STATUTORY INSTRUMENTS

1974 No. 776

COUNTER-INFLATION

The Counter-Inflation (Prices and Charges) (Information) (Amendment) Order 1974

Made - - - - *2nd May* 1974

Coming into Operation - - - - *6th May* 1974

The Secretary of State, in exercise of powers conferred on her by section 15 of the Counter-Inflation Act 1973**(a)**, and of all other powers enabling her in that behalf, hereby makes the following Order:—

1.—(1) This Order may be cited as the Counter-Inflation (Prices and Charges) (Information) (Amendment) Order 1974 and shall come into operation on 6th May 1974.

(2) The Interpretation Act 1889**(b)** shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament and as if this Order hereby varied were Acts of Parliament.

2.—The Counter-Inflation (Prices and Charges) (Information) (No. 3) Order 1973**(c)** is hereby varied—

(*a*) in article 1(2), in the definition of "provider of services", by the substitution for the words "the leasing of industrial, construction or office plant, machinery or other equipment" of the words "the hiring of contractors' plant and scaffolding or the leasing of industrial and office machinery";

(*b*) by the substitution for paragraph (3) of article 1 of the following paragraph—

"(3) Paragraphs (2) to (4) and, except in relation to providers of construction services, paragraph (6) of article 4 and article 4A of the notification order shall have effect for ascertaining for the purposes of this Order (except article 8A) whether a price or charge represents an increase";

(*c*) by the insertion after article 3(3) of the following paragraph—

"(3A) There shall also be left out of account car tax payable by the person in question and value added tax which is, under Part I of the Finance Act 1972**(d)** chargeable by the person in question on the supply by him of goods and services (including goods and services specified in an order under section 6 of that Act) other than on the supply of any goods of which the price, or any services for which the charge, is under paragraph (3) above to be left out of account";

(a) 1973 c.9. **(b)** 1889 c. 63. **(c)** S.I. 1973/1787 (1973 III, p. 5500).
(d) 1972 c. 41.

(*d*) in article 3(4) by the revocation of the words "or who ceased to carry on that activity";

(*e*) by the insertion after article 8 of the following article—

"Obligation to furnish returns of increases in prices and charges under variation of price provisions

8A.—(1) Each person—

(*a*) who would, but for the provisions of paragraph (6) of article 5 of the notification order, be required under that article to notify to the Commission an increased price for the sale of goods or an increased charge for the performance of services if it were to be implemented after 5th May 1974; and

(*b*) who implements such an increased price or charge before 3rd June 1974; shall furnish to the Commission a return in accordance with this article.

(2) A return under this article—

(*a*) shall be furnished to the Commission not later than the date when the increased price or charge to which it relates is implemented;

(*b*) subject to paragraph (3) below, shall contain particulars of the matters specified in Schedule 3 to the notification order; and

(*c*) shall be in writing signed by the person or one of the persons required to make the return or his authorised agent or, in the case of a body corporate, signed by an officer of the body corporate making the return and shall be dated.

(3) For the purposes of this article, Schedule 3 to the notification order shall be construed as if—

(*a*) references to a notification of an increased price or charge were references to a return under this article; and

(*b*) references to an intention to implement an increased price or charge were references to the implementation of an increased price or charge.

(4) In ascertaining for the purposes of this article whether a price or charge represents an increase, paragraphs (2) to (4) and (6) of article 4 and article 4A of the notification order shall have effect."

(*f*) in the Schedule—

(i) by the insertion before paragraph 1 of the words "(Paragraphs 1(4), and 5 do not apply to the supply of water by any person under any provision of sections 11 to 13 of the Water Act 1973**(a)**.)

(a) 1973 c. 37.

In this Schedule—

(1) (*a*) "indirect taxes" means—

(i) customs and excise duties;

(ii) value added tax which is, under Part I of the Finance Act 1972, chargeable to or by (as the case may be) the person required to make the return or to keep the record; and

(iii) car tax; and

(*b*) "change" means any increase (including a change from a nil amount) and any decrease taking effect, in either case, after 25th March 1974.

(2) The person required to make the return or to keep the record shall include in any return or record—

(*a*) pursuant to paragraph 2(2)—

(i) in respect of the total value of sales, particulars of the amount of, and of any change in, indirect taxes comprised in that value and charged to or assessed on him; and

(ii) in respect of the amount, employed in the calculation of the gross percentage margin, of the cost to him of the goods concerned, particulars of the amount of, and of any change in, indirect taxes comprised in that amount;

(*b*) pursuant to paragraph 4, the total value of sales including indirect taxes, the total value of sales excluding indirect taxes and any change in the amount of such indirect taxes; and

(*c*) pursuant to paragraph 5(2), particulars of any change in indirect taxes comprised in any amount used in the calculation of the net profit margin";

(ii) in paragraph 2(1), by the insertion after "74", of "and 74B"; and

(iii) by the substitution for paragraph 6 of the following paragraph—
"6. Particulars of any increase or decrease in any price or charge, specifying the goods or services concerned, the date when the price or charge was implemented and the date when the increase or decrease in the price or charge was implemented";

(iv) by the insertion after paragraph 8 of the following paragraph—
"Special provisions relating to the supply of water
9. In the case of the supply of water by any person under any provision of sections 11 to 13 of the Water Act 1973, particulars of the manner in which any increase or decrease in any price or charge referred to in paragraph 6 above is calculated, specifying the provisions of the code or of any enactment relevant to the calculation."

Shirley Williams,
Secretary of State for Prices and Consumer Protection.

2nd May 1974.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order amends the Counter-Inflation (Prices and Charges) (Information) (No. 3) Order 1973. The most important changes are—

(*a*) the meaning of increase in a price or charge is amended following changes made in the Counter-Inflation (Notification of Increases in Prices and Charges) (No. 3) Order 1973 by the Counter-Inflation (Notification of Increases in Prices and Charges) (Amendment) (No. 2) Order 1974 (S.I. 1974/775)—article 2(b);

(*b*) value added tax and car tax are to be left out of account in the calculation of sales for the purpose of determining application of the Order—article 2(c);

(*c*) certain increases after 2nd June 1974 resulting from the operation of variation of price or escalation clauses are required by the Counter-Inflation (Notification of Increases in Prices and Charges) (No. 2) Order 1974 to be notified to the Price Commission; a transitional provision is made requiring information about such increases on or after 6th May and before 3rd June 1974 to be furnished to the Price Commission—article 2(e);

(*d*) new provisions are made about information to be furnished relating to the supply of water under the Water Act 1973—article 2(f)(i) and (iv);

(*e*) particulars to be contained in records and in returns to the Price Commission are to include the dates when increases in prices and charges are implemented—article 2(f)(iii).

The Order also makes a number of minor drafting amendments.

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