



Coal Industry Act 1949

1949 CHAPTER 53 12 13 and 14 Geo 6

An Act to alter the composition of the National Coal Board, extend the area within which their activities may be carried on, empower them to terminate certain long-term contracts and provide for the enforcement against them of certain workmen's compensation liabilities; to amend sections thirty-seven and sixty-four of the Coal Industry Nationalisation Act 1946, and authorise the making of certain payments in connection with the settlement of disputes arising under regulations made under the said section thirty-seven and to repeal the provisions of that Act imposing restrictions on the disposal of government stock issued for compensation to companies; to extend the power of the Minister of Fuel and Power to make general regulations under section eighty-six of the Coal Mines Act 1911, and otherwise to amend that section; and for purposes connected with the matters aforesaid. [30th July 1949]

Modifications etc. (not altering text)

C1 In this Act "the Board" means National Coal Board and "the principal Act" means [Coal Industry Nationalisation Act 1946 \(c. 59\)](#)

PART I

AMENDMENTS OF COAL INDUSTRY NATIONALISATION ACT 1946

1 Alteration of composition of National Coal Board.

- (1)^{F1}
- (2) The persons from amongst whom the members of the [^{F2}Corporation] are by subsection (3) of section two of the principal Act required to be appointed shall include persons appearing to [^{F3}the Secretary of State] to be qualified as having had experience of, and having shown capacity in, the coal-mining industry.
- (3) The number of members of the [^{F2}Corporation], apart from the chairman thereof, required to render whole-time service to the [^{F2}Corporation] shall not exceed eight.

Status: Point in time view as at 01/02/1991.

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- (4) [^{F3}The Secretary of State] may appoint one of the members of the [^{F2}Corporation] to act as deputy chairman thereof in addition to the member appointed by him under subsection(5) of section two of the principal Act so to act.

Textual Amendments

F1 S. 1(1) repealed by [Coal Industry Act 1973 \(c. 8\)](#), **Sch. 2**

F2 Words substituted by [Coal Industry Act 1987 \(c. 3, SIF 86\)](#), s. 1(1)(2), **Sch. 1 para. 2**

F3 Words substituted by virtue of [S.I. 1957/48 \(1957 I, p. 1439\)](#), 1969/1498, arts. 2(1), 5(6) and 1970/1537, arts. 2(2), 7(4)

2 F4

Textual Amendments

F4 S. 2 repealed by [Coal Industry Act 1977 \(c. 39\)](#), s. 11(8), **Sch. 5 Pt. II**

3 F5

Textual Amendments

F5 Ss. 3, 6 repealed by [Statute Law Revision Act 1953 \(2 & 3 Eliz. 2 c. 5\)](#),

4 Superannuation &c., rights

- (1) References in section thirty-seven of the principal Act (which provides for the making of regulations with respect to pensions, gratuities and other like benefits) to employment in or in connection with coal industry activities shall be construed as not including and as never having included references to employment in or in connection with coal industry activities by a person other than a colliery concern, a class A subsidiary of a colliery concern, the Coal Commission, a body administering a selling scheme, a selling agent appointed under a group selling scheme or the South Yorkshire Mines Drainage Committee, and references in that section to employment in or in connection with transferred allied activities shall be construed as not including and as never having included references to employment otherwise than by the owner of an interest falling within Part II, III or IV of the First Schedule to the principal Act that vests in the Board by virtue of the exercise of an option in or in connection with activities for which that interest was owned or for which things wherein that interest subsisted were used, and the reference in paragraph (a) of subsection (2) of that section to a person’s ceasing to be employed in coal industry activities or transferred allied activities shall be construed accordingly.
- (2) The power conferred by paragraph (c) of subsection (1) of the said section thirty-seven to provide for the continuance, amendment or revocation of existing schemes or other arrangements for the provision of pensions, gratuities or other like benefits and of trust deeds, rules or other instruments made for the purposes thereof, and for the transfer or extinguishment of liabilities under, and the transfer or winding up of funds held for

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the purposes of, any such schemes or arrangements shall be exercisable in relation to schemes or other arrangements for the provision of such benefits in favour of—

- (a) persons to whom subsection (2) of that section, as amended by this section, applies; and
- (b) persons, other than as aforesaid, taken into the employment of the Board before the commencement of this Act, being persons who had been in employment in, or in connection with, coal industry activities or transferred allied activities,

or in favour of other persons by reference to the employment of such persons as aforesaid, to trust deeds, rules or other instruments made for the purposes of any such schemes or arrangements and to liabilities thereunder and funds held for the purposes thereof, but shall not be exercisable in relation to any other schemes or arrangements or instruments, liabilities or funds.

- (3) Subsection (2) of the said section thirty-seven (which provides that, in the case of persons who have been in employment in or in connection with coal industry activities or transferred allied activities before the primary or other relevant vesting date, the regulations to be made for the purposes of subsection (1) of that section shall be so framed as to secure, amongst other things, that where an expectation of accruer, whether as of right or under customary practice, of any particular benefits in favour of any such person, or in favour of another person by reference to his employment, ceases or is prejudiced by reason of his ceasing in consequence of the passing of that Act to be employed by his previous employer or to be employed in the activities aforesaid, the same benefits, or substituted benefits not less advantageous, shall be provided for under the regulations) shall be deemed to have been enacted with the omission of the words “or an expectation of accruer (whether as of right or under customary practice) of”, but the said regulations shall be so framed as to secure that where, in the case of a person to whom the said subsection (2), as amended by subsection (1) of this section, applies, such an expectation as aforesaid ceases or is prejudiced by reason of his ceasing in consequence of the passing of the principal Act to be employed by his previous employer or to be employed in activities to which paragraph (a) of that subsection, as so amended, applies, there shall be provided in his favour or in favour of another person by reference to his employment, fair and reasonable compensation for the cesser of or prejudice to that expectation, being compensation ascertained by reference—

- (a) to the period of employment to service wherein that expectation was ascribable; and
- (b) (except where the benefits expected to accrue would not have been ascertained by reference to emoluments enjoyed by him), to the emoluments enjoyed by him during that period;

and (in such cases and to such extent as may be specified in the regulations) taking into account, as regards the amount thereof, any loss of benefits which might have been expected to accrue by virtue of employment after the expiration of the period aforesaid:

Provided that this subsection, so far as it relates to the framing of regulations, shall have effect subject to such limitations as may be prescribed for meeting cases in which any such expectations as aforesaid may have been created, otherwise than in the ordinary course, in connection with any provision made by the principal Act or with any anticipation of the making of any such provision.

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- (4) Regulations made for the purposes of the said section thirty-seven shall provide for the reference to a referee or board of referees appointed by [^{F6}the Secretary of State] of any dispute arising—

(a) in a case where—

- (i) a right to any particular benefits in favour of a person to whom subsection (2) of that section, as amended by subsection (1) of this section, applies, or in favour of another person by reference to his employment, has ceased or been prejudiced by reason of his ceasing in consequence of the passing of the principal Act to be employed by his previous employer or to be employed in activities to which paragraph (a) of the said subsection (2), as so amended, applies; or
- (ii) any such person retired from employment before the primary or other relevant vesting date, and he, or another person by reference to his employment, had been in receipt of benefits granted in respect of his employment,

whether benefits provided in pursuance of regulations so made are the same as, or not less advantageous than, those the right to which has so ceased or been prejudiced, or, as the case may be, those that had been received;

- (b) in a case where an expectation of accrual of any particular benefits in favour of a person to whom the said subsection (2), as amended as aforesaid, applies, or in favour of another person by reference to his employment, has ceased or been prejudiced as aforesaid, whether compensation provided in pursuance of regulations so made satisfies the requirements of the regulations;

and where, upon a reference under a provision of regulations having effect by virtue of this subsection, the referee or board of referees determines what benefits or compensation must be provided in order to satisfy the requirements of the regulations, it shall be the duty of the person charged by the regulations with the provision of the benefits or compensation to give effect to the determination.

- (5) [^{F6}The Secretary of State] may, with the approval of [^{F7}the Treasury], pay out of moneys provided by Parliament—

- (a) to a referee or the members of a board of referees appointed by him under any regulations made under the said section thirty-seven which provide for the reference of disputes arising under the regulations to a referee or board of referees appointed by him, such fees and allowances as he may, with the consent of [^{F7}the Treasury], determine; and
- (b) to persons giving evidence before any such referee or board, such allowances as he may, with the consent of [^{F7}the Treasury], determine.

Textual Amendments

F6 Words substituted by virtue of [S.I. 1959/1769](#) (1959 I, p. 1795), art. 2(1), 1968/729, arts. 2(1), 3(2) and 1970/1537, art. 3

F7 Words substituted by virtue of [S.I. 1981/1670](#), [arts. 2\(1\)\(c\)\(2\)](#), 3(5)

5 Power to provide for enforcement against the Board of certain workmen's compensation liabilities.

- (1) If it appears to His Majesty in Council that arrangements have been made—

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- (a) between the Board and a person who at any time before the primary vesting date was the owner of an interest in property that vested in the Board under the principal Act, for the assumption by the Board of all or any of the workmen's compensation liabilities of that person; or
- (b) between the Board and a mutual indemnity association of which any such person as aforesaid is, or was at any time, a member, for the assumption by the Board of all or any of such of the liabilities of the association under a contract of insurance entered into between them and any person (whether such a person as aforesaid or not) whereby he is or was insured against workmen's compensation liabilities to any workmen as, by virtue of the happening of any of the events mentioned in subsection (1) of section seven of the ^{M1}Workmen's Compensation Act 1925 (which relates to bankruptcy, the winding up of companies, etc.), are enforceable against the association by the workmen, their legal personal representatives or their dependants or others to whom or for whose benefit compensation is payable;

he may by Order in Council provide for the enforcement of the liabilities to which the arrangements relate against the Board instead of against that person or, as the case may be, the association, as if the employment out of which the liabilities arise had been employment by the Board instead of by that or some other person or, as the case may be, the Board had subscribed the contract instead of the association and, in connection therewith, for conferring on the Board the rights and remedies which that person or, as the case may be, the association would have had in respect of the liabilities if they had remained enforceable against that person or, as the case may be, the association.

- (2) Where the discharge of a workmen's compensation liability which, by virtue of an Order in Council under the foregoing subsection, is rendered enforceable against the Board is secured by virtue of a compensation trust, the Order may extinguish the liability of the trustees under the trust to make a payment in or towards the discharge of the first-mentioned liability.
- (3) Where a person the discharge of any of whose workmen's compensation liabilities is secured by a compensation trust was at any time before the primary vesting date the owner of an interest in property that vested in the Board under the principal Act, the trustees under the trust shall have power, and be deemed always to have had power, to make to the Board, out of the trust fund created for the purposes of the trust, payments in consideration of the assumption by the Board, under arrangements made between the Board and that person, of any of those liabilities of that person the discharge of which is secured by the trust.
- (4) An Order in Council under this section may contain such incidental and supplementary provisions as appear to His Majesty in Council to be requisite or expedient for the purposes of the Order, and—
 - (a) without prejudice to the generality of the foregoing provision, where an Order in Council under this section makes provision for rendering enforceable against the Board any liabilities of the Durham Colliery Owners' Mutual Protection Association, it may make such provision with respect to the exercise of all or any of the powers conferred by any order under paragraph (16) of the Second Schedule to the ^{M2}Workmen's Compensation Act 1906 on a committee representative of that Association and an association of workmen as appears to His Majesty in Council to be requisite or expedient having regard to the provisions of the Order in Council; and
 - (b) without prejudice to the generality of the said provision or to the power conferred on His Majesty in Council by subsection (3) of section eighty-

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nine of the ^{M3}National Insurance (Industrial Injuries) Act 1946, to provide for winding up compensation trusts, where an Order in Council under this section extinguishes liabilities of the trustees under such a trust it may, if it appears to His Majesty in Council to be requisite or expedient so to do, provide for the winding up of that trust;

and rules made under section four of the ^{M4}Workmen’s Compensation (Coal Mines) Act 1934 in relation to deposits made under that section by mutual indemnity associations may, notwithstanding the repeal of that Act by the said section eighty-nine, make provision for any matters consequential on the passing of this section.

(5) An Order in Council under this section may be varied or revoked by a subsequent Order in Council thereunder.

(6) In this section—

- (a) the expression “compensation trust” means a compensation trust for the purposes of the ^{M5}Workmen’s Compensation (Coal Mines) Act 1934 and the expression “mutual indemnity association” has the same meaning as in that Act; and
- (b) the expression “workmen’s compensation liability” means a liability under the ^{M6}Workmen’s Compensation Acts 1925 to 1945 or the enactments repealed by the Workmen’s Compensation Act 1925 or the enactments repealed by the ^{M7}Workmen’s Compensation Act 1906 but does not include, in relation to any person, any such liability as aforesaid against which he is insured under a contract of insurance subscribed by a person other than a mutual indemnity association;

and references in this section to liabilities shall be construed as including references as well to contingent as to accrued liabilities.

Marginal Citations	
M1	1925 c. 84
M2	1906 c. 58.
M3	1946 c. 62.
M4	1934 c. 23
M5	1934 c. 23
M6	1925 c. 84.
M7	1906 c. 58.

6 F8

Textual Amendments	
F8	Ss. 3, 6 repealed by Statute Law Revision Act 1953 (2 & 3 Eliz. 2 c. 5),

7 Amendment of s.64 of Act of 1946.

Subsection (2) of section sixty-four of the principal Act (which makes provision for the application of that Act to Scotland) shall have effect, as if there were inserted, after the words “Court of Session”, the words “the expression ‘charge or lien for securing money or money’s worth’ includes a heritable security other than a standard charge constituted

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by section twelve of the Church of Scotland (Property and Endowments) Act, 1925, and does not include any stipend”.

Modifications etc. (not altering text)

- C2** The text of s. 7 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.

8 Interpretation of Part I.

Expressions used in this Part of this Act to which meanings are assigned by the principal Act for the purposes thereof have those meanings for the purposes of this Part of this Act.

PART II

9—12. ^{F9}

Textual Amendments

- F9** Ss. 9—12 repealed by [Mines and Quarries Act 1954 \(c. 70\)](#), [Sch. 5](#)

PART III

SHORT TITLE, &C.

13 Short title, citation and extent.

- (1) This Act may be cited as the Coal Industry Act 1949.
- (2) The ^{M8}Coal Industry Nationalisation Act 1946 and Part I of this Act may be cited together as the Coal Industry Acts 1946 and 1949 . . . ^{F10}
- (3) This Act shall not extend to Northern Ireland.

Textual Amendments

- F10** Words repealed by [Mines and Quarries Act 1954 \(c. 70\)](#), [Sch. 5](#)

Marginal Citations

- M8** 1946 c. 59.

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