



# Channel Tunnel (Initial Finance) Act 1973

## 1973 CHAPTER 66

An Act to make financial provision in relation to preliminary work on or in connection with the construction of a railway tunnel system under the English Channel. [13th November 1973]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

### **1 Initial finance for the Channel Tunnel.**

- (1) For the purpose of making financial provision in relation to preliminary work on or in connection with the construction of a railway tunnel system under the English Channel—
  - (a) subject to subsection (2) of this section, the Treasury may guarantee, in such manner and on such conditions as they think fit, the repayment of the principal of, and the payment of interest on, any sums borrowed in pursuance of any agreement to which the Secretary of State may become a party after the passing of this Act and which relates to work of that description done before or to be done during the initial period;
  - (b) subject to and in accordance with subsection (3) of this section, the Treasury may make payments towards the fulfilment of any guarantees given in relation to sums borrowed in pursuance of any agreement to which the Government or any minister of the Government of the French Republic may become a party after the passing of this Act and which corresponds with such an agreement as is referred to in paragraph (a) above; and
  - (c) there shall be defrayed out of money provided by Parliament any expenditure which may be incurred by the Secretary of State—
    - (i) in carrying out such studies connected with the construction of such a tunnel system as appear to him to be necessary or expedient; or
    - (ii) in fulfilling any obligations or exercising any rights (including any obligation or right to acquire securities of a body corporate) which,

in pursuance of such an agreement as is referred to in paragraph (a) above, become his in consequence of the abandonment during the initial period of the work to which the agreement relates.

- (2) The sums for the repayment of which the Treasury may give a guarantee under paragraph (a) of subsection (1) of this section shall not in the aggregate exceed £30 million or such greater sum, not exceeding £35 million, as the Secretary of State may by order specify.
- (3) The payments which the Treasury may make under paragraph (b) of subsection (1) of this section shall be of such amounts (not exceeding in the aggregate, in so far as they relate to the repayment of principal, £15 million or, if an order is made under subsection (2) of this section specifying a greater sum, one half of that greater sum) as the Treasury thinks proper for giving effect to any arrangements made between Her Majesty's Government in the United Kingdom and the Government of the French Republic in relation to the guarantees referred to in paragraphs (a) and (b) of the said subsection (1).
- (4) Any sums required by the Treasury for fulfilling any guarantee given under paragraph (a) of subsection (1) of this section or for making any payments under paragraph (b) of that subsection shall be charged on and issued out of the Consolidated Fund; but, to the extent to which the Treasury is required to fulfil guarantees given under the said paragraph (a) in relation to sums borrowed in excess of £15 million, the Treasury shall pay into the Consolidated Fund such sums as are received in pursuance of the arrangements referred to in subsection (3) of this section.
- (5) Immediately after a guarantee is given under the said paragraph (a) the Treasury shall lay a statement of the guarantee before each House of Parliament.
- (6) As soon as possible after the end of each financial year in which any sum is issued for fulfilling a guarantee so given or for making a payment under the said paragraph (b) the Treasury shall lay before each House of Parliament a statement relating to that sum.
- (7) The power to make an order under subsection (2) of this section shall be exercisable by statutory instrument but shall not be exercised unless a draft of the order has been laid before the Commons House of Parliament and approved by a resolution of that House.
- (8) The power to make an order under the said subsection (2) shall include power to vary or revoke the order by a subsequent order made under that subsection.

## **2 Interpretation and short title.**

- (1) In this Act—
  - " preliminary work " includes studies, surveys, trials and experimental work connected with the construction of a railway tunnel system under the English Channel as well as work on the construction of any part of that system;
  - " the initial period " means the period commencing with the passing of this Act and expiring with 1st July 1975 or such later date as the Secretary of State may by order made by statutory instrument appoint; and
  - " securities " includes stock and shares.
- (2) Any statutory instrument whereby an order under subsection (1) of this section is made shall be subject to annulment in pursuance of a resolution of the Commons House of Parliament.

- (3) The power to make an order under the said subsection (1) shall include power to vary or revoke the order by a subsequent order made under that subsection.
- (4) This Act may be cited as the Channel Tunnel (Initial Finance) Act 1973.