



Coal Industry Act 1985

1985 CHAPTER 27

An Act to make new provision for grants by the Secretary of State to the National Coal Board in respect of group deficits and further provision with respect to certain grants and payments by the Secretary of State under the Coal Industry Act 1977. [13th June 1985]

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 Deficit grants to National Coal Board.

- (1) The Secretary of State may, with the approval of the Treasury, make grants to the Board out of money provided by Parliament with a view to reducing or eliminating—
 - (a) any outstanding group deficit for the financial year of the Board ending in March 1985 ; and
 - (b) any group deficit for the financial years of the Board ending in March 1986 and 1987.
- (2) In this section " group deficit" means, in relation to a financial year of the Board, any deficit shown in any consolidated profit and loss account of the Board and any of their subsidiaries prepared by the Board in accordance with a direction given by the Secretary of State in respect of that year under section 8(1) of the Coal Industry Act 1971.
- (3) Grants under subsection (1)(a) or (b) above—
 - (a) may be made subject to such conditions as the Secretary of State with the approval of the Treasury may determine; and
 - (b) may be made in advance of the preparation in respect of any financial year of the Board there mentioned of any such consolidated profit and loss account as is mentioned in subsection (2) above, if it appears to the Secretary of State that there will be an outstanding group deficit or (as the case may be) a group deficit for that year.

- (4) The aggregate of the grants made under subsection (1)(a) above shall not exceed £1,200 million.
- (5) Subject to the following provisions of this section the aggregate of the grants made under subsection (1)(b) above shall not exceed £600 million.
- (6) The Secretary of State may with the approval of the Treasury, on one or more occasions, by order made by statutory instrument increase or further increase the limit under subsection (5) above, subject to a maximum of £800 million.
- (7) No order shall be made under subsection (6) above unless a draft of the order has been laid before, and approved by resolution of, the House of Commons.
- (8) If the aggregate of the grants made under subsection (1)(a) above—
 - (a) is equal to the amount of any outstanding group deficit for the financial year of the Board there mentioned; but
 - (b) is less than the limit under subsection (4) above ;the Secretary of State may with the approval of the Treasury treat the limit for the time being applicable under subsection (5) above as increased by the amount of the difference between the aggregate of the grants so made and the limit under subsection (4).
- (9) References in this section to any outstanding group deficit for the financial year of the Board ending in March 1985 are references to any amount by which any group deficit for that year exceeds the aggregate of any grants made under section 3 of the Coal Industry Act 1980 in respect of that year before the passing of this Act.

2 Grants in connection with pit closures.

- (1) In section 6(3) of the 1977 Act (which defines the period in respect of which expenditure of the Board must be incurred in order to qualify for grants under that section as certain specified financial years of the Board ending with that ending in March 1986) for the words " and 1986 " there shall be substituted the words " 1986 and 1987 ".
- (2) The Secretary of State may with the approval of the Treasury, on one or more occasions, by order made by statutory instrument increase or further increase the limit under subsection (5) of that section on the aggregate amount of grants under that section (which at the passing of this Act is £400 million), subject to a maximum of £450 million.
- (3) No order shall be made under subsection (2) above unless a draft of the order has been laid before, and approved by resolution of, the House of Commons.

3 Payments to or in respect of redundant workers.

- (1) In section 7(1) of the 1977 Act (schemes for the purpose of providing assistance to certain workers becoming redundant at any time between 17th July 1967 and 30th March 1986) for the words " 30th March 1986 " there shall be substituted the words " 29th March 1987 ".
- (2) In subsection (5) of that section (limit on aggregate amount of payments by the Secretary of State under that section during certain specified financial years of the

Board ending with that ending in March 1986 to be £1,200 million), for the words " and 1986 " there shall be substituted the words " 1986 and 1987 ".

- (3) The Secretary of State may with the approval of the Treasury, on one or more occasions, by order made by statutory instrument increase or further increase the limit under subsection (5) of that section, subject to a maximum of £1,800 million.
- (4) No order shall be made under subsection (3) above unless a draft of the order has been laid before, and approved by resolution of, the House of Commons.

4 Interpretation.

In this Act—

- " the 1977 Act " means the Coal Industry Act 1977; and
- " the Board " means the National Coal Board.

5 Citation, repeal and extent.

- (1) This Act may be cited as the Coal Industry Act 1985, and the Coal Industry Acts 1946 to 1983 and this Act may be cited together as the Coal Industry Acts 1946 to 1985.
- (2) The following enactments are hereby repealed—
 - section 3 of the Coal Industry Act 1980 (which is spent); and
 - section 4(2) of the Coal Industry Act 1983 (which amends section 7(1) of the 1977 Act and is superseded by section 3(1) of this Act).
- (3) This Act does not extend to Northern Ireland.