INDUSTRIAL ORGANISATION AND DEVELOPMENT

The Clothing Industry Development Council Order, 1949*

1949 No. 2124

Made - - - - 16*th November*, 1949
Coming into Operation 1*st January*, 1950

The Board of Trade in pursuance of the powers conferred upon them by the Industrial Organisation and Development Act, 1947(a), hereby order as follows:—

Establishment of Development Council

1.—(1) There is hereby established for the following industry, namely, that section of the Clothing Industry which consists of the activities designated in the First Schedule hereto (hereinafter referred to as "the designated activities") a development council to be known as the Clothing Industry Development Council to which are assigned the functions specified in the Second Schedule hereto.

(2) The Council shall exercise their functions in such a manner as appears to them to increase as much as possible efficiency and productivity in the industry, to improve and develop the service that it renders to the community and to enable it to render that service more economically, and shall have regard to anything being done by any Government Department or other body with a view to avoiding a duplication of work.

(3) The Council may enter into such agreements, acquire such property or do such things as may in the opinion of the Council be necessary or desirable for the exercise of any of their functions, and may dispose as they think fit of any property acquired by them.

Constitution of Development Council

2. The Council shall consist of the following members appointed by the Board of Trade that is to say:—

(*a*) six persons capable of representing the interests of persons carrying on business in the industry comprising:—

(i) three persons capable of representing the interests of persons carrying on business in the heavy clothing section of the industry;

(ii) two persons capable of representing the interests of persons carrying on business in the light clothing section of the industry and

(iii) one person capable of representing the interests of persons carrying on business in the proofed clothing section of the industry;

* In accordance with subsection (6) of section 1 of the Industrial Organisation and Development Act, 1947, this Order has been approved by a Resolution of each House of Parliament. The Resolution of the House of Lords was passed on the 8th November, 1949, and that of the House of Commons on the 1st November, 1949.

(a) 10 & 11 Geo. 6. c. 40.

(*b*) one person capable of representing the interests of persons employed in the industry as managers or technicians;

(*c*) six persons capable of representing the interests of other persons employed in the industry;

(*d*) four persons as to whom the Board of Trade are satisfied that they have no such financial or industrial interest as is likely to affect them in the discharge of their functions as members of the Council (hereinafter referred to as "independent members"); and

(*e*) one person having special knowledge of matters relating to the distribution of products of the industry.

Matters relating to membership and proceedings of Development Council

3. The provisions of the Third Schedule hereto shall have effect in relation to the membership and proceedings of the Council.

Committees to advise the Council

4. As soon as may be after the coming into operation of this Order the Council shall set up the following Committees:—

(*a*) A Committee to advise the Council in the exercise of their functions in relation to the heavy clothing section of the industry consisting of the following persons:—

(i) the persons appointed as members of the Council as capable of representing the interests of persons carrying on business in the heavy clothing section of the industry;

(ii) three of the persons appointed as members of the Council as capable of representing the interests of persons employed in the industry;

(iii) two of the independent members; and

(iv) such other persons (whether members of the Council or not) as the Council may appoint;

(*b*) a Committee to advise the Council in the exercise of their functions in relation to the light clothing section of the industry consisting of the following persons:—

(i) the persons appointed as members of the Council as capable of representing the interests of persons carrying on business in the light clothing section of the industry;

(ii) two of the persons appointed as members of the Council as capable of representing the interests of persons employed in the industry;

(iii) two of the independent members; and

(iv) such other persons (whether members of the Council or not) as the Council may appoint; and

(*c*) a Committee to advise the Council in the exercise of their functions in relation to the proofed clothing section of the industry consisting of the following persons:—

(i) the person appointed as a member of the Council as capable of representing the interests of persons carrying on business in the proofed clothing section of the industry;

(ii) one of the persons appointed as members of the Council as capable of representing the interests of persons employed in the industry;

(iii) one of the independent members; and

(iv) such other persons (whether members of the Council or not) as the Council may appoint.

Registration of persons carrying on business comprising designated activities

5.—(1) Every person who on the 1st day of January, 1950, is carrying on a business comprising any of the designated activities, and every person who commences to carry on such a business thereafter, shall apply in writing to the Council to be registered in accordance with the provisions of this Article.

(2) A person shall so apply within 30 days after the end of the first month, following the month of December, 1949, in which the aggregate of—

(*a*) the gross value of the products, if any, supplied by him during the month (being products of the activities specified in heads (*a*) and (*b*) of the First Schedule hereto carried on by him); and

(*b*) the amounts, if any, received by him during the month in respect of the carrying out on commission at any time of any process comprised in the activity specified in head (*a*) of the First Schedule hereto,

exceeded £300:

Provided that if, during the month, he did not—

(i) carry on either of the activities specified in heads (*b*) and (*d*) of the First Schedule hereto; and

(ii) employ any person under a contract of service in the actual performance of any process comprised in the activities specified in heads (*a*) and (*c*) of that Schedule,

he shall not be required so to apply within the said 30 days but shall so apply within 30 days after the end of the first month following the month of December, 1949, in which the said aggregate exceeded £300 and he did either of those things.

(3) The Council shall enter in a register to be kept by them the name of every person who has made an application to be registered as aforesaid, the business name (if any) under which he carries on a business comprising any of the designated activities, the principal place of such business and a description of such business. No information relating to such a person other than that mentioned in this paragraph shall be entered in the register.

(4) Any person required by this Article to make an application to be registered shall, if so requested by the Council, within such time and in such form as they may specify, furnish such information as the Council may require to make or complete the entry in the register relating to him, as the case may be.

(5) Any person whose name is entered in the register shall notify the Council forthwith of any matter rendering the entry in the register relating to him inaccurate or incomplete.

(6) The Council shall, on receipt of any such notification as is referred to in paragraph (5) hereof, amend the register in accordance therewith.

(7) The Council may, if they have reasonable cause to believe that any person whose name is entered in the register no longer carries on a business comprising any of the designated activities, by notice in writing inform that person of their intention to remove his name from the register unless within one month from the date of the notice he gives notice in writing to the Council that he is a person carrying on such a business. If no such notice is received by the Council within the said period the Council may on the expiration of that period remove his name from the register.

(8) Any person who fails to comply with any of the requirements of paragraphs (1), (4) and (5) hereof shall, unless he proves that he had reasonable excuse for the failure, be liable on summary conviction to a fine not exceeding five pounds in respect of each day during which the failure continues.

(9) The register shall be kept at the office of the Council and any person shall, on payment of a fee of one shilling, be entitled to inspect the register during normal business hours and to take, or be supplied with, a copy of any one entry therein.

Levies

6.—(1) For the purpose of enabling the Council to meet their expenses in the exercise of their functions and their administrative expenses, the Council may, with the approval of the Board of Trade, impose charges on persons carrying on business comprising any of the designated activities, in respect of such periods as may be determined by the Council.

(2) Any charge imposed by the Council under paragraph (1) hereof shall be at rates determined by the Council of—

(*a*) the chargeable value of the products supplied by such persons as aforesaid during such period as may be determined by the Council (being products of the designated activities carried on by them); and

(*b*) the amounts received by such persons as aforesaid during that period in respect of the carrying out on commission at any time of any process comprised in the activities specified in heads (*a*) and (*c*) of the First Schedule hereto.

(3) As soon as may be after the Board of Trade have approved the imposition of any charge under paragraph (1) hereof, the Council shall, by notice given in such manner as they think best adapted for informing the persons affected, specify—

(*a*) the period in respect of which the charge is imposed;
(*b*) the period in relation to which the charge is to be calculated;
(*c*) the rates of the charge; and
(*d*) the date on which the charge becomes payable.

(4) Charges imposed by the Council under paragraph (1) hereof shall be computed so as to yield not more than £300,000 in any period of three years, and so as to yield not more than £150,000 in any period of one year, being in either case a period ending on the 31st day of December in any year.

(5) Every person carrying on business comprising any of the designated activities shall pay to the Council, on or before the date on which any charge becomes payable, a sum calculated in relation to that charge, in accordance with the provisions of paragraph (2) hereof, upon the chargeable value of the products supplied and the amounts received by him.

Provided that a person shall not be required to pay that sum if—

(*a*) the aggregate of the chargeable value of the products so supplied and the amounts so received by him, divided by the number of days comprised in the period in relation to which the charge is to be calculated, does not exceed £20; or

(*b*) he did not at any time during that period carry on either of the activities specified in heads (*b*) and (*d*) of the First Schedule hereto and did not at any time during that period employ any person under a contract of service in the actual performance of any process comprised in the activities specified in heads (*a*) and (*c*) of that Schedule; or

(*c*) he had not at any time before the charge became payable been required in accordance with the provisions of Article 5 to make an application to the Council to be registered.

(6) The Council may by notice in writing require any person carrying on a business comprising any of the designated activities—

(*a*) to furnish such returns and other information;

(*b*) to keep such records ; and

(*c*) to produce for examination on behalf of the Council such books and other documents and records in his custody or under his control,

relating to the designated activities carried on by him, as appear to the Council necessary for the purposes of the imposition or recovery of any charge.

(7) Any two or more persons jointly carrying on a business comprising any of the designated activities shall, in so far as it is material for the purposes of this Article to ascertain the amount of any sum payable by them to the Council, be treated as constituting together a single person.

(8) Any sum payable under this Order shall be recoverable by the Council as a debt.

Borrowing powers

7. The Council may for the purpose of defraying any of their expenses borrow money temporarily from bankers or otherwise.

Enforcement of provisions as to returns and information and production of books

8.—(1) Any person carrying on a business comprising any of the designated activities who is required by notice in writing by the Council under the foregoing provisions of this Order to furnish returns or other information, to keep records, or to produce for examination books or other documents or records, relating to the designated activities carried on by him, shall furnish in such form and manner and within such time such returns or other information as may be specified in the notice or, as the case may be, keep such records or produce at such time such books or other documents or records in his custody or under his control as may be so specified: Provided that a person who uses in his business what he claims to be a secret process that ought not to be disclosed on the ground of risk of prejudice to his business shall not be required by anything in this Article to disclose particulars relating to that process unless the requirement and the form thereof have been approved by the Board of Trade after consideration of his claim.

(2) Where a requirement is imposed by the Council under the provisions of this Order to furnish returns or other information relating to an individual business or to produce for examination books or other documents or records, the returns or other information shall be furnished to, or the examination done by, independent members of the Council designated by the Board of Trade or to or by officers of the Council specially authorised in that behalf by the Council.

Penalties

9.—(1) If any person required under Article 6 of this Order to furnish returns or other information, to keep records or to produce for examination books or other documents or records fails to furnish, keep or produce them in accordance with the requirement he shall, unless he proves that he had reasonable excuse for the failure, be liable on summary conviction to a fine not exceeding fifty pounds.

(2) If the failure in respect of which a person is convicted under paragraph (1) of this Article is continued after the conviction he shall be guilty of a further and continuing offence and liable on summary conviction to a fine not exceeding five pounds in respect of each day during which the failure continues.

(3) If any person in purporting to fulfil any requirement imposed by the Council under the provisions of this Order to furnish returns or other information knowingly or recklessly makes any statement which is false in a material particular he shall be liable on summary conviction to imprisonment for a term not exceeding three months or to a fine not exceeding fifty pounds, or on conviction on indictment to imprisonment for a term not exceeding two years or to a fine not exceeding one hundred pounds or, in either case, to both such imprisonment and such fine.

Interpretation

10. In this Order, the following expressions have the meanings respectively assigned to them :—

" carrying out on commission " means, in relation to any person, carrying out in pursuance of a contract of work and labour (with or without the provision of materials) wholly or mainly upon or from materials owned in the course of his business by the person procuring the performance of the service ;

" chargeable value " means, in relation to any products supplied by any person during any period, the amount by which the gross value of such products exceeds the total payments made by that person during that period in respect of the carrying out on commission at any time of any process comprised in the activities specified in heads (*a*) and (*c*) of the First Schedule hereto ;

" gross value " means the price paid or payable before any deduction by way of discount, commission or allowance, but excluding delivery charges payable by the buyer and excluding any sum in respect of purchase tax ; and

" supplied " means supplied in pursuance of a contract of sale, sale or return, hire-purchase or barter.

Short title and commencement

11.—(1) The Interpretation Act, 1889(a), shall apply to the interpretation of this Order as it applies to the interpretation of an Act of Parliament.

(2) This Order may be cited as the Clothing Industry Development Council Order, 1949, and shall come into operation on the 1st day of January, 1950.

Dated this 16th day of November, 1949.

Harold Wilson,
President of the Board of Trade.

FIRST SCHEDULE

The Designated Activities

The designated activities of that section of the clothing industry for which the Council are established are—

(*a*) the carrying out of any process in the making-up of clothing other than clothing made up wholly or mainly from knitted, netted or crocheted fabric, whether or not in the form of shaped pieces ;

(*b*) procuring the carrying out on commission of any process in the making-up of such clothing ;

(a) 52 & 53 Vict. c. 63.

(*c*) the carrying out (except in the course of a business in which goods, including clothing and fabric, are knitted on a machine other than a warp knitting machine) of any process in the making-up of clothing wholly or mainly from knitted, netted or crocheted fabric, whether or not in the form of shaped pieces; and

(*d*) procuring (except in the course of a business in which goods, including clothing and fabric, are knitted on a machine other than a warp knitting machine) the carrying out on commission of any process in the making-up of clothing wholly or mainly from knitted, netted or crocheted fabric, whether or not in the form of shaped pieces.

In this Schedule:—

"clothing" means apparel other than

(i) braces, footwear, gloves and other handwear, headwear (other than caps), socks, stockings, and surgical and orthopaedic appliances; and

(ii) apparel made up wholly or mainly from asbestos, fur or hard hemp;

"knitted fabric" does not include fabric knitted on a warp knitting machine;

"making-up" includes cutting but does not include

(i) knitting, netting or crocheting; or

(ii) reconditioning, repairing or altering; and

"procuring the carrying out on commission of any process in the making-up of clothing" does not include procuring the carrying out on commission of any process in the making-up of clothing for the use of persons employed by the person procuring the performance of the service.

SECOND SCHEDULE

FUNCTIONS OF THE CLOTHING INDUSTRY DEVELOPMENT COUNCIL

1. Promoting scientific research.

2. Promoting inquiry as to materials and equipment and as to methods of production, management and labour utilisation, including the discovery and development of new materials, equipment and methods and of improvements in those already in use, the assessment of the advantages of different alternatives, and the conduct of tests on a commercial scale.

3. Promoting research into matters affecting industrial psychology.

4. Promoting measures for the improvement of design, including promoting the establishment and operation of design centres.

5. Promoting the production of products of standard qualities.

6. Promoting the better definition of trade descriptions and consistency in the use thereof.

7. Promoting the training of persons engaged or proposing engagement in the industry and their education in technical or artistic subjects relevant thereto.

8. Promoting the adoption of measures for securing safer and better working conditions, and the provision and improvement of amenities for persons employed, and promoting or undertaking inquiry as to such measures.

9. Promoting research for improving arrangements for marketing and distributing products.

10. Promoting or undertaking research into matters relating to the consumption or use of goods and services supplied by the industry.

11. Promoting the development of export trade, including promoting arrangements for publicity overseas.

12. Promoting arrangements for better acquainting the public in the United Kingdom with the goods and services supplied by the industry.

13. Promoting the improvement of accounting and costing practice and uniformity therein, including the formulation of standard costings.

14. Promoting or undertaking the collection and formulation of statistics.

15. Advising on any matters relating to the industry (other than remuneration or conditions of employment) as to which the Board of Trade may request the Council to advise, and undertaking inquiry for the purpose of enabling the Council so to advise.

16. Undertaking arrangements for making available information obtained, and for advising, on matters with which the Council are concerned in the exercise of any of their functions.

THIRD SCHEDULE

Membership and Proceedings

1. The appointment of a member of the Council shall be for such period, not exceeding three years, as the Board of Trade may determine and, subject to the provisions of this Schedule, a member shall hold and vacate office in accordance with the terms of the instrument appointing him to be a member, as varied with his consent at any time thereafter.

2. A member of the Council on vacating his office on the expiration of the term thereof shall be eligible for re-appointment.

3. A person shall be disqualified for being appointed, or being a member of, the Council or of any of the Committees of the Council set up under Article 4 of this Order so long as he is a member of the Commons House of Parliament.

4.—(1) If a member appointed as an independent member—

(*a*) commences or resumes carrying on business in the industry or acts in the management of any undertaking the owner of which as such carries on business in the industry, or

(*b*) refuses to sell or dispose of any interest or security held directly or indirectly for his benefit and the retention of which he has been informed by the Board of Trade to be in their opinion likely to affect him in the discharge of his functions or fails to sell or dispose of any such interest or security within one month after having been requested by the Board of Trade to do so, the Board may declare the office of such member to be vacant.

(2) If any member shall for more than six months have been absent from meetings of the Council held during that period, the Council may give notice in writing to the Board of Trade that in their opinion the office of such member should be declared vacant, and the Board may thereupon declare the office of such member to be vacant.

5. There shall be paid by the Council to the Chairman of the Council such remuneration by way of salary and to all or any of the other members such remuneration calculated by reference to loss of wages or other earnings resulting from the performance of their duties as members of the Council as may be determined by the Board of Trade. There shall also be paid by the Council to all the members of the Council such allowances for expenses as may be so determined.

6. The validity of any proceedings of the Council shall not be affected by any vacancy amongst the members thereof.

7. At any meeting of the Council the quorum shall be twelve, comprising at least two of the members appointed as capable of representing the interests of persons carrying on business in the industry, at least two of the members appointed as capable of representing the interests of persons employed in the industry, and at least one of the independent members.

8. Subject to the provisions of paragraph 9, every determination of the Council shall be taken by the votes of the members of the Council present and voting or, in the case of difference between them, of the majority of such members; if the votes of such members are equally divided, the person acting as Chairman of the meeting shall have a second or casting vote.

9. A determination of the Council on any matter which may involve expenditure of more than £1,000 shall be taken by an affirmative vote of at least two-thirds of the members of the Council.

10. Minutes shall be kept of the proceedings of the Council and of the Committees of the Council set up under Article 4 of this Order and any such minutes shall, if signed by any person purporting to have acted as Chairman of the meeting to which they relate or of the meeting at which they were read, be evidence of the proceedings at the first-mentioned meeting, and the meeting to which any such minutes relate shall, until the contrary is proved, be taken to have been regularly convened and constituted.

11. The Council shall have an office to which all communications and notices may be addressed and shall notify to the Board of Trade the address of that office and any change of that address.

EXECUTION AND ISSUE OF INSTRUMENTS

12. The seal of the Council shall be authenticated by the signature of the Chairman of the Council or some other member of the Council authorised by the Council to act in that behalf and of the Secretary or some other person authorised by the Council so to act.

13. Any contract or instrument which, if entered into or executed by a person not being a body corporate, would not require to be under seal, may be entered into or executed on behalf of the Council by any person generally or specially authorised by them for the purpose.

14. Every document purporting to be a document duly executed or issued either under the seal of the Council authenticated in the manner provided by this Schedule or on behalf of the Council, or purporting to be signed by the Secretary or any person authorised to act in that behalf, shall, until the contrary is proved, be deemed to be a document so executed or issued or so signed, as the case may be.

EXPLANATORY NOTE

(This Note is not part of the Order, but is intended to indicate its general purport.)

This Order, which is made under the Industrial Organisation and Development Act, 1947, sets up for the clothing industry a Development Council to be known as the Clothing Industry Development Council.

The Order specifies the constitution of the Council, sets out the functions which are assigned to it and defines the industry to which the Order relates. Provision is made for the maintenance of a register of persons carrying on business in the industry, and for the imposition of a levy to meet the expenses incurred by the Council in the exercise of their functions.