



# Coal industry Act 1994

## 1994 CHAPTER 21

### PART I

#### RE-ORGANISATION OF COAL INDUSTRY

##### *Restructuring of the Corporation's undertaking*

#### **11 Restructuring of the Corporation's functions**

- (1) On and after the restructuring date the Corporation shall continue to exist until dissolved under section 23 below but with its functions confined to—
  - (a) carrying on its undertaking for the time being, and
  - (b) managing and otherwise dealing with the interests and rights in or in relation to property which are for the time being vested in it,in such manner as, having regard to what is economically viable, it considers is best calculated for the purposes specified in subsection (2) below.
- (2) The purposes mentioned in subsection (1) are those of securing—
  - (a) that all of the Corporation's undertaking and property is in due course transferred out of the ownership and control of the Corporation;
  - (b) that any transfers for the removal of any of that undertaking or property from the ownership or control of the public sector are on the best available terms; and
  - (c) that the Corporation's undertaking and property are put to the best available use for so long as they remain in its ownership or under its control.
- (3) Where the Secretary of State notifies his opinion to the Corporation as to—
  - (a) what is economically viable in any case,
  - (b) the activities most likely to secure that any transfer for the removal of any of the Corporation's undertaking, or any property, from the ownership or control of the public sector will be on the best available terms, or
  - (c) the best available use to which any of the Corporation's undertaking or property may be put while owned by or under the control of the Corporation,

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*Status: This is the original version (as it was originally enacted).*

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the Corporation shall be required for the purposes of this section to accept that opinion.

(4) Subject to subsection (6) below, on and after the restructuring date the following powers, that is to say—

- (a) the powers conferred on the Corporation by subsection (2) of section 1 of the 1946 Act (incidental activities) and described in that subsection as functions,
- (b) those conferred on the Corporation by subsection (3) of that section (power to enter into certain transactions), and
- (c) a power, so far as not comprised in the powers conferred by subsection (2) or (3) of that section, to carry on any activities consisting in or connected with the working or getting of coal,

shall be exercisable by the Corporation for the purposes of, and in connection with, the carrying out of the Corporation's functions under subsection (1) above as they were exercisable, before the restructuring date, for or in connection with the discharge of its duties under subsection (1) of that section.

(5) The requirement for the matters secured under subsection (4) of section 1 of the 1946 Act (which specifies policy objectives for the Corporation) to be secured consistently with the proper discharge of the Corporation's duties under subsection (1) of that section shall have effect on and after the restructuring date as a requirement for those matters to be secured consistently with the carrying out of the Corporation's functions under subsection (1) above.

(6) On and after the restructuring date the Corporation—

- (a) shall not be entitled to carry on any coal-mining operations in respect of which a licence under Part II of this Act is required except under and in accordance with such a licence;
- (b) shall no longer have the powers conferred on it by the National Coal Board (Additional Powers) Act 1966 and section 9 of the Coal Industry Act 1977 (powers with respect to petroleum); and
- (c) shall have no power, by virtue of the preceding provisions of this section, to carry on any business which it would not have had power to carry on apart from this Act.

(7) It shall be the duty of the Corporation to comply with such general or specific directions with respect to the exercise of any of its powers, or otherwise with respect to the carrying on of any of its activities, as may be given to it at any time by the Secretary of State.

(8) The consent of the Treasury shall be required for the giving of any notification for the purposes of subsection (3) above; and the power of the Secretary of State to give such a notification and his power to give directions under subsection (7) above shall each be exercisable, except in an emergency, only after consultation with the Corporation.

(9) Subsection (1) above shall be without prejudice to any powers conferred on the Corporation by the British Coal and British Rail (Transfer Proposals) Act 1993.