and voting, or, in the
case of difference between them, of the majority, and in the case of
an equality of votes the chairman shall be entitled to a second or
casting vote.

(6) In this and the next succeeding paragraph the expression
"independent person" means a person who is not at the date of
his appointment, and has not recently been, engaged in or
connected with the management of mineral estates and is not a
member, or an officer or servant, of an organisation of employers
or of workpeople in the coal-mining industry, a practising mining
engineer, or in any other manner directly connected with that
industry.

4.—(1) There shall be a Regional Valuation Board for
each valuation region, consisting of the following members, that
is to say—

(a) an independent person appointed to act as chairman of
    the Board; and

(b) all such persons as appear to the Board of Trade at the
date of the establishment of the Board to be engaged in
    the management of mineral estates in the region and
    to be persons having a knowledge of coal-mining and
    experience in the valuation of minerals.
(2) The appointments aforesaid shall be made by the Board of Trade after consultation with the chairman of the Mineral Owners' Joint Committee and the president of the Chartered Surveyors Institution, and, in the case of the chairman of the Board, with the president of the Law Society.

(3) The Board of Trade may, after such consultation as aforesaid, make a temporary appointment of a person to act as chairman of the Board at any time when he is temporarily absent or unable to act.

(4) The quorum of the Board shall be not less than three members.

(5) A determination of the Board shall be taken by the votes of the members of the Board present and voting, or, in case of difference between them, of the majority, and in the case of an equality of votes the chairman shall be entitled to a second or casting vote.

(6) In this Act references to the Regional Valuation Board mean in relation to any holding the Regional Valuation Board for the region in which the premises in which the holding subsisted, or the greater part thereof, are situated. If any difference arises as to the which of two or more Regional Valuation Boards has jurisdiction in relation to any holding it shall be referred to the Central Valuation Board whose decision shall be conclusive.

5.—(1) The Board of Trade shall, after consultation with the Central Valuation Board or the Regional Valuation Board, as the case may be, appoint a person to act as clerk to each of the said Boards, and such number of persons as the Board of Trade think fit to act as officers and servants of each of the said Boards.

(2) The Commission shall pay to the chairman and to the members of each of the said Boards and to the officers and servants of each of the said Boards such remuneration, and allowances for expenses properly incurred by any of them on such scale, as the Board of Trade may determine and the Commission shall pay such other expenses of the Central Valuation Board and of a Regional Valuation Board as the Board of Trade may determine.

(3) No person who has an acquired interest, or who has acted in any capacity in connection with the valuation of a holding on behalf of a person having an acquired interest, shall be appointed to be the chairman or an independent member of the Central Valuation Board or of a Regional Valuation Board, and neither the chairman nor an independent member of any such Board shall act as aforesaid. None of the other members of any such Board shall take any part in any proceedings connected
with the valuation of a holding in respect of which he has acted as aforesaid.

Any person who contravenes the provisions of this paragraph shall be liable on summary conviction to a fine not exceeding ten pounds in respect of every day on which he acts in contravention thereof.

(4) The Central Valuation Board and a Regional Valuation Board may cause any inquiry or inspection required to be made by them to be made on their behalf by one or more of the members or officers or servants of the Board.

(5) It shall be the duty of each person having an acquired interest that is comprised in a holding, on being requested by them so to do, to furnish to the Central Valuation Board, or a referee appointed by them under this Schedule, or the Regional Valuation Board all such information with respect to any matter relevant to the valuation of the holding as the Board or the referee may reasonably require, and the Board or the referee may require any such person to verify any information given by him in such manner by statutory declaration or otherwise as may be reasonably requisite.

(6) The provisions of the Arbitration Acts, 1889 to 1934, with respect to—

(a) the administration of oaths and the taking of affirmations;

(b) the correction of mistakes and errors in awards; and

(c) the summoning, attendance and examination of witnesses and the production of documents;

shall apply in respect of proceedings before the Central Valuation Board, or a referee appointed by them under this Schedule, and a Regional Valuation Board, but save as aforesaid the said Acts shall not apply to or at any such proceedings.

PART II.

PROVISIONS AS TO REGISTRATION UNDER THE REGISTRATION ACT.

6. In order for compensation to be payable under section six of this Act in respect of a holding an application for the registration under the Registration Act of particulars in respect thereof must have been made before the valuation date, or, if not so made, must be made under the Registration Act within the period of six months beginning on that date.

7. For the purposes of proceedings for registration taken under the Registration Act on or after the valuation date and
for the purposes of the operation on or after that date of the provisions of that Act relating to the rectification of the register—

(a) references in that Act to property and rights held in association with any coal or mine of coal shall be construed as references to acquired property and rights;

(b) references in that Act to matters subject to which any coal hereditaments are held shall be construed as references to the matters specified in subsection (2) of section four of this Act, and references in that Act to a proprietary interest shall be construed as references to an acquired interest;

(c) the statement to be furnished with an application for registration must specify the circumstances of the holding relevant to the ascertainment of the right, if any, to withdraw support that is to vest in the Commission under Part II of the Second Schedule to this Act with any coal or mine in which the holding subsisted, and those circumstances shall be included in the matters particulars whereof may be registered;

(d) information given to the Commission which is by that Act required to be related to the circumstances as existing at the date when the information is given shall be related to the circumstances as existing on the valuation date; and

(e) references in that Act to particulars being incorrect shall include references to the omission of any relevant particulars.

8.—(1) In the case of a holding in respect of which an application for the registration of particulars has been duly made under the Registration Act before the valuation date the person by whom the application for registration was made, or any person having an acquired interest that is comprised in the holding, may, at any time during the period of six months beginning on the valuation date, give notice in the prescribed form to the Commission of any matter in respect of which—

(a) if registration has been effected before the notice is given, the registered particulars; or

(b) if registration has not then been effected but a draft of the particulars to be registered has been settled and any copy thereof sent, the draft particulars; or

(c) if no copy of the draft particulars has then been sent, the particulars contained in the statement and other information furnished to the Board;
appear to him to be incorrect or incomplete having regard to the circumstances of the holding subsisting on the valuation date and to the provisions of this Act.

(2) Where a notice is given to the Commission under this paragraph in a case in which registration has been effected, the provisions of the Registration Act with respect to rectification of the register shall have effect, so, however, that if it appears to the Commission that no alteration of the particulars registered is required they shall notify the person by whom the notice was given of their decision not to make any such alteration and he shall be entitled to make an application to the Court for a direction to the Commission to make therein the alterations appearing to him to be requisite at any time within one month from the service of the Commission's notice on him.

(3) Where a notice is given to the Commission under this paragraph in a case in which registration has not been effected but a draft of the particulars has been settled and any copy thereof sent, the Commission may settle a substituted draft thereof and—

(a) if they do so, the provisions of the Registration Act with respect to draft particulars shall have effect in relation to the substituted draft to the exclusion of the original draft, without prejudice, however, to any right in respect of costs incurred in relation to the original draft;

(b) if they do not do so, they shall notify the person by whom the notice was given of their decision not to do so and he shall be entitled to make an application to the Court for the variation of the original draft at any time within one month from the service of the Commission's notice on him.

(4) An application to the Court made under this paragraph shall be deemed for the purposes of the Registration Act to be made under Part I of the Second Schedule thereto.

(5) Where a notice is given to the Commission under this paragraph by a person other than the person by whom the application for registration of particulars in respect of the holding to which the notice relates was made or a person to whom the application has been notified under sub-paragraph (2) (a) of paragraph 2 of the Second Schedule to the Registration Act, the person by whom the notice was given shall have the like rights under the Registration Act in connection with the settling of the particulars to be registered, the payment of costs and all other matters, and the like duties thereunder, as a person entitled under that sub-paragraph to be notified of the application.
PART III.

VALUATION.

Claims and Valuation Proceedings.

9.—(1) In order for compensation to be payable under section six of this Act in respect of a holding, a notice of claim for compensation to be paid in respect thereof must be served on the Commission within the period of six months beginning on the valuation date.

(2) A notice of claim for compensation must be in the prescribed form and must be served by a person who has an acquired interest that constitutes or is comprised in the holding:

Provided that the Commission may receive a notice served by a person who has not such an interest as aforesaid if they are satisfied that, by reason of that person being concerned in the administration of the holding or on other grounds appearing to the Commission to be sufficient it is convenient that the notice should be served by him.

(3) A notice of claim for compensation for a holding in respect of which an application for the registration of particulars has been made before the appointed day must, if the person by whom the notice is served (in this Schedule referred to as "the claimant") is aware of any error or omission in such particulars relating to the registration as are mentioned in paragraph 8 of this Schedule, be accompanied by such a notice as is therein mentioned given by him, and must in any event include a statement, verified in such manner by statutory declaration or otherwise as the Commission may reasonably require, to the effect that the claimant has examined the said particulars and has made such investigation of the circumstances of the holding as is reasonably requisite for discovering any error or omission therein and is not aware of any matter or of any other matter as the case may be, in respect of which such a notice may be given.

(4) A notice of claim for compensation must be accompanied by a statement in the prescribed form, and verified as aforesaid, of all the circumstances of the holding relevant to the ascertainment of the person entitled to the compensation for the holding and known to the claimant at the time when the notice is served, and the claimant shall, on being requested by the Commission so to do, give to them such further information as to the circumstances relevant to the ascertainment of that person as the Commission may reasonably require.

10. (1) In the case of each holding in respect of which an application for the registration of particulars has been duly made under the Registration Act and a notice of claim for compensation has been duly served, the Commission shall, as soon as may
be after the registration of particulars in respect thereof has been
affected, give notice thereof to the Regional Valuation Board—

Provided that—

(a) in a case in which registration in respect of a holding
has been effected before the expiration of the period
during which notice may be given under paragraph 8
of this Schedule, the Commission shall not give
notice of the registration under this paragraph until
that period has expired or, where any notice is given
under that paragraph, until the proceedings con­
sequent thereon have been completed; and

(b) the Commission shall not in the case of any holding
give notice of registration under this paragraph
if it appears to the Commission that there is any
error or omission in the particulars registered in
respect thereof (or that any such error or omission is
likely to appear from proceedings still to be taken in
connection with the registration of particulars in
respect of another holding).

(2) When the Commission give notice of registration under
this paragraph in relation to any holding, they shall serve a
copy of the notice on the claimant, and also on the following
persons, that is to say, the person, if other than the claimant,
by whom the application for registration was made, any person
entitled under sub-paragraph (2) (a) of paragraph 2 of the
Second Schedule to the Registration Act to be notified of the
application, and any other person by whom a notice has been
given to the Commission under paragraph 8 of this Schedide
(who are hereinafter in this Schedule referred to as "persons
intervening ").

(3) The valuation of a holding shall be made on the basis of
the particulars registered in respect thereof on the date on which
notice of registration is given to the Regional Valuation Board in
relation thereto under this paragraph, and as from that date
the provisions of the Registration Act with respect to the
rectification of the register shall cease to have effect in relation to
the holding.

(4) The particulars registered in respect of a holding on the
date on which notice of registration is given to the Regional
Valuation Board in relation thereto under this paragraph shall
be assumed conclusively to be correct and complete for the
purposes of the valuation of the holding, and also, as against
the estate owner in respect of the holding and of persons claiming
under him and their successors in title respectively, for the
purpose of ascertaining the premises that vest in the Commission
on the vesting date and the title for which they so vest, but
the inclusion therein, or the omission therefrom, of any matter
A.D. 1937. shall not be treated as affecting any right or liability, or as binding on any person, for any other purpose.

2nd Sch.

11.—(1) The claimant in respect of any holding must deliver to the Regional Valuation Board an estimate of the value of the holding in such form, and accompanied by such plans and other documents, as may be prescribed, together with a certificate signed by the person by whom the estimate was made to the effect that it was made on the basis on which holdings are, under the provisions of subsection (4) of section seven of this Act and of this Schedule, required to be valued.

(2) The said estimate may be delivered at any time after the date on which the notice of claim was served, but not later than the expiration of one month from the date on which notice of the registration of particulars in respect of the holding has been served on the claimant.

(3) As soon as may be after notice of the registration of particulars in respect of a holding has been given to the Regional Valuation Board and an estimate of the value thereof has been delivered to them, they shall, after making such inquiries and inspections and taking such other steps as they think requisite, review the estimate and settle a draft of their valuation of the holding:

Provided that, if default is made in the delivery of an estimate, the Regional Valuation Board shall settle a draft of their valuation in such manner as they think fit as soon as may be after the notice of registration has been given and the time for the delivery of the estimate has expired.

(4) When the Regional Valuation Board have settled a draft of their valuation of a holding they shall give notice thereof to the claimant, and, if the claimant so requires in the prescribed manner and within the prescribed period, they shall give him an opportunity of being heard either in person or by a competent mineral valuer appointed by him.

(5) As soon as may be after giving effect to the preceding provisions of this paragraph in the case of any holding the Board shall settle their valuation thereof and shall give notice of their valuation in the prescribed form to the claimant and to each of the persons intervening if any.

12.—(1) Within the prescribed period after service upon him by the Regional Valuation Board of notice of their valuation of a holding, the claimant or any person intervening may give notice in the prescribed manner to the Central Valuation Board that he claims to have the valuation reviewed under this paragraph.

(2) Where a claim for review is made under the preceding sub-paragraph the Central Valuation Board shall cause the
valuation to be reviewed by a referee selected in the prescribed manner from a panel of referees to be appointed by the Board. The panel may include all or any of the members, other than the independent members, of the Board, but the referee selected in any particular case shall not be a member of the Regional Valuation Board whose valuation is to be reviewed.

(3) The proceedings on a reference under this paragraph shall be held in public, and the Regional Valuation Board and the person by whom the reference was claimed shall be entitled, if the Board or that person, as the case may be, so desire, to appear thereat and to be heard by such representative as the Board or that person, as the case may be, may appoint, or, in the case of the person claiming the reference, to be heard in person, and the Board and that person shall each of them be entitled to call one (and, unless the referee otherwise directs, not more than one) expert witness to give evidence as to the value of the holding.

Where a claim for review of the valuation of a holding is made by more than one person, one person only shall be entitled to be heard on behalf of all of them and the single expert witness shall be called on behalf of all of them. In the event of difference between the persons aforesaid as to the person to be heard, or to be called as an expert witness, the difference shall be determined by the referee.

(4) A referee shall have power to direct the Regional Valuation Board to alter their valuation in any case in which any alteration therein appears to him to be requisite, and the Board shall give effect to any such direction.

(5) In any case in which it appears to a referee that a claim for a reference was frivolous or was not justified by a substantial error or omission in the valuation of the Regional Valuation Board, he shall direct that the person claiming the reference shall not be entitled to payment of any costs incurred by him in connection with the valuation of the holding in question, or of such part of those costs as he may think fit, and may, if he thinks fit, direct that that person shall pay the whole, or such part as the referee may think fit, of the costs of the reference incurred by the Regional Valuation Board.

13. In the valuation of a holding regard shall be had to the following rules, that is to say—

(a) no allowance shall be made on account of the compulsory acquisition by the Commission of the premises in which the holding subsisted;

(b) the state in which the said premises were at the valuation date shall be taken into consideration; and
in the case of a holding consisting of a freehold in possession in premises which, or any part of which, a person is entitled to have comprised in a lease to be granted to him, the valuation shall be made in like manner as if such a lease as is mentioned in that section, comprising those premises or that part thereof, as the case may be, had been subsisting on the valuation date; and also to such rules as may be prescribed for securing uniformity of valuation.

14. The Central Valuation Board shall have power to make, with the approval of the Board of Trade, rules as to the procedure to be followed in giving effect to the three last preceding paragraphs and for prescribing anything that is therein directed to be prescribed, and in those paragraphs the expression "prescribed" means prescribed by rules made under this paragraph.

Costs of Valuation Proceedings.

15.—(1) Subject to the provisions of this paragraph, of section thirty-one of this Act, and of sub-paragraph (5) of paragraph 12 of this Schedule, the Commission shall pay the costs reasonably incurred by the claimant, or a person intervening in respect of any holding in giving effect in relation to that holding to the provisions of the four last preceding paragraphs or of the rules made thereunder relating to his rights and duties in relation to the valuation of the holding.

(2) If two or more notices of claim are served in relation to the same holding, the liability of the Commission under this paragraph shall be limited to such a sum as would have been payable by them if a single notice only had been served, so however, that the Commission may pay costs in excess of that sum in any case in which it appears to them that the service of more than one notice was justified having regard to any special circumstances.

(3) The Commission shall not be liable to pay any costs under this paragraph in a case in which the holding in question is ultimately certified to have no value.

(4) The Commission shall not be liable to pay any costs under this paragraph incurred by a person who has neglected to comply at the due time with any of the provisions of this Schedule that impose upon him a duty in connection with the valuation of the holding in question, whether with respect to the delivery of an estimate of the value of the holding, to the furnishing of information with relation thereto or to any other matter.

(5) The Commission shall not be liable to pay any costs under this paragraph incurred by a person intervening in respect
of any intervention on his part which was not reasonably requisite
for the proper valuation of the holding in question.

(6) The High Court shall have power, on the application
of a person aggrieved by a denial on the part of the Commission
by virtue of any of the four preceding sub-paragraphs of liability
to pay any such costs as aforesaid, to give such directions as
to the matter in question as appear to the Court to be just.

(7) The Commission shall have power to enter into undertakings to pay, and to pay, any costs other than those aforesaid
reasonably incurred by any person in connection with the valuation
of a holding.

(8) The amount of any costs that the Commission are liable
under or by virtue of this paragraph to pay shall be determined by
reference to a scale to be prescribed by the Treasury.

(9) In case of difference as to the amount of any costs that the
Commission are liable under or by virtue of this Schedule to pay,
or as to an apportionment required to be made for the purposes of
sub-paragraph (2) of this paragraph, the Board of Trade may
direct in what manner those costs are to be taxed, or the apportion-
ment is to be settled, as the case may be.

Certification of values for purposes of payment of compensation.
16. (1) When a Regional Valuation Board have settled
the valuations of all the holdings in respect of which they have
jurisdiction, and the proceedings on all claims for reference
under paragraph 12 of this Schedule relating to any such holdings
have been completed, and the time within which any other
claim for such reference may be made has expired, the Board
shall certify the amounts ascertained by those valuations re-
spectively to the Commission in accordance with subsection (6)
of section seven of this Act, and shall send to the claimant and
to each of the persons intervening, if any, in respect of any such
holding a copy of the certificate that relates to that holding,
together with a statement of the aggregate of the amount
certified in respect of all such holdings as attributable principal
coal hereditaments.

(2) The provisions of this paragraph and of the preceding
paragraphs of this Schedule, that relate to the notification of
an amount ascertained by a valuation, whether in draft or settled
or revised, shall extend to the notification of a nil valuation.

17.—(1) So soon as may be after the Commission have
received from a Regional Valuation Board a certificate sent by
them under the last preceding paragraph, the Commission shall
publish in one or more newspapers circulating in the valuation
region a notice stating that such a certificate has been received
by them from the Board, and naming a place where the certificate
may be seen at all reasonable hours by any person having an
acquired interest or a succession in title of any such person.

(2) If any person aggrieved by the certificate desires to
question the validity thereof on the ground that any requirement
of this Act or of any rules made thereunder has not been complied
with in relation to the ascertainment of the particulars, or the
valuation, of a holding to which the certificate relates, he may,
within six weeks after the first publication of the notice to be
published by the Commission as aforesaid, make an application
for the purpose to the High Court, and, where any such application
is duly made, the Court—

(a) may by interim order direct the Commission to suspend
the payment of compensation on the basis of the
certificate; and

(b) if satisfied upon the hearing of the application that the
interests of the applicant have been substantially
prejudiced by any requirement of this Act not having
been complied with, may quash the certificate as respects
any such holding as appears to the Court to be affected
and give such directions as appear to the Court to be
requisite for remediying the default and enabling a
valid certificate to be given.

(3) Subject to the provisions of the last preceding sub­
paragraph a certificate sent as aforesaid shall not be questioned
by prohibition or certiorari or in any other legal proceedings
whatsoever after it has been sent to the Commission.

PART IV.
PAYMENT AND DISPOSAL OF COMPENSATION.
Ascertainment of person entitled.

18. The person entitled to the compensation for any holding
shall be ascertained as follows:—

(a) if the holding consists solely of a fee simple or term
of years that was vested immediately before the
valuation date in a single person absolutely entitled in
equity, he shall be the person entitled;

(b) if the holding could, immediately before the valuation
cate have been sold and conveyed to a purchaser in
such manner as to bind or over-reach all estates and
interests of the estate owner in respect of the holding
and of all persons claiming under him (either in the
actual circumstances or if any requisite consent approval
or request had been received)—

(i) under the powers conferred by the Settled Land
Act, 1925, or under any additional powers conferred
by a settlement, or
(ii) by trustees for sale, or
(iii) by a personal representative in the exercise of his paramount powers, or
(iv) under powers conferred by any other enactment,
the person who could have given a valid discharge for the purchase money arising on such a sale if paid on the date on which the compensation is paid shall be the person entitled;

(c) in a case in which either of the preceding sub-paragraphs would have applied but for the subsistence of a mortgage not capable of being over-reached as mentioned in the last preceding sub-paragraph—

(i) except in a case in which immediately before the valuation date the mortgagee or a receiver appointed by him was in possession, or in receipt of the income, of the premises in which the holding subsisted, the Commission may serve notice in writing on the mortgagee that they propose to act under this provision, and, if within one month after service of the notice, the mortgagee does not give notice in writing to the Commission that he objects to their so acting, the person who would have been entitled if sub-paragraph (a) or (b), as the case may be, of this paragraph had applied, shall be the person entitled,

(ii) in the excepted case aforesaid, and in a case in which the Commission do not think fit to serve notice as aforesaid or a mortgagee served with such notice gives notice of objection as aforesaid, the mortgagee shall be the person entitled;

(d) in any other case, and also in any such case as aforesaid if the Commission consider it expedient in order to avoid expense or delay or for any special reason, the Commission may make payment to the proper officer of the Supreme Court or, in a case where the sum to be paid does not exceed five hundred pounds, of the county court, in accordance with rules of court, or to trustees appointed by the Commission, and that officer or the trustees, as the case may be, shall be the person entitled.

Payments on account.

19.—(1) Where before receiving the relevant certificate from the Regional Valuation Board the Commission are satisfied that the compensation for any holding, or the aggregate of the compensation for a number of holdings to which the same person
is entitled, will be ascertained to be not less than a particular amount, the Commission may, either before or after the vesting date, make payment of such sum not exceeding that amount as they may think fit on account of the compensation for the holding or holdings.

A sum paid under this provision to the person entitled to the compensation for more than one holding shall be deemed to have been paid on account of the compensation for each of those holdings as the Commission may direct when making the payment, or, if no such direction is given, on account of the compensation for each of them rateably in proportion to the amount thereof.

(2) A payment on account made under this paragraph before the vesting date, together with a sum equal to interest thereon for the period between the date on which the payment was made and the vesting date at the rate of three pounds per cent. per annum less income tax at the standard rate, shall be treated in account as a payment on account of the capital of the compensation made on the vesting date.

(3) A payment on account made under this paragraph after the vesting date shall be treated in account as a payment made primarily in or towards discharge of any interest on the compensation that is due at the date of the payment, and the residue thereof, if any, shall be treated in account as a payment on account of the capital of the compensation.

Disposal of compensation as between beneficial interests.

20. The compensation paid in respect of any holding and the income thereof shall be held and disposed of for the benefit of the persons whose interests are comprised in the holding and their successors in title respectively, in such manner as to confer on them the like benefits, so far as may be, as they would have had from the premises in which the holding subsisted and the income thereof if the vesting in the Commission had not taken place.

21. Where compensation is paid to a person entitled by virtue of sub-paragraph (c) (i) of paragraph 20 of this Schedule and the security under the mortgage in question includes, in addition to an interest comprised in the holding, other property, the Commission may, with the consent of the mortgagee, by order direct that the compensation shall be disposed of as if the mortgage had not included that interest and that the other property shall stand charged with the whole of the principal and interest secured by the mortgage.

Costs of disposal.

22. Subject to the provisions of section thirty-one of this Act the Commission shall pay the costs reasonably incurred.
by any person having an acquired interest that is comprised in a holding or a successor in title of his—

(a) in connection with the ascertainment of the person entitled to the compensation for the holding; and

(b) in a case in which the compensation for the holding is paid into court under sub-paragraph (d) of paragraph 18 of this Schedule, in connection with the investment and re-investment of the sums paid and of obtaining orders for that purpose, of obtaining orders for the payment of the interest on the investments made, and of obtaining orders for the payment out of court of the sums paid or of the investments thereof; or

(c) in a case in which the compensation is paid otherwise than as aforesaid, in connection with any application to the Court that may be requisite for the purpose of determining the manner in which the compensation ought to be disposed of.

PART V.

APPLICATION TO SCOTLAND.

20. The foregoing provisions of this Schedule shall apply to Scotland, subject to the following modifications—

(i) For heads (a), (b) and (c) of paragraph 1 the following shall be substituted—

(a) in the case of all the coal and mines of coal that are on the valuation date comprised in a coal-mining lease granted by the proprietor of the dominium utile and in the case of acquired property and rights annexed to any such coal or mine, the interest therein of the landlord under the lease (hereinafter referred to as the estate owner) together with the interests therein of all persons claiming under him;

(b) in the case of all the coal and mines of coal that are on the valuation date comprised in a coal-mining lease that is a sub-lease and are the subject of a direction given under subsection (2) of section five of this Act, and in the case of acquired property and rights annexed to any such coal or mine, the interest therein of the person who is the landlord under the sub-lease (hereinafter referred to as the estate owner), together with the interests of all persons claiming under him;

(c) in the case of all the coal and mines of coal in any valuation area that are not on the valuation date comprised in any coal-mining lease, and are in the
ownership of the same person, as proprietor (hereinafter referred to as the estate owner), and in the case of acquired property and rights annexed to any such coal or mine the interest of that person, together with the interests therein of all persons claiming under him.

For paragraph 19 the following paragraph shall be substituted—

19. The Court of Session or the sheriff court shall in respect of proceedings before a valuer have the like powers to grant warrant to enforce the attendance of witnesses or the production of documents as if the valuer were an arbiter, and the valuer shall have power to examine witnesses on oath or affirmation.

For paragraph 18 the following paragraph shall be substituted—

18. The person entitled to payment of the compensation shall be ascertained as follows—

(a) Where the whole interests comprised in one holding are vested in one person, he shall be the person entitled;

(b) if the holding could, immediately before the valuation date have been sold and conveyed to a purchaser

(i) by any person or persons holding the same in a fiduciary capacity, or

(ii) by the heir at law duly served of a deceased owner, or

(iii) under powers conferred by any enactment in such manner as to give the purchaser a valid title free from all feudal prestations and subject only to the inherent right of superiority of the Crown, the person or persons who could have given a valid discharge for the purchase money arising on such a sale if paid on the date on which the compensation is paid shall be the person entitled;

(c) in a case in which either of the preceding sub-paragraphs would have applied but for the existence of the rights of a superior or the subsistence of a heritable security

(i) except in a case in which immediately before the valuation date the creditor in a heritable security was in possession of the premises in which the holding subsisted or any part thereof the Commission may serve notice in writing on the superior or the creditor or both, as the case may be, that they propose to act under this provision,
and if within one month after the service of the notice no superior or creditor gives notice in writing to the Commission that he objects to their so acting, the person who would have been entitled if sub-paragraph (a) or (b), as the case may be, of this paragraph had applied shall be the person entitled;

(ii) in the excepted case aforesaid the Commission may serve notice on the superior or superiors, if any, that they propose to act under this provision and if within one month after the service of the notice no superior gives notice in writing to the Commission that he objects to their so acting the creditor in the heritable security shall be the person entitled;

(d) in any other case and also in any such case as aforesaid if the Commission consider it expedient in order to avoid expense or delay or for any other special reason the Commission shall consign or deposit the compensation in a bank subject to the orders of the Court of Session or, where such compensation does not exceed five hundred pounds, of the sheriff court, and the compensation shall thereafter be paid in such proportions to such persons as the Court of Session or sheriff court, as the case may be, shall determine;

Provided that in the case of any person under disability or holding under a limited title the Court of Session or the sheriff court, as the case may be, may direct that any compensation in which such person may have an interest shall be invested, distributed or otherwise applied in such manner as the Court of Session or the sheriff court may deem just.

(iv) For paragraph 21 the following paragraph shall be substituted—

21. Where any coal or mine or coal or acquired property or rights vested in the Commission by virtue of this Act shall, immediately prior to the valuation date, be subject to a feu-duty or a heritable security, which affects also other property not so vested, and compensation is paid to the person entitled to such feu-duty or the creditor in such heritable security, such person or creditor shall be bound to execute a discharge or deed of restriction to such extent
and on such conditions as, may, failing agreement, be determined by the sheriff. The Commission shall be liable to pay the costs incurred in connection with the execution, stamping and recording in the Register of Sasines of any such discharge or deed of restriction as the same may be taxed by the auditor of the sheriff court.

(v) In this Schedule references to an ownership in freehold in possession, shall be construed as references to the whole interests specified in head (v) of sub-paragraph (i) of paragraph 1 of this Schedule as modified by this paragraph.

TABLE.

Person entitled to, and disposal of, compensation for Crown lands.

<table>
<thead>
<tr>
<th>Land</th>
<th>Person entitled</th>
<th>Manner of disposal of principal and interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land under the management of the Commissioners of Crown Lands.</td>
<td>The Commissioners of Crown Lands</td>
<td>As capital and income respectively of the land revenues of the Crown.</td>
</tr>
<tr>
<td>Land held by His Majesty in right of the Duchy of Lancaster.</td>
<td>The person to whom the purchase money for land sold under the Duchy of Lancaster Lands Act, 1855, is payable.</td>
<td>As sums representing such purchase money and sums representing interest thereon respectively.</td>
</tr>
<tr>
<td>Land held by His Majesty in right of His private estates.</td>
<td>Such person as may be nominated under His Majesty's royal sign manual.</td>
<td>In such manner as His Majesty may be pleased to direct.</td>
</tr>
<tr>
<td>Land forming part of the possessions of the Duchy of Cornwall.</td>
<td>The person to whom gross sums of money receivable in respect of a sale of any of the said possessions under the Duchy of Cornwall Management Acts, 1863 to 1893, are payable.</td>
<td>As such gross sums and sums representing interest thereon respectively.</td>
</tr>
<tr>
<td>Land belonging to a Government department or held in trust for His Majesty for the purposes of a Government department.</td>
<td>Such person as that department may direct.</td>
<td>In such manner as the Treasury may direct.</td>
</tr>
</tbody>
</table>
FOURTH SCHEDULE.

PROCEDURE FOR SEPARATION OF VESTED AND NON-VESTED PREMISES THAT ARE DEMISED TOGETHER BY A SUBSISTING LEASE.

1.—(1) Where, in exercise of the powers conferred on them by section ten of this Act, the Commission propose to cause a subsisting lease to be determined, they shall prepare drafts of the proposed substituted leases and shall deliver copies thereof respectively to each of the persons other than the Commission named therein respectively as parties to the proposed substituted lease.

(2) If the leasehold interest in any of the premises comprised in the subsisting lease, or the reversionary interest in any of the said premises the immediate reversion wherein is not vested in the Commission, is subject to a mortgage otherwise than by way of floating charge, the Commission shall deliver a copy of the substituted lease of the premises in question to the mortgagee, and shall further prepare a draft of such instrument, whether being a substituted security or an instrument making provision for the variation of the subsisting security, as may be requisite for preserving so far as may be the rights and the liabilities of the mortgagee and of the mortgagor, and shall deliver a copy thereof to each of the persons named therein as parties to the proposed instrument.

2.—(1) A person to whom a copy of a draft has been delivered under the preceding paragraph may within six weeks after the delivery thereof serve notice on the Commission of his objection to the terms thereof on the ground that the proposed substituted lease does not comply with the provisions of section ten of this Act, or that the proposed substituted security or other instrument does not comply with the provisions of the preceding paragraph, as the case may be, and where notice is so served the terms of the draft may be modified by agreement between the parties concerned, and in default of agreement the terms thereof shall be settled by an arbitrator selected by agreement between the parties or, in default of agreement, by the Board of Trade.

(2) The arbitrator shall determine the rent to be reserved by a substituted lease on the basis of the apportionment of the rent reserved by the subsisting lease (as between the premises to be comprised in the substituted lease and the other premises comprised in the subsisting lease) made for the purpose of the valuation for compensation of the immediate reversion on the subsisting lease, and the Regional Valuation Board shall furnish an arbitrator with all such information as he may require for the purposes of this provision.
3.—(1) When a copy of a draft has been delivered and either no notice of objection has been duly given or the terms thereof have been settled under this Schedule, the Commission may serve notice in writing on the parties named therein specifying a date, not being earlier than the vesting date or earlier than the date on which such service as aforesaid is completed, as the date on which the substituted lease, substituted security or other instrument, as the case may be, is to take effect.

(2) On the date specified in a notice duly served under the preceding sub-paragraph in relation to a substituted lease, the subsisting lease shall cease to have effect so far as regards the premises to be comprised in the substituted lease.

(3) Subject to any agreement between the parties named in the draft of a substituted lease, substituted security or other instrument, in relation to which a notice has been duly served under sub-paragraph (1) of this paragraph, it shall be the duty of each of those parties who has not already done so, as soon as may be after the date specified in the notice, to execute the lease, security or other instrument.

If any person makes default in the performance of the duty imposed upon him by this sub-paragraph, the Commission may execute the lease, security or other instrument in his name and on his behalf.

4. Subject as aforesaid the procedure for giving effect to the provisions of section ten of this Act shall be such as may be prescribed.

5.—(1) Subject to the provisions of this paragraph, the costs reasonably incurred in giving effect to the provisions of this Schedule by a person other than the Commission shall—

(a) in the case of a mortgagee, as to the whole of such costs; and

(b) in any other case, as to such part of such costs as may be determined by agreement between the Commission and that person, or in default of agreement by an arbitrator to be selected as aforesaid, to be proportionate to the extent to which the need for the transaction effected under this Schedule arose from the severance of the reversion expectant on the subsisting lease in question resulting from the vesting in the Commission by virtue of this Act of a part of the premises comprised in that lease;

be paid by the Commission.

(2) In case of difference as to the amount of the costs, other than costs of a reference or award, to be paid under the preceding sub-paragraph, the Board of Trade may direct in what manner they are to be taxed.
(3) An arbitrator may direct that the Commission shall not be liable to pay any such costs as aforesaid, being costs of a reference or award incurred by a party to a reference who appears to the arbitrator to have been guilty of any such unreasonable failure to agree with the Commission or any other party, or of any such negligence or default, as to disentitle him to payment thereof.

FIFTH SCHEDULE.

LEASE CONSOLIDATION SCHEMES.

1. A lease consolidation scheme shall provide for the determination of each of the subsisting working leases and for the grant of a single new lease of all the coal and mines of coal in the colliery area.

2.—(1) The Commission shall prepare in connection with a lease consolidation scheme a draft of the single lease to be granted pursuant thereto.

(2) The said lease shall be a lease granted, in the case of any premises to be comprised therein, by the person entitled to the freehold reversion in those premises, or, if two or more coal mining leases thereof by way of lease and under-lease are subsisting, by the person entitled to the leasehold reversion in those premises immediately expectant on the subsisting working base, and accordingly the term to be granted in the case of premises that are so subject to two or more leases shall not be longer than the residue of the term for which that immediate reversion is held.

(3) A lease consolidation scheme that is to determine an underlease shall not be made unless a direction under subsection (2) of section five of this Act has been given in relation to the interests arising under the superior lease.

3. The Commission shall further prepare in connection with a lease consolidation scheme a draft substituted lease, being such a substituted lease as the Commission are authorised to prepare under section ten of this Act, of the premises comprised in each of the subsisting working leases other than the premises that are to be comprised in the single lease to be granted pursuant to the scheme.

4. A lease consolidation scheme must—
   (a) specify a date on which it is to take effect; and
   (b) specify the subsisting working leases and any superior lease out of which any of the subsisting working leases is derived; and
(e) contain provisions for rendering the rent reserved by the single lease to be granted pursuant thereto and the benefit of every covenant or provision contained in that lease having reference to the subject matter thereof and on the lessee's part to be observed or performed, and every condition of re-entry and other condition therein contained, capable of being recovered, received, enforced and taken advantage of during the period between the date on which the scheme takes effect and the vesting date, by a person acting as agent or in trust for all the persons interested in reversion expectant on that lease during that period.

5. At least six months before the date specified in a lease consolidation scheme for its coming into effect, a copy of the scheme shall be delivered to the person for the time being entitled to receive the rent reserved by each of the leases specified therein.

6.—(1) The standard amount of rent in respect of any reversion may be determined by agreement between the Commission and the person who at the date of the delivery of a copy of the scheme is entitled to recover the rent attributable to that reversion, or, in default of agreement either the Commission or that person may refer it for determination to an arbitrator selected by agreement between them, or in default of agreement, by the Board of Trade.

(2) In the case of a reversion that is a leasehold reversion, the standard amount of rent in respect thereof shall be determined on the basis of the net rent, that is to say the amount which the reversioner would have been entitled to receive, less the amount that he would have been liable to pay by way of rent in respect of the premises that are to be comprised in the single lease to be granted pursuant to the scheme.

7. If any person upon whom a copy of a lease consolidation scheme is required to be served objects to any of the provisions included in the scheme under sub-paragraph (c) of paragraph 4 of this Schedule he may require those provisions to be determined by an arbitrator selected by agreement between the Commission and all the persons upon whom a copy of the scheme is required to be served, or, in default of agreement, by the Board of Trade.

8.—(1) It shall be the duty of each person who is competent to grant a lease in the terms of a draft prepared by the Commission under paragraph 2 of this Schedule of any premises to which the draft relates and of the lessee thereunder, to execute a lease in the terms of that draft on being required by the Commission so to do at any time after the date of the coming into effect of the scheme.
If any person makes default in the performance of the duty imposed upon him by this paragraph, the Commission may execute the lease in his name and on his behalf.

(2) A lease executed under this paragraph shall be deemed to have taken effect on the date of the taking effect of the scheme, and as from that date the subsisting working leases shall be deemed to have been determined so far as regards the premises comprised in the lease so executed.

9. Copies of a draft substituted lease prepared by the Commission in connection with a lease consolidation scheme under paragraph 3 of this Schedule shall be delivered in like manner as copies of draft substituted leases are required to be delivered under the Fourth Schedule to this Act and the provisions of that Schedule shall have effect in relation thereto as if the draft had been a draft prepared for the purposes of section ten of this Act, subject to the modification that for the references therein to the vesting date there should be substituted references to the date of the coming into effect of the scheme.

10.—(1) The person by whom the rent reserved for any period by the single lease granted pursuant to a lease consolidation scheme is receivable by virtue of the provisions inserted therein under sub-paragraph (c) of paragraph 4 of this Schedule shall—

(a) if the amount of that rent is less than the aggregate of the standard amounts of rent determined under this Schedule for that period, distribute that rent, together with the amount of the deficiency recoverable by him from the Commission under subsection (4) of section eleven of this Act, among the persons entitled in reversion (whether immediate or superior) expectant on that lease in proportion to the said standard amounts of rent; or

(b) if the amount of that rent is greater than the said standard amounts, distribute that rent, after deducting therefrom the sum recoverable by the Commission under subsection (5) of section eleven of this Act, among the persons and in the proportions aforesaid.

(2) A superior reversioner who is entitled to a payment under the preceding sub-paragraph in respect of any premises for any period shall not be entitled to recover from his immediate lessee any rent in respect of those premises for that period.

11. The costs reasonably incurred in giving effect to the provisions of this Schedule by a person, other than the Commission and working lessee, shall be paid by the Commission, and sub-paragraphs (2) and (3) of paragraph 5 of the Fourth Schedule to this Act shall have effect in relation to such costs.
SIXTH SCHEDULE.

GRANT OF LEASES TO FREEHOLDERS IN POSSESSION OF COAL IMMEDIATELY BEFORE THE VESTING DATE.

1. Where application has been duly made to the Commission for the grant of a lease under section twelve of this Act, the Commission shall prepare a draft of the proposed lease and deliver a copy thereof to the person entitled to the grant of the lease (in this Schedule referred to as "the lessee").

2.—(1) Where the premises to be demised are at the date of the application subject to a mortgage, other than a mortgage by way of floating charge, the Commission shall give notice in writing to the mortgagee of the fact of the application having been made, and the mortgagee may, at any time before the compensation in respect of the premises is paid, give notice in writing to the Commission that he elects to have, in lieu of any interest in such compensation a charge upon the interest of the lessee under the lease.

(2) Where notice is duly given by a mortgagee under the preceding sub-paragraph, the provisions of the Third Schedule to this Act relating to the person entitled to the compensation shall have effect as if the premises had not been subject to the mortgage, and the Commission shall prepare a draft of such instrument, whether being a substituted security or an instrument making provision for the variation of a subsisting security, as may be requisite for preserving so far as may be the rights and liabilities of the mortgagee and of the lessee and deliver a copy thereof to each of them.

3. A person to whom a copy of a draft has been delivered under either of the two last preceding paragraphs may within six weeks after the delivery thereof serve notice on the Commission of his objection to the terms thereof on the ground that the proposed lease does not comply with the provisions of section twelve of this Act, or that the proposed substituted securities or other instrument does not comply with the provisions of the last preceding paragraph, as the case may be, and where notice is so served the terms of the draft may be modified by agreement between the parties concerned, and in default of agreement the terms thereof shall be settled by an arbitrator selected by agreement between the parties or, in default of agreement, by the Board of Trade.

4. Sub-paragraphs (1) and (3) of paragraph 3 of the Fourth Schedule to this Act shall have effect in relation to a lease, substituted security or other instrument prepared for the purposes of this Schedule.
5. Subject as aforesaid the procedure for giving effect to the provisions of section twelve of this Act shall be such as may be prescribed.

6. The costs reasonably incurred in giving effect to the provisions of this Schedule by a person other than the Commission shall be paid by the Commission, and sub-paragraphs (2) and (3) of paragraph 5 of the Fourth Schedule to this Act shall have effect in relation to such costs.

SEVENTH SCHEDULE.

10 AMENDMENTS OF 20 & 21 GEO. 5. c. 34, s. 13.

1. In section thirteen, after subsection (1) thereof, there shall be inserted the following subsection:

"(1A The following provisions shall have effect with respect to any scheme submitted to the Board of Trade by the Coal Mines Commission—

(a) the scheme shall provide for the consideration to be given to each of the constituent companies from which property is to be transferred (hereinafter referred to as a transferor company) being given out of the securities of the new company or of the constituent company to which that property is transferred, as the case may be (hereinafter referred to as the transferee company) and not otherwise, and for the amount of the consideration being determined upon the basis of the value at the date of transfer of the property and liabilities of each transferor company transferred by the scheme; the value of the property being assessed at what would have been the value thereof at the date of transfer as between a willing buyer and a willing seller;

(b) the scheme shall determine the classes of securities of the transferee company which are to be given to the transferor companies in respect of the different classes of property transferred to it, and shall make provision for the determination of the amount of the consideration to be given to each of the transferor companies out of those securities, in so far as it is not determined by the terms of the scheme, being finally determined upon principles specified therein, by arbitration or otherwise, after the scheme has come into operation;"
(c) the scheme may provide for any property of a
transferor company thereby transferred to a
transferee company being so transferred either
subject to, or freed from, all liabilities for the
repayment of money lent which immediately
before the date of transfer were secured on that
property, but if a scheme provides for the transfer
of any property freed from all such liabilities, the
scheme shall make provision for enabling all
persons who immediately before the date of
transfer had, by way of security for such repay­
ment, an interest in that property, to participate
in the consideration to be received by the trans­
feror company by means of a charge on that
consideration or any part thereof, and with the
like priorities between each other as existed
before the coming into force of the scheme;

(d) the scheme may make provision for making in
any trust affecting property or liabilities trans­
ferred to the transferee company, including
any compensation trust created in accordance
with the provisions of the Workmen’s Compen­
sation (Coal Mines) Act, 1934, such modifications
as may be consequential upon the amalgamation
or absorption to be effected by the scheme.

2. For subsection (2) of the said section thirteen there
shall be substituted the following subsection:

“(2) In relation to any scheme submitted to the
Board of Trade under this section by the Coal Mines
Commission, the Act of 1923 shall have effect as if for
the proviso to subsection (2) of section seven thereof
and section eight thereof (which both relate to the considera­
tion of schemes by the Railway and Canal Commission) there
were substituted the following proviso, that is to say:

Provided that the Railway and Canal Commission—

(a) shall hear such persons, whether in support of
or against the scheme, as they think fit, including
representatives of persons employed in any
undertakings affected by the scheme; and

(b) shall not have power to make, or require to be
made, in the scheme modifications inconsistent
with any provisions required by the enactments
relating thereto to be included in schemes sub­
mitted to the Board of Trade by the Coal Mines
Commission but subject as aforesaid may make
such modifications, if any, as they consider necessary for enabling the amalgamation or absorption affected by the scheme to be carried out upon terms and conditions that are fair and equitable to all persons affected by the scheme, and are calculated to avoid financial injury to any of the constituent companies and to enable the undertaking of the transferee company to be efficiently carried on; and

(c) shall (after giving notice of any modifications proposed to be made by them not only to the Commission but also to the constituent companies in like manner as they would have been required by section ten of the Act of 1926 to do if the scheme had been submitted by those companies) confirm the scheme if they are satisfied that it conforms to the enactments relating thereto and, consistently with those enactments, with the amalgamation or absorption affected by the scheme will be carried out upon such terms and conditions as aforesaid.

3. Subsection (4) of the said section thirteen is hereby repealed.

EIGHTH SCHEDULE.

AMENDMENTS OF 20 & 21 GEO. 5.

1. In subsection (2) of section five, after the words “Board of Trade” there shall be inserted the words following—“the person to be appointed as chairman shall be a member of the legal profession.”.

2. For subsection (3) of section five there shall be substituted the following subsections:—

“(3) A committee of investigation may act notwithstanding any vacancy in their number.

(3a) The Board of Trade shall cause to be constituted a panel of persons suitable to exercise the functions of the chairman of any committee of investigation in the event of any chairman of any such committee being unable to act on the investigation of any complaint, and in such an event a person shall, in such manner as the Board may direct, be selected from the panel to act as the chairman, and a person so selected for the investigation of any complaint shall, in relation to that investigation, be deemed to...
be the chairman of the committee, and references in this section to "the chairman" shall be construed accordingly.

(3b) Upon the occasion of the appointment of every member of a committee of investigation other than the chairman the Board shall also appoint a person to act upon behalf of that member in the event of his being unable to act on the investigation of any complaint, and the person so appointed shall, when acting on behalf of that member on the investigation of any complaint, be deemed to be a member of the committee in relation to that investigation, and references in this section to "the members" shall be construed accordingly. Before appointing a person to act on behalf of a member of a committee of investigation the Board shall consult the bodies representative of the interest represented on the committee by that member.

(3c) The chairman shall be present at every meeting of a committee of investigation, and any question at such meeting shall, if the votes of all the members present and voting thereon are not unanimous, be determined by the chairman. Any such committee may take evidence on oath, and for that purpose the chairman shall have power to administer an oath. Any evidence taken by a committee shall, except in so far as it relates to any particular business or undertaking or unless the committee for any special reason otherwise decide, be taken in public, and the decision of the committee upon every complaint shall be delivered in public. Subject to the foregoing provisions of this subsection, the meetings and procedure of every committee of investigation shall be regulated in accordance with rules made by the Board of Trade for the purpose.”

3. In subsection (7) of the said section five the words “subject as hereinafter provided” and the proviso to that subsection are hereby repealed.

4. In subsection (8) of the said section for the words from “make representations with respect thereto” to the end of the subsection there shall be substituted the words following—“make to the persons having power under the scheme to rectify the matter such representations as the committee think desirable for that purpose, and those persons shall exercise their functions under the scheme in conformity with the representations.”

7. After subsection (8) of the said section five there shall be inserted the following new subsections—

“(8A) Where a committee of investigation has given a decision under the last foregoing subsection upon a complaint made with respect to the operation of a scheme
any person aggrieved by the decision, or the executive board charged with the duty of administering the scheme, or the central council, as the case may be, may within fourteen days of the date upon which the decision was given (or within such longer period as the Central Appeal Tribunal may in any particular case allow) refer the matter for arbitration by the Central Appeal Tribunal to be constituted as hereinafter provided.

(8B) The Central Appeal Tribunal shall consist of a chairman and two other members appointed by the Board of Trade, and the Board shall appoint as chairman a member of the legal profession and as the other members persons who appear to the Board to be substantially independent of the coal industry or of any other industry in which large quantities of coal are used, and who are not members, or officers or servants, of an organisation of employes or workpeople in the coal mining industry, or in any other manner directly connected with that industry.

(8C) The Board of Trade shall appoint persons having the same qualifications respectively as are requisite in the case of the chairman and other members of the Central Appeal Tribunal to exercise the functions of the chairman and members of the Tribunal in the event of the chairman or any other member being unable to act on any arbitration, and a person so appointed shall, in relation to any arbitration as respects which he is exercising such functions, be deemed to be the chairman or a member, as the case may be, of the Central Appeal Tribunal, and references in this section to "the chairman" and to "the members" shall be construed accordingly.

(8D) The Central Appeal Tribunal shall not have power to act except in the presence of the chairman and both members thereof. Such of the provisions of subsection (8C) of this section as relate to the power to take, and the taking of, evidence by committees of investigation shall apply with respect to the Central Appeal Tribunal as they apply with respect to such committees. Subject to the preceding provisions of this subsection the procedure of the Central Appeal Tribunal shall be regulated in accordance with rules made by the Board of Trade for the purpose.

(8E) The powers of the Board of Trade under subsection (4) of this section shall extend to the Central Appeal Tribunal in like manner as they extend to committees of investigation, but shall include power to pay such remuneration to the members, as well as to the chair-
6. In subsection (9) of the said section five for the words from the beginning of that subsection to the words “forgoing subsection” there shall be substituted the following words—

“After a decision of the committee of investigation or of the Central Appeal Tribunal as to any complaint has become binding, the committee or the Central Appeal Tribunal, as the case may be,” the words “the arbitrators’ decision and” shall be omitted; paragraph (b) of subsection (10) and subsection (11) are hereby repealed.

7. In section eight of the said Act after the words “executive board” where those words first occur there shall be inserted the words “the Central Appeal Tribunal;” after the words “conferred upon any such committee” there shall be inserted the words “or upon the Central Appeal Tribunal;” in the proviso to the said section there shall be inserted after the words “the central council” the words “the Central Appeal Tribunal;” at the end of the said section there shall be added the words following; and any such information published or disclosed to the Board of Trade or to the Central Appeal Tribunal or to any committee of investigation which is relevant to the proceedings upon any inquiry or investigation or arbitration held by them may be published or disclosed by them to any person being a party to or otherwise directly concerned in those proceedings, but only in such form as does not disclose information relating to any particular business or undertaking.”
Coal.

DRAFT
OF A
BILL

To make provision for the acquisition of the property in all unworked coal and mines of coal and in certain associated minerals, and of certain associated property and rights in land by a Commission with power of management thereover; for amending the enactments relating to facilities for the working of minerals; for empowering the Commission to promote a reduction in the number of coal-mining undertakings; for continuing Part I of the Coal Mines Act, 1930, and for amending the provisions thereof with respect to committees of investigation; for enabling land to be acquired compulsorily for the purposes of the miners welfare committee; and for purposes connected with the matters aforesaid.

CXV.—B. (34.)

5th November 1937.
1. The Bill is in four parts. Part I provides for the unification of coal royalties under the ownership and control of a Coal Commission. Part II provides for the furtherance of reorganisation in the industry by transferring to the new Coal Commission the functions of the Coal Mines Reorganisation Commission, and by varying the powers of compulsory amalgamation given to the latter body by the Coal Mines Act, 1930. Part III extends to the end of 1942, the duration of Part I of the Act of 1930 (which is the statutory basis of the organised selling schemes), and includes certain amendments designed to strengthen, in the interests of consumers, the Committees of Investigation constituted under that Act. Part IV of the Bill contains miscellaneous and general provisions.

The more important provisions in the Bill are summarized below.

Part I.

Unification of Coal Mining Royalties.

2. The Bill sets up a Coal Commission, in whom the ownership and control of the royalties are to be vested (Clause 1 and First Schedule). The Commission are not to engage in the operations of coal-mining (other than searching and boring for coal), but are charged with the management and control of the property, by granting mining leases and otherwise, so as best to promote "the interests, efficiency, and better organisation of the coal-mining industry". A power to give "general directions" to the Commission, in matters affecting the national interest, including all matters affecting the safety of coal working, is to be vested in the Board of Trade. (Clause 2).

3. The property and rights to be acquired comprise all coal (whether now being worked or not, and whether now known to exist or not) together with all rights and servitudes attached to it, as specified in Clause 4 and the Second Schedule (and see also Clause 14). This property is referred to in the Bill as the
"principal coal hereditaments". Minerals other than coal which are comprised in existing coal-mining leases pass with the coal, unless the Commission exercise their right to exclude them. (Clause 3(4)(b)). These minerals, together with any "surface servitudes" which may in law be indissolubly attached to the coal, are referred to as "subsidiary coal hereditaments". (Clause 6(2)).

There is also assigned to the Commission a right to withdraw support from the surface to the extent and subject to the conditions stated in Part II of the Second Schedule.

4. The existing rights of working lessees of coal are maintained, (Clause 5) while "working proprietors" (i.e. colliery undertakings owning the freehold of their own coal) are given the right to a lease of the coal on the terms and conditions ruling in the district (Clause 12).

5. Each owner of "principal coal hereditaments" is to receive in compensation his due proportion of the total sum to be paid for the whole property. (Clause 7(7)). The sum is specified in the Bill, (Clause 6(3)) and compensation is to be paid in cash raised by a loan charged on the property of the Commission and the revenues therefrom. The loan may be guaranteed by the Treasury. (Clause 25) "Subsidiary coal hereditaments" will be valued and paid for separately out of the proceeds of the loan.

Method of Acquisition.

6. The Bill prescribes two dates - a "Valuation Date", 1st January, 1939, and a "Vesting Date", 1st July, 1942. The proposal is that between these dates each present owner shall be placed in the same position as if he had on the earlier date entered into a contract to sell his coal property (as defined in the Bill) to the Coal Commission at a price to be determined by valuation on the footing that the purchase is to be completed on the "Vesting Date". (Clause 3(2)).

7. During the interim period the valuations of individual holdings for compensation will be made and meanwhile the present owners will continue to receive their royalties and profits, and
to manage their properties, but in so doing they will have to show
the same regard to the eventual interests of the Commission as
would the owner of a property which he had contracted to sell.
(Clause 8).
8. The Bill contains provisions (in Clause 11) designed to avoid
postponement of the practical advantages of unification. This Clause,
with the Fifth Schedule, empowers the Commission, at any time after
the valuation date, to arrange with colliery undertakings for the
consolidation of existing leases in a colliery "take". Each
individual lessor concerned is guaranteed during the remainder of the
valuation period the same receipts as it is estimated that he would
have received if the consolidation had not been made.
9. On the Vesting Date, the ownership of the whole of the
acquired property will pass to the Commission. (Clause 3(3)).
Clause 9 is designed to secure that during this period the Coal
Commission on the one hand shall receive particulars of any new lease,
or variation or renewal of an existing lease, which is to be granted;
and any owner, on the other hand, shall be enabled to ascertain
whether anything which he proposes to do in connection with the
management of his property would be regarded by the Commission as a
breach of Clause 8.

It is further proposed that this interim period should be
utilised to disintegrate any coal-mining leases which comprise both
property to be acquired by the Commission and property not to be
acquired (e.g. surface rights). Clause 10 and the Fourth Schedule
give the Commission power in such cases to have new separate leases
prepared, comprising the acquired property and the non-acquired
property respectively, on terms which in the new circumstances are
equivalent to existing terms, and to come into force on the vesting
day.
10. Power is given to the Commission in Clause 14 to grant,
subject to certain safeguards, all rights (e.g. wayleaves) in
relation to underground strata other than coal which may be required
for the purposes of working the coal.
Valuation for Compensation.

ll. The proposals about compensation are contained in Clause 6 and the Third Schedule, and are, in general, as follow:

There shall be (1) a Central Valuation Board whose functions are to include the division of the country into valuation regions and to allocate to each a part of the £66.45 million specified in Clause 6(3); and

(2) a Regional Valuation Board for each valuation region, charged with the duty of assessing the value of each holding in the region of

(a) principal coal hereditaments, and
(b) subsidiary coal hereditaments.

The Central Board are to consist of a Chairman and persons with experience of mineral valuation engaged in the management of mineral estates drawn from each valuation region and appointed by the Board of Trade after consultation with the bodies named in paragraph 3(2) of Part I of the Third Schedule.

The Regional Boards are to consist of a Chairman and all persons as above who are engaged in the management of mineral estates in the region, and appointed by the Board of Trade after consultation as above.

Every claimant for compensation must register under the Coal (Registration of Ownership) Act, 1937 (as amended) the holding in which he is interested, and serve a notice of claim for compensation on the Commission.

When particulars of the holding have been registered the claim shall be referred to the appropriate Regional Valuation Board for valuation.
The procedure of valuation is set out in Part III of the Third Schedule, and any claimant who is dissatisfied with the valuation of the Regional Valuation Board can give notice to the Central Valuation Board and have his claim referred for determination by a referee appointed by them.

When all valuations in a Valuation Region have been duly settled the Regional Valuation Board shall certify accordingly to the Commission, and there shall then be payable by the Commission as at the vesting day in respect of each holding in that region the due proportion of the regional allocation for principal coal hereditaments and the amount certified by the Regional Board for any subsidiary coal hereditaments.

Paragraph 19 in Part IV of the Third Schedule allows the Commission to make payments on account of compensation before the vesting date.

All costs properly incurred in registering particulars of holdings, and in claiming compensation and in the ascertainment of the person entitled are payable by the Commission if done within the prescribed dates, and subject to the limitation contained in Clause 31.

Financial Provisions.

12. The main financial provisions in the Bill are outlined in the Financial Memorandum (q.v.).

13. Clauses 20 and 21 contain provisions for the subsequent administration of the revenues of the Commission. These may be summarized as follows. The Commission must establish a Reserve Fund, and at the end of each financial year must credit to that fund the balance of their revenues
for that year, after payment of administration expenses, loan service, and other sums properly chargeable to revenue account. This Fund is to be available to meet any future deficiencies on revenue account; and the Board of Trade are empowered, with the approval of the Treasury, to fix from time to time the amount to be thus set aside. (Clause 20(2)).

14. Clause 21 provides that if the Commission estimate that after providing for these prior statutory charges, they are likely to have, on the average, a surplus in future financial years, they may devote it to certain specified forms of relief, viz: the reduction of (a) underground wayleaves (b) individual rents which are more onerous than the average rent in the district, (c) rents in a district (or part of a district) which are more onerous than the average in other districts (or other parts of the same district).

15. If and when the reduction of rents provided for above has been substantially completed, the Board of Trade may, on a report by the Commission, lay an order before Parliament providing for the reduction of rents generally.

16. Subject to these provisions for granting progressive relief to lessees, as and when finances permit, the Commission are required (Sub-clause (3) of Clause 21) in granting leases to reserve the best rent that can reasonably be obtained, having regard to all the circumstances.

17. Clause 27 requires the Commission to pay all taxes, local rates, royalties welfare levy, etc. as if they were a private owner.

18. Clause 26 provides for the submission of annual accounts by the Commission, through the Board of Trade to the Comptroller and Auditor General who will examine and certify them, and lay them before Parliament, with his report.
19. It is proposed that if the surface rights necessary for the working of any coal cannot be obtained by agreement they should be obtainable compulsorily by the Commission's lessees through the machinery of the Working Facilities legislation, which are extended to cover colliery works and dwellings. (Clause 18.)

20. Rights of support of the highway, and of railways, sewers, water works, etc., under existing legislation, are not affected by this Act. (Clause 29.)

21. Clause 35 (and the Table at the end of the Third Schedule) applies the Act to Crown coal.

22. Clause 36 deals with the special circumstances of the Forest of Dean.

23. The opportunity afforded by this Bill is taken to include among the ancillary rights which may be granted by the Railway and Canal Commission, under the Mines (Working Facilities and Support) Act, 1923, the use of land for the purpose of pithead baths provided by the Miners' Welfare Committee. (Clause 44.)

24. Under this part of the Bill the functions of the Reorganisation Commission are transferred to the Coal Commission, and the former Commission ceases to exist. Clause 40 directs the Coal Commission to endeavour to reduce the number of coal-mining leases where they think it desirable in the interests of efficiency. Compulsory schemes can be put forward only in accordance with the procedure laid down in Sub-clause (2). Under this provision there are no general compulsory powers, but the Commission is to proceed through the medium of reports to the Board of Trade on the progress made in the voluntary reduction of the number of undertakings. In
such reports, if the Commission think that insufficient progress has been made in a certain area or areas, they may recommend that the compulsory amalgamation powers should be made exercisable there.

The Board of Trade may then, if they think fit, after considering the Commission's report, make an order accordingly, declaring that it is expedient that amalgamation should take place in that area, or a specified part of it, and that the compulsory provisions of the Act of 1930 may be exercised there. But before such an order can be made, it must be laid before both Houses of Parliament in draft for 28 sitting days.

Sub-clause (3) and the Seventh Schedule amend Part II of the Coal Mines Act, 1930, in regard to the contents of compulsory schemes and their consideration by the Railway and Canal Commission. It is, moreover, provided that no compulsory schemes may be submitted to the Court till 1st January, 1943.

Part III.
Amendment and Continuance of Part I of the Coal Mines Act, 1930.

25. Clause 43 extends the duration of Part I of the 1930 Act until the 31st December, 1942. The Eighth Schedule amends the constitution and powers of the Committees of Investigation. These Committees are the tribunals to which consumers, who consider that they are unfairly treated under the organised selling schemes, may refer their complaints.

In order to strengthen the protection afforded by these Committees, the amendments provide that:

(a) In the event of the members of a Committee not being unanimous, the decision may be taken by the Independent Chairman - a member of the legal profession. Provision is also made for substitute members of the Committee and for a panel of reserve Chairmen.
(b) The Committee shall meet in public, unless for any special reason they decide to meet in private, and shall give their decisions in public.

(c) Appeals against the decision of a Committee of Investigation in respect of the operation of a selling scheme may be lodged with a Central Appeal Tribunal of three independent persons of whom the Chairman shall be a member of the legal profession.

(d) The Committee shall have power to disclose to complainants information in respect of complaints furnished to the Committee by persons having functions under the schemes, provided that the particulars of individual businesses shall not be identifiable.