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**Changes to legislation:** There are currently no known outstanding effects for the Coal Industry Act 1994,  
Cross Heading: Compensation in respect of disposable minerals. (See end of Document for details)

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## SCHEDULES

### SCHEDULE 8

#### AMENDMENTS OF THE OPENCAST COAL ACT 1958

##### *Compensation in respect of disposable minerals*

24 (1) After section 31, there shall be inserted the following section—

**“31A Compensation in respect of disposable minerals.**

- (1) The provisions of this section shall have effect where—
- (a) any person (“the operator”) exercises any right of his by virtue of a compulsory rights order and section 10(1) to this Act to get any minerals other than coal; and
  - (b) the land where the right is exercised was not comprised in that order in the circumstances specified in section 33(1) of this Act.
- (2) The person who, apart from the compulsory rights order and section 10(1) of this Act, would have been entitled to the minerals shall be entitled (subject to the following provisions of this section) to compensation from the operator of an amount equal to 12.5 per cent. of the market value of the minerals at the time when the right is exercised.
- (3) Where, in the case of any minerals, it would be reasonable for steps for making them saleable or for enhancing their value to be taken on the land between—
- (a) the time when those minerals are got, and
  - (b) any sale of the minerals by the operator from the land,
- it shall be assumed, for the purpose of determining the market value of those minerals as at the time mentioned in subsection (2) above, that the minerals were in the same condition at the time so mentioned as they would have been had those steps already been taken.
- (4) Any question for the purposes of subsection (3) above as to the extent to which it would be reasonable for any steps to be taken in relation to any minerals shall be determined as at the time mentioned in paragraph (a) of that subsection and on the assumption that it is not reasonable for steps to be taken where the total cost to the operator of taking those steps is equal to or more than the difference between—
- (a) what would be the market value of the minerals for the purposes of subsection (2) above if it were reasonable for those steps to be taken; and
  - (b) what would be their market value for those purposes if it were not;

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and for this purpose, where the minerals would not be saleable without the taking of those steps, the market value referred to in paragraph (b) above shall be taken to be nil.

- (5) Where more than one person is entitled to compensation under this section, the amount of compensation mentioned in subsection (2) above shall be apportioned between them according to the values of the interests or rights in respect of which each of them would have been entitled to, or to a share of, the minerals.
  - (6) As soon as reasonably practicable, after the end of every period of twelve months during which any person has exercised such a right as is mentioned in subsection (1) above, that person shall give written notice under this subsection to every person appearing to him to be a person entitled to compensation under this section in respect of any exercise by him during that period of that right.
  - (7) A notice under subsection (6) above shall—
    - (a) describe the minerals in respect of which the entitlement to compensation of the person given the notice arises; and
    - (b) state the amount appearing to the person giving the notice to be the amount which for the purposes of subsection (2) above is to be taken to be the market value of those minerals as at the time when the right in question was exercised in relation to those minerals.”
- (2) This paragraph shall not apply where the right in question is exercisable by virtue of a compulsory rights order confirmed before the restructuring date.

**Changes to legislation:**

There are currently no known outstanding effects for the Coal Industry Act 1994, Cross Heading: Compensation in respect of disposable minerals.