



Coal Industry Act 1973

1973 CHAPTER 8

An Act to provide for the capital reconstruction of the National Coal Board; to make provision with respect to borrowing by the Board or its subsidiaries, and with respect to their powers to give guarantees in connection with loans; to confer on the Secretary of State new or extended powers to make grants or other payments to the Board or to other producers of coking coal, or to or in respect of workers in the coal industry made redundant; to authorise the appointment of additional members of the Board; and for purposes connected with those matters. [22nd March 1973]

1 Capital reconstruction of National Coal Board.

- (1) All outstanding liabilities of the National Coal Board (in this Act referred to as “the Board”) to the Secretary of State in respect of the principal of or interest on sums borrowed from him by the Board before the end of the current financial year (including any sums deemed to have been so borrowed by virtue of section 2(1) of the Act of 1965) shall be extinguished at the end of the current financial year.
- (2) In the accounts of the Board for the current financial year the total net book value of the Board’s fixed assets, as shown in their accounts for the financial year of the Board ending in March 1972, and after making due allowance for depreciation, acquisitions, disposals and other matters occurring during the current financial year, shall be reduced by £275 million (being an amount calculated by reference to the over-valuation of certain of those assets).
- (3) The accumulated deficit of the Board on their revenue account at the end of the current financial year, as reported by the auditors of the Board, shall be deemed to be extinguished at the end of the current financial year.
- (4) The Board shall be deemed to have borrowed from the Secretary of State at the end of the current financial year a sum equal to the amount of the liabilities referred to in subsection (1) of this section, less the aggregate of the following amounts, that is to say—
 - (a) the amount of £275 million referred to in subsection (2) of this section, and
 - (b) the amount of the accumulated deficit referred to in subsection (3) of this section;

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Changes to legislation: There are currently no known outstanding effects for the Coal Industry Act 1973. (See end of Document for details)

and the assets of the National Loans Fund shall accordingly be reduced by an amount corresponding to the aggregate of those amounts.

- (5) The sum deemed to have been borrowed by the Board as mentioned in subsection (4) of this section shall be deemed to have been borrowed under subsection (2) of section 1 of the Act of 1965 (which relates to borrowing otherwise than by way of temporary loan) and shall be deemed to have been lent to the Board at the end of the current financial year by the Secretary of State under subsection (6) of that section.
- (6) It shall not be necessary for the Treasury, in approving for the purposes of section 28(1) of the Act of 1946 the rate of interest on the sum deemed by virtue of subsection (5) of this section to have been lent to the Board, to approve that rate in accordance with subsection (2) of section 5 of the ^{M1}National Loans Act 1968 (criteria for fixing or approving rates of interest), and accordingly that subsection shall not apply to the approval of the rate of interest on that sum.
- (7) In this section “the current financial year” means the financial year of the Board ending with 31st March 1973.

<p>Marginal Citations</p> <p>M1 1968 c. 13.</p>

2 Borrowing powers of the Board and its subsidiaries and powers to guarantee loans.

- (1) F1
- (2) In accordance with any general authority given by the Secretary of State with the approval of the Treasury, the [^{F2}British Coal Corporation] may under subsection (1) or subsection (2A) of section 1 of the Act of 1965 borrow temporarily from any person other than the Secretary of State any sum which they have power to borrow under either of those subsections with the consent of the Secretary of State.
- (3) With the consent of the Secretary of State and the approval of the Treasury the [^{F3}Corporation] may borrow (otherwise than by way of temporary loan) from the Commission of the European Communities or from the European Investment Bank (established by Article 129 of the E.E.C. Treaty) any sum in sterling which the [^{F3}Corporation] have power to borrow from the Secretary of State under section 1(2) of the Act of 1965.
- (4) It is hereby declared for the avoidance of doubt that references in section 1 of the Act of 1965 to borrowing by the [^{F3}Corporation] do not include borrowing by subsidiaries of the [^{F3}Corporation].
- (5) The [^{F3}Corporation] shall not make any loan to any of their subsidiaries except with the consent of the Secretary of State and the approval of the Treasury or in accordance with any general authority given by the Secretary of State with the approval of the Treasury.
- (6) The [^{F3}Corporation] shall not exercise their power to guarantee the repayment by any person of money lent to him, or the payment of interest on money lent to any person, unless the Secretary of State gives his consent or it is exercised in accordance with a general authority given by the Secretary of State.

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(7) It shall be the duty of the [^{F3}Corporation] to exercise their control over their wholly owned subsidiaries so as to secure that no such subsidiary guarantees the repayment by any person of money lent to him, or the payment of interest on money lent to any person, except with the consent of the Secretary of State or in accordance with a general authority given by him.

(8) ^{F1}

Textual Amendments

- F1** S. 2(1)(8) repealed by Coal Industry Act 1977 (c. 39), Sch. 5 Pt. II
- F2** Word substituted by Coal Industry Act 1987 (c. 3, SIF 86), s. 1(2), Sch. 1 para. 21(1)
- F3** Word substituted by Coal Industry Act 1987 (c. 3, SIF 86), s. 1(2), Sch. 1 para. 21(2)

3 ^{F4}

Textual Amendments

- F4** S. 3 repealed, with saving for grants under Coal Industry Act 1971 (c. 16), s. 1 in respect of Board's financial year ending in March 1978 or in any earlier year, by Coal Industry Act 1977 (c. 39), Sch. 5 Pt. I

4 ^{F5}

Textual Amendments

- F5** S. 4 repealed with saving by Coal Industry Act 1977 (c. 39), s. 7(10), Sch. 5 Pt. II

5 ^{F6}

Textual Amendments

- F6** S. 5 repealed by National Coal Board (Finance) Act 1976 (c. 1), s. 2(6)

6, 7. ^{F7}

Textual Amendments

- F7** Ss. 6, 7 repealed by Coal Industry Act 1977 (c. 39), Sch. 5 Pt. II

8 ^{F8}

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Textual Amendments

F8 S. 8 repealed by [Coal Industry Act 1983 \(c. 60, SIF 86\)](#), s. 2(3), [Sch.](#)

9 **F9**

Textual Amendments

F9 S. 9 repealed by [Coal Industry Act 1977 \(c. 39\)](#), s. 8(7), [Sch. 5 Pt. II](#)

10 Increase in membership of Board.

The limit imposed by section 2(2) of the Act of 1946 on the number of members of the [^{F10}British Coal Corporation] other than the chairman shall be raised from eleven to fourteen.

Textual Amendments

F10 Word substituted by [Coal Industry Act 1987 \(c. 3, SIF 86\)](#), s. 1(2), [Sch. 1 para. 21\(1\)](#)

11 Administrative expenses.

There shall be paid out of moneys provided by Parliament any increase attributable to this Act in the sums so payable in respect of administrative expenses of the Secretary of State.

12 Interpretation, and provisions as to orders.

(1) In this Act—

“the Act of 1946” means the ^{M2}Coal Industry Nationalisation Act 1946;

“the Act of 1965” means the ^{M3}Coal Industry Act 1965;

“the Act of 1967” means the ^{M4}Coal Industry Act 1967;

“the Act of 1971” means the ^{M5}Coal Industry Act 1971;

“the Board” means the National Coal Board;

..... ^{F11}

[^{F12}“subsidiary” and “wholly owned subsidiary” have the meanings given by section 736 of the Companies Act 1985]

(2) Except in so far as the context otherwise requires, any reference in this Act to an enactment shall be construed as a reference to that enactment as amended or extended by or under any other enactment.

(3) **F13**

Textual Amendments

F11 Definition repealed by [Coal Industry Act 1977 \(c. 39\)](#), [Sch. 5 Pt. II](#)

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F12 Definitions substituted by Companies Act 1989 (c. 40, SIF 27), s. 144(4), **Sch. 18 para. 10** (subject to the transitional provisions referred to in S.I. 1990/1392, **arts. 2(d), 6**)

F13 S. 12(3)—(5) repealed by Coal Industry Act 1977 (c. 39), **Sch. 5 Pt. II**

Marginal Citations

M2 1946 c. 59.

M3 1965 c. 82.

M4 1967 c. 91.

M5 1971 c. 16.

13 Amendments and repeals.

- (1) The enactments specified in Schedule 1 to this Act shall have effect subject to the amendments set out in that Schedule (being amendments consequential upon the preceding provisions of this Act).
- (2) The enactments specified in Schedule 2 to this Act are hereby repealed to the extent specified in the third column of that Schedule.

Modifications etc. (not altering text)

- C1** The text of s. 13(1),(2), Sch. 1 para. 1, 2, 3(a)(b), Sch. 2 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

14 Short title, citation, commencement and extent.

- (1) This Act may be cited as the Coal Industry Act 1973.
- (2) The Coal Industry Acts 1946 to 1971 and this Act may be cited together as the Coal Industry Acts 1946 to 1973.
- (3) The following provisions of this Act, that is to say, section 2(1) and so much of Schedule 2 as repeals section 2(1) of the Act of 1965 or as relates to the Act of 1967 or the Act of 1971, shall come into operation on 1st April 1973.
- (4) This Act does not extend to Northern Ireland.

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Changes to legislation: There are currently no known outstanding effects for the Coal Industry Act 1973. (See end of Document for details)

SCHEDULES

SCHEDULE 1

CONSEQUENTIAL AMENDMENTS

- 1 In section 2(2) of the Act of 1946, for the words “not less than eight nor more than eleven other members” (substituted by section 1(1) of the Coal Industry Act 1949) there shall be substituted the words “not less than eight nor more than fourteen other members”.

Modifications etc. (not altering text)

- C2** The text of s. 13(1),(2), Sch. 1 para. 1, 2, 3(a)(b), Sch. 2 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

- 2 In section 27(4) of the Act of 1946, after the words “section 1 of the Coal Industry Act 1965” (substituted by the Act of 1971) there shall be added the words “or under section 2(3) of the Coal Industry Act 1973”.

Modifications etc. (not altering text)

- C3** The text of s. 13(1),(2), Sch. 1 para. 1, 2, 3(a)(b), Sch. 2 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

- 3 In section 1 of the Act of 1965—
- (a) in subsection (5), at the end, there shall be added the words “or with section 2(3) of the Coal Industry Act 1973” ;
- (b) after subsection (7) there shall be added the following subsection—
- “(8) Any power conferred by a provision of this section to make an order shall include power to vary or revoke the order by a subsequent order made under that provision ; but no such power shall be exercisable unless a draft of the order has been laid before the Commons House of Parliament and approved by a resolution of that House.”

Modifications etc. (not altering text)

- C4** The text of s. 13(1),(2), Sch. 1 para. 1, 2, 3(a)(b), Sch. 2 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

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PROSPECTIVE

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F14

Textual Amendments

F14 Sch. 1 para 4 repealed by Coal Industry Act 1977 (c. 39), Sch. 5 Pt. I

SCHEDULE 2

ENACTMENTS REPEALED

Modifications etc. (not altering text)

C5 The text of s. 13(1),(2), Sch. 1 para. 1, 2, 3(a)(b), Sch. 2 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

Chapter	Short Title	Extent of Repeal
1949 c. 53.	The Coal Industry Act 1949.	In section 1, subsection (1).
1965 c. 82.	The Coal Industry Act 1965.	In section 2, subsections (1) and (2).
1967 c. 91.	The Coal Industry Act 1967.	Section 1.
1971 c. 16.	The Coal Industry Act 1971.	In section 4, in subsection (1), paragraph (c).

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Changes to legislation:

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