(10) COMBS

For revocation of the Combs (Maximum Prices) Order, 1947, *see* S.I. 1948 No. 350 p. 1565 below.

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(11) DOMESTIC POTTERY

The Domestic Pottery (Maximum Prices) (Amendment) Order, 1948

1948 No. 779

Made - - - -	16*th April*, 1948
Laid before Parliament	19*th April*, 1948
Coming into Operation	25*th April and* 3*rd May*, 1948

The Board of Trade, in pursuance of the powers conferred upon them by Sections 1 and 18 of the Goods and Services (Price Control) Act, 1941(a), as amended by the Defence (Price Control) Regulations, 1945(b), Regulation 9 of those Regulations, and all other powers in that behalf enabling them, hereby order as follows:—

Amendment of the Domestic Pottery (Maximum Prices) Order, 1947.

1. The Domestic Pottery (Maximum Prices) Order, 1947(c), shall have effect subject to the following amendments:—

(1) For paragraph (3) of Article 2 there shall be substituted the following paragraph:—

" (3) The maximum price to be charged in the course of the business of a manufacturer in respect of goods of any description, other than scheduled goods, being sold to any class of customer shall be:—

(i) if similar articles of that description were being sold to that class of customer in the ordinary course of that business during the basic period, an amount calculated at the same rate as that at which the price (before any deduction by way of discount) being charged to that class of customer for the smallest quantity of such similar articles was calculated or, if different prices were being charged to that class of customer in the basic period for the smallest quantity of such articles, the rate at which the lowest of such different prices was calculated;

(ii) in any other case, the manufacturer's costs of production and sale and 6 per cent. thereof."

(2) After Article 2 there shall be inserted the following Articles:—

Aggregation of sales.

" 2A.—(1) The aggregate of the maximum prices chargeable by a manufacturer in respect of all relevant goods (being relevant goods in respect of which the manufacturer's maximum price is, under the foregoing provisions, to be computed by reference to his costs of production and sale) sold by him during any period beginning after 3rd May, 1948 (being a period of not less than 4 nor more than

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(a) 4 & 5 Geo. 6. c. 31. (b) S.R. & O. 1945 (No. 1613) II, p. 81.
(c) S.R. & O. 1947 (No. 372) I, p. 893.

12 months) shall be calculated as follows, that is to say, shall be:—

(*a*) the manufacturer's costs of production, incurred during that period, of all relevant goods manufactured during that period, adjusted by adding his costs of production of his opening stocks of relevant goods (whether wholly or partly manufactured) and subtracting his costs of production of his closing stocks of such relevant goods, and

(*b*) the manufacturer's other costs of relevant goods so sold by him during that period, and

(*c*) an amount equal to 6 per cent. of the sums calculated under the above heads.

(2) If the aggregate of the prices charged in the course of the business of a manufacturer of relevant goods during any such period exceeds the aggregate of the maximum prices calculated as aforesaid that manufacturer shall be guilty of a single contravention of subsection (1) of Section 1 of the Goods and Services (Price Control) Act, 1941, in respect of those goods.

Computation of the manufacturer's costs of production and sale, and the manufacturer's other costs.

2B.—(1) For the purposes of this Order and subject to the provisions of paragraph (2) of this Article, the manufacturer's costs of production and sale and the manufacturer's other costs shall, in relation to any goods, be:—

(*a*) in the case of the manufacturer's costs of production and sale, such amount as is reasonably justified, in relation to those goods, by reference to the matters set out in Part I of the Second Schedule to this Order (or such of them as are appropriate to that case) taken as a whole;

(*b*) in the case of the manufacturer's other costs, such amount as is reasonably justified, in relation to those goods, by reference to the matters set out in Part II of that Schedule (or such of them as are appropriate to that case) taken as a whole.

(2) The manufacturer shall not take into account the amount of any increase in that part of any such costs which is computed by reference to the relevant matters (other than the cost of the provision of materials) set out in Part I or, as the case may be, Part II of the Second Schedule hereto which is due to:—

(*a*) any increase in the rate or scale of wages, salaries or commission paid or payable by him, agreed after February 4th, 1948, or

(*b*) any change in the terms or conditions of employment of persons employed by him, agreed after that date."

(3) In the sub-head (a) of the definition of "landed cost" in head (i) of paragraph (1) of Article 9, after the word "discount" there shall be inserted the words "other than cash or settlement discounts not exceeding 2½ per cent.".

(4) Head (iii) of paragraph (1) of Article 9 (which defines "October, 1946, price") shall be deleted.

(5) At the end of the definitions in paragraph (1) of Article 9 there shall be inserted the following definitions:—

" (v) " basic period " means, in relation to the sale of any articles:—

(*a*) if those articles were being sold in the period of 2 months which ended on the 31st January, 1948, that period;

(*b*) if those articles were not being so sold, but were being sold in the ten months which ended on the 30th November, 1947, then the period of 2 months which ended on the day next following the date of the last of such sales;

(vi) " opening stocks " of a manufacturer, in relation to any period, means goods manufactured by that manufacturer but not sold before the beginning of that period; and " closing stocks " means goods manufactured by that manufacturer (whether before or during the period) but not sold before the end of the period;

(vii) " relevant goods " means, in relation to any manufacturer, goods manufactured by him (whether before or after the 3rd day of May, 1948), being such goods generally or any class of such goods defined by reference to description, type, size or any other matter whatsoever.".

(6) The Schedule thereto shall be the First Schedule thereto; and, accordingly, for the word " Schedule ", where it occurs in paragraph 2 of Article 1 and again at the head of the Schedule, there shall be substituted the words " First Schedule ".

(7) The Schedule hereto shall be the Second Schedule to that Order.

2. The Domestic Pottery (Maximum Prices) Order, 1948(a), is hereby revoked. **Revocation.**

3. This Order may be cited as the Domestic Pottery (Maximum Prices) (Amendment) Order, 1948, and shall come into operation on the 3rd day of May, 1948, except in the case of Article 2 which shall come into operation on the 25th day of April, 1948. **Citation and commencement.**

Dated this 16th day of April, 1948.

Harold Wilson,
President of the Board of Trade.

SCHEDULE

(*Second Schedule to S.R. & O. 1947 No. 372.*)

PART I

MANUFACTURER'S COSTS OF PRODUCTION AND SALE

Matters to be regarded in ascertaining costs

1. Costs of the provision of materials to be calculated on the basis of a weighted average of:—

(*a*) stocks in hand;

(*b*) materials which are the subject of contracts for purchase at fixed prices for delivery during the period for which prices are to be determined.

(a) S.I. 1948 No. 354.

2. Costs of labour being all wages directly incurred in the production of the article, and the equivalent for the direct labour (if any) of the employer in such production.

3. Costs incurred by way of service charges paid to the manufacturer on commission in the case of goods manufactured wholly or partly on commission.

4. Factory overheads:—

(*a*) Rent or (where property is owned and occupied) a charge in lieu thereof, not exceeding the net annual value for the purpose of assessment under Schedule A of the Income Tax Acts; and rates.

(*b*) Maintenance of premises, plant and machinery.

(*c*) Wear and tear of plant and machinery.

(*d*) Heat, light and power.

(*e*) Salaries and wages for supervision and indirect salaries and wages not comprised under 2 above.

(*f*) Cost of materials and services which indirectly enter into manufacture.

(*g*) Transport and packing, being the actual cost on account of the factory.

(*h*) Cost of Air Raid Precautions.

(*i*) Insurance.

(*j*) Liability for duties of Customs and Excise.

(*k*) Levies made and rebates granted for the purpose of raising sums to be used in the maintenance and extension of home and export trade under schemes approved by the Board of Trade.

5. General Overheads (being overheads common to the whole business):—

(*a*) Rent of premises other than factory premises, or (where property is owned and occupied) a charge in lieu thereof, not exceeding the net annual value for the purpose of assessment under Schedule A of the Income Tax Acts; and rates.

(*b*) Maintenance and repairs appropriate to the premises referred to in (*a*).

(*c*) Heat, light and power.

(*d*) Salaries and wages for executive, accountancy, clerical and general office staffs.

(*e*) Stationery, postage, telegrams and telephone, insurances, travelling expenses, and general office expenses.

(*f*) Salesmen's salaries and commission, and other appropriate selling expenses.

(*g*) Transport expenses (other than factory expenses), cost of operating or hiring vehicles, parcel post and carriage, warehouse packing materials and packers' wages.

(*h*) Advertising expenses limited to such expenses only as will ensure adequate distribution of products in the home market.

6. Cash or settlement discounts customarily allowed.

PART II

MANUFACTURER'S OTHER COSTS

Matters to be regarded in ascertaining costs

1. General Overheads (being overheads common to the whole business):—

(*a*) Rent of premises other than factory premises or (where property is owned and occupied) a charge in lieu thereof, not exceeding the net

annual value for the purpose of assessment under Schedule A of the Income Tax Acts; and rates.

(*b*) Maintenance and repairs appropriate to the premises referred to in (*a*).

(*c*) Heat, light and power.

(*d*) Salaries and wages for executive, accountancy, clerical and general office staffs.

(*e*) Salesmen's salaries and commission, and other appropriate selling expenses.

(*f*) Transport expenses (other than factory expenses), cost of operating or hiring vehicles, parcel post and carriage, warehouse packing materials and packers' wages.

(*g*) Advertising expenses limited to such expenses only as will ensure adequate distribution of products in the home market.

2. Cash or settlement discounts customarily allowed.

EXPLANATORY NOTE

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

This Order amends the Domestic Pottery (Maximum Prices) Order, 1947 (S.R. & O. 1947 No. 372), by fixing the manufacturer's maximum price for domestic pottery to which that Order applies (other than scheduled pottery) at the lowest price being charged by him to the same class of customer for the smallest quantity of similar Articles in the basic period (as now defined in Article 9(1) (v)). If he did not then sell similar articles to that class of customer in the basic period, his price is his costs of production and sale and 6 per cent. thereof. Hitherto his price was fixed by reference to the price being charged in October, 1946.

In a new Article 2A provision is made that a single contravention of ss. (1) of S. 1 of the Goods and Services (Price Control) Act, 1941, will have been committed by a manufacturer if it be proved that the aggregate of the prices charged by him for goods over a period exceeds the aggregate maximum prices for those goods calculated under the Order.

An amendment of detail is made in the definition of landed cost.

The Domestic Pottery (Maximum Prices) Order, 1948, as amended by S.I. 1948 No. 508, which was to have come into operation on the 26th, April, 1948, is revoked.

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(12) DOMESTIC WOODWARE

For revocation of the Domestic Woodware (Wholesalers' and Retailers' Maximum Prices) Order, 1946, *see* S.I. 1948 No. 350 p. 1565 below.