

(b) the matters which shall not be dealt with by the member administering the Government of Kenya without prior reference to the other members.

4.—(1) The members constituting the Authority shall meet in conference on matters relating to air transport as and when occasion arises: Provided that such meetings shall take place at least twice in each year.

(2) In the event of the members of the Authority failing to reach agreement on any matter relating to air transport, such matter shall be referred to the Secretary of State for his decision.

PART III.—AUTHORITY'S POWER TO CONTROL AIRCRAFT PLYING FOR HIRE OR REWARD.

5.—(1) The Authority may, with the approval of the Secretary of State, by Regulation under the hand of a person authorised in that behalf by the Authority, make provision:

(a) for securing that aircraft shall not be used in the East African Territories by any person;

(i) for plying, while carrying passengers or goods for hire or reward, on such journeys or classes of journeys (whether beginning and ending at the same point or at different points) as may be specified in the Regulations, or

(ii) for such flying undertaken for the purpose of any trade or business as may be so specified except under the authority of, and in accordance with, a licence granted to the said person by the Authority;

(b) as to the manner in which, and the person to whom, application for such licences shall be made;

(c) as to the circumstances in which such a licence may or shall be granted, refused, revoked or suspended, and in particular as to the matters to which the Authority is to have regard in deciding whether to grant or refuse such a licence;

(d) as to the conditions which may be attached to such a licence (including conditions as to the fares, freight or other charges to be charged by the holder of the licence), and for securing compliance with any conditions so attached;

(e) as to the information to be furnished by an applicant for, or the holder of, such a licence;

(f) for prescribing the fees to be paid in respect of such a licence

(2) A Regulation made under the provisions of this section may, for the purpose of securing compliance with the Regulation, provide for the imposition of penalties not exceeding, in the case of a first offence against the Regulation, a fine of fifty pounds or, in the case of a second or subsequent such offence, a fine not exceeding £1,000 or, in default of payment, to imprisonment for a term of two years.

(3) A Regulation made under the provisions of this section shall not have effect until it has been approved by the Secretary of State.

6.—(1) When any Regulations have been made under paragraph (a) of sub-section (1) of Section 5 of this Order, and an application for a licence is received, the Authority shall have full power in its discretion to grant or to refuse to grant the licence or to grant the licence subject to such terms and conditions as the Authority may think fit.

(2) In exercising such discretion the Authority shall have regard to the co-ordination and development of air services generally with the object of ensuring the most effective service to the public while avoiding uneconomical overlapping and generally to the interests of the public, including those of persons requiring or likely to require facilities for air transport, as well as those of persons providing such facilities. In particular the Authority shall have regard to the following matters:

(a) the existence of other air services in the area through which the proposed services are to be operated;

(b) the possibilities of air transport in that area;

(c) the degree of efficiency and regularity of the air services, if any, already provided in that area, whether by the applicant or by other operators;

(d) the period for which such services have been operated by the applicant or by other operators;

(e) the extent to which it is probable that the applicant will be able to provide a satisfactory service in respect of continuity, regularity of operation, frequency, punctuality, reasonableness of charges, and general efficiency;

(f) the financial resources of the applicant;

(g) the type of aircraft proposed to be used on the service;

and the Authority shall take into consideration any objections or representations duly made in accordance with the provisions of any Regulations made under Section 5 of this Order.

PART IV.—CONSTITUTION OF CORPORATION TO BE KNOWN AS "EAST AFRICAN AIRWAYS".

7. So soon as may be after the making of this Order, there shall be established a Corporation to be known as the East African Airways with perpetual succession and a common seal which shall be capable of suing and of being sued and of purchasing or otherwise acquiring, holding and alienating property, movable and immovable, and of doing or performing all such acts and things as bodies corporate may by law do and perform.

8.—(1) The Corporation shall consist of a Chairman and five members (three of whom shall not be members of the public service) to be nominated by, and who shall hold office during the pleasure of, the Authority.

(2) The Chairman shall be appointed by the Authority.

(3) Four members of the Corporation shall form a quorum for any meeting of the Corporation.

(4) The Chairman shall, in the case of an equality of votes, have a casting vote in addition to a deliberative vote.

(5) If any member of the Corporation shall be prevented by absence or other cause from acting as such, the Authority may appoint some other person to act and vote in his place until such time as such member shall return or be able to resume his duties.

(6) The Chairman and members of the Corporation may be paid, in respect of their offices as such, such fees or remuneration from the funds of the Corporation as the Authority may determine.

9.—(1) The Corporation shall, with the approval of the Authority, appoint a General Manager who shall have such of the authority and powers of the Corporation as may be delegated to him by the Corporation or as may otherwise be conferred upon him by law.

(2) The General Manager may, with the prior consent of the Corporation, delegate such of the powers delegated to him under sub-section (1) of this section or as may otherwise be conferred upon him by law, to such servants of the Corporation as the General Manager may consider necessary and desirable for the convenient and efficient working of the Corporation.

(3) The General Manager shall be entitled to be present at all meetings of the Corporation and to take part in the discussions, but he shall not be entitled to vote.

10.—(1) It shall be the duty of the Corporation, subject as hereinafter provided, to secure the fullest development, consistent with economy, of efficient air transport services within the East African Territories and to secure that such services are operated at reasonable charges.

(2) The Corporation shall have power, subject as hereinafter provided, either in connection with the discharge of their duty under the preceding sub-section or as an independent activity—

(a) to acquire aircraft, parts of aircraft, aircraft equipment and accessories and stores;

(b) to acquire or construct, aerodromes, buildings and repair shops;

(c) to acquire lights, beacons, wireless installations and other plant and equipment;

(d) to sell, let, or otherwise dispose of any property belonging to them and not in their opinion required for the proper discharge of their functions;

(e) to establish or maintain air transport services and, for that purpose, to enter into arrangements or agreements with any other person;

(f) to act as agents for any other undertaking engaged in the provision of air transport services, or in other activities of a kind which the Corporation have power to carry on;

(g) to undertake flights on charter terms;

(h) to provide accommodation, in hotels or otherwise, for passengers, and facilities for the transport of passengers to or from aerodromes and for the collection, delivery and storage of baggage and freight;