



Civil Aviation Act 1971

1971 CHAPTER 75

PART III

THE BRITISH AIRWAYS BOARD

Further financial provisions

50 Control of return on net assets etc.

- (1) It shall be the duty of the Secretary of State to determine the rate of return on net assets (as for the time being defined for the purposes of this section by the Secretary of State) which, having regard to the provisions of section 43(2) of this Act, the Secretary of State considers it is reasonable for the group to achieve as respects a period specified in the determination.
- (2) A determination under this section may—
 - (a) specify a period beginning before the date on which the determination is made; and
 - (b) be varied by a subsequent determination under this section;but nothing in paragraph (b) of this subsection shall be construed as implying that a determination under any other provision of this Act may not be varied.
- (3) The Secretary of State shall not make a determination under this section except with the approval of the Treasury and after consultation with the Board ; and it shall be the duty of the Secretary of State to give the Board notice of each determination made under this section.
- (4) It shall be the duty of the Board during any period specified in a determination under this section to exercise its powers with a view to securing that the group achieves a rate of return on net assets in respect of that period which is not less than the rate specified in the determination as for the time being in force.
- (5) The Secretary of State may by order—

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- (a) substitute for the duty imposed on the Board by virtue of the preceding subsection a financial duty expressed otherwise than by reference to a rate of return on net assets;
- (b) provide that subsections (1) to (4) of this section shall have effect with such modifications as the Secretary of State considers appropriate in consequence of the substitution; and
- (c) without prejudice to section 63(4)(b) of this Act, make such other incidental or transitional provision as the Secretary of State considers appropriate in consequence of the substitution.