



Coal Industry Act 1967

1967 CHAPTER 91

An Act to make further provision with respect to borrowing by and grants to the National Coal Board; to provide for supplementary payments to redundant workers in the coal industry, for the reimbursement to the Board of contributions to retirement benefits to or in respect of such workers and of losses incurred by the Board in deferring the closure of coal mines and for the reimbursement to boards generating electricity or producing gas of the additional cost of using coal in pursuance of an arrangement made with the Minister of Power or the Secretary of State; and for connected purposes. [20th December 1967]

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 Borrowing powers of the National Coal Board

- (1) The limit imposed by section 1(3) of the 1965 Act on the aggregate amount outstanding in respect of the principal of all sums borrowed or deemed to be borrowed by the Board under that section shall be raised from £700,000,000 or such greater sum not exceeding £750,000,000 as the Minister may from time to time by order specify to £900,000,000 or such greater sum not exceeding £950,000,000 as he may so specify.
- (2) The limit imposed by section 1(4) of the 1965 Act on the amount of the accumulated deficit in the Board's revenue account at the end of any financial year of the Board shall be raised from £30,000,000 to £50,000,000.

2 Grants in connection with pit closures

- (1) As regards any year falling wholly or partly after the passing of this Act the grants which may be made under section 3 of the 1965 Act (grants in connection with pit closures) shall be such grants towards any relevant expenditure of the Board as in the opinion of the Minister will assist in the attaining of the object mentioned

in subsection (1) of that section and not grants towards any relevant increase of expenditure.

- (2) The limit on the aggregate amount of the grants made under that section shall be raised from £30,000,000 for the five financial years ending with 27th March 1971 to £45,000,000 for the four financial years ending with that date and the limit on the aggregate amount of the grants so made in respect of any one of those four financial years shall be raised from an amount equal to half the relevant increase of expenditure for that year to an amount equal to two-thirds of the relevant expenditure for that year (as certified by the Board's auditors).
- (3) Expressions used in this section and section 3 of the 1965 Act have the same meanings in this section as they have in that section.

3 Payments to redundant workers the in coal industry

- (1) For the purpose of providing assistance to persons made redundant by the closure of coal mines, the reduction in the number of persons employed thereat or the consequent reduction in ancillary services and facilities the Minister may make a scheme providing for the making of payments to persons of any prescribed class who at any time between 17th July 1967 and 28th March 1971—
 - (a) are employed at a coal mine or at any place of a prescribed class used for providing services or facilities ancillary to the working of one or more coal mines; and
 - (b) become redundant within the meaning of the scheme after attaining the age of fifty-five and before attaining the age of sixty-five in the case of men or sixty in the case of women.
- (2) Any sums required by the Minister for making payments under a scheme under this section and any expenses incurred by him in the administration of any such scheme shall be defrayed out of moneys provided by Parliament.
- (3) A scheme under this section may be varied or revoked by a subsequent scheme thereunder.
- (4) The power to make a scheme under this section shall be exercisable by statutory instrument, but no such scheme shall be made unless a draft thereof has been laid before and approved by each House of Parliament.
- (5) In this section " prescribed" means prescribed by a scheme thereunder.

4 Reimbursement of contributions to early retirement benefits

- (1) The Minister may, out of moneys provided by Parliament, make payments to the Board reimbursing the Board the amount determined in accordance with subsection (2) below of any contributions in respect of any increase in the cost of retirement benefits paid before normal retiring age to or in respect of persons who have at any time been eligible to receive payments under a scheme under section 3 above.
- (2) The amount of any payments under this section shall be determined in such manner as may be agreed between the Minister and the Board with the approval of the Treasury and shall be certified by the Board's auditors.
- (3) Contributions made by the Board and reimbursed under this section shall not be treated as relevant expenditure for the purposes of the 1965 Act.

- (4) In this section " contributions " means payments by way of contributions to superannuation funds maintained by virtue of section 37 of the Coal Industry Nationalisation Act 1946.

5 Reimbursement of losses incurred by the National Coal Board in postponing pit closures

- (1) Subject to the following provisions of this section, the Minister may, out of moneys provided by Parliament, make payments to the Board reimbursing the Board the amount of any loss determined in accordance with subsection (2) below to have been incurred by the Board not later than 27th March 1971 in consequence of deferring the closure of coal mines in pursuance of an arrangement entered into between the Minister and the Board on or after 1st September 1967.
- (2) The question whether any loss has been so incurred shall be determined by the Minister with the approval of the Treasury and after consultation with the Board and the amount of any loss so incurred shall be determined in such manner as may be agreed between the Minister and the Board with the approval of the Treasury and shall be certified by the Board's auditors.
- (3) The aggregate amount of the payments made under this section shall not exceed £5,000,000 or such greater sum not exceeding £8,000,000 as the Minister may by order specify.
- (4) The power to make an order under this section shall be exercisable by statutory instrument; but no such order shall be made unless a draft thereof has been laid before and has been approved by the Commons House of Parliament.

6 Reimbursement of additional cost of using coal in generating electricity or producing gas

- (1) Subject to the following provisions of this section, the appropriate Minister may, out of moneys provided by Parliament, make payments to the Central Electricity Generating Board, the North of Scotland Hydro-Electric Board, the South of Scotland Electricity Board or any area gas board reimbursing the amount by which the costs incurred between 31st July 1967 and 1st April 1971 by that board in using, in pursuance of an arrangement with the appropriate Minister, coal for the purpose of generating electricity or producing gas exceed the costs which would have been so incurred if that board had used another fuel for that purpose.
- (2) For the purposes of subsection (1) above the amount of any costs which have or would in the circumstances there mentioned have been incurred by a board shall be determined in such manner as may be agreed between the appropriate Minister and the board with the approval of the Treasury and shall be certified by the board's auditors.
- (3) The aggregate amount of the payments made under this section shall not exceed £45,000,000.
- (4) In this section " the appropriate Minister " means, as respects the North of Scotland Hydro-Electric Board and the South of Scotland Electricity Board, the Secretary of State and in any other case the Minister of Power.

7 Supplemental

- (1) In this Act, except in so far as the context otherwise requires,—
 - " the Board " means the National Coal Board ;
 - " the Minister " means the Minister of Power ;
 - " the 1965 Act " means the Coal Industry Act 1965.
- (2) Except in so far as the context otherwise requires, any reference in this Act to any other enactment is a reference thereto as amended, and includes a reference thereto as extended or applied, by or under any other enactment, including this Act.
- (3) The provisions of the 1965 Act specified in the Schedule to this Act shall have effect subject to the amendments set out in that Schedule, being amendments consequential on the foregoing provisions of this Act.

8 Short title, citation and extent

- (1) This Act may be cited as the Coal Industry Act 1967.
- (2) The Coal Industry Acts 1946 to 1965 and this Act may be cited together as the Coal Industry Acts 1946 to 1967.
- (3) This Act does not extend to Northern Ireland.

SCHEDULE

Section 7.

CONSEQUENTIAL AMENDMENTS TO 1965 ACT

- 1 In section 1(3) for the words " £700,000,000 " and " £750,000,000 " there shall be respectively substituted the words " £900,000,000 " and " £950,000,000 ".
- 2 In section 1(4) for the words " £30,000,000 " there shall be substituted the words " £50,000,000 ".
- 3 In section 3(1) for the words from " such grants " onwards there shall be substituted the words " such grants towards any relevant expenditure of the Board for any of the four years ending with 27th March 1971 as in his opinion will assist in the attaining of that object ".
- 4 In section 3(2) for the words " £30,000,000 " there shall be substituted the words " £45,000,000 " and for the words from " half " onwards there shall be substituted the words " two-thirds of the relevant expenditure for that year (as certified by the Board's auditors) ".
- 5 Section 3(3)(a) shall cease to have effect.