FURNITURE

The Furniture (Maximum Prices) Order, 1951

1951 No. 1744

Made - - - -	1*st October*, 1951
Laid before Parliament	1*st October*, 1951
Coming into Operation	8*th October*, 1951

The Board of Trade in pursuance of the powers conferred upon them by Sections 1, 13 and 18 of the Goods and Services (Price Control) Act, 1941(a), as amended by the Defence (Price Control) Regulations, 1945(b), (which are continued in force by virtue of the Supplies and Services (Continuance) Order, 1950(c),) and Regulation 4 of those Regulations, hereby order as follows:—

INTRODUCTORY

Scope of Order

1.—(1) The maximum prices to be charged in respect of the sale of any furniture to which this Order applies shall be computed in accordance with the following provisions of this Order.

(2) The furniture to which this Order applies in relation to any class of business is—

(*a*) new and second-hand domestic furniture (including wire and spring mattresses) being utility furniture, and

(*b*) new and second-hand office furniture and parts thereof but excluding safes, plan cabinets, mirrors and metal office equipment,

other than goods the maximum price of which in relation to that class of business is controlled by another Order made under Section 1 of the Goods and Services (Price Control) Act, 1941, or by an Order made under Regulation 55 or 55AB of the Defence (General) Regulations, 1939.

MAXIMUM PRICES FOR NEW OFFICE FURNITURE

Manufacturer

2. (New Article 2 substituted by S.I. 1951, No. 2219, p. 951 below.)

Distributor

3. The maximum price to be charged in the course of the business of a distributor in respect of any new office furniture not manufactured by him shall be the purchase price paid or agreed to be paid by the first purchaser (other than a manufacturer buying in the course of his business) together with an amount equal to 50 per cent. of that price.

Discount

4. Notwithstanding anything contained in the preceding provisions of this Order, the appropriate maximum price (exclusive of purchase tax) in respect of any new office furniture sold otherwise than by retail shall be reduced by an amount equivalent to the cash or settlement discount (if any) which was being allowed by the seller during the three consecutive calendar months immediately preceding the 30th day of April, 1942, if payment for such furniture is made during the same period as was granted by the seller as a condition of allowing such discount during the said three months period.

(a) 4 & 5 Geo. 6. c. 31. (b) S.R. & O. 1945 (No. 1613) II, p. 81.
(c) S.I. 1950 (No. 1769) III, p. 51.

MAXIMUM PRICES FOR NEW UTILITY FURNITURE

Manufacturer

5. The maximum price to be charged in the course of the business of a manufacturer—

(*a*) in respect of any new utility furniture manufactured by him in the United Kingdom, being furniture bearing a Type Symbol specified in column 2 of Part I of the Second Schedule hereto, shall be the relevant price specified in that Part;

(*b*) in respect of any new utility furniture not manufactured by him, being furniture manufactured in the United Kingdom and bearing a Type Symbol specified in column 2 of Part I of the said Second Schedule, shall be the relevant price specified in that Part.

Distributor

6. The maximum price to be charged in the course of the business of a distributor in respect of any new utility furniture not manufactured by him—

(*a*) in the case of imported furniture which bears a Type Symbol specified in column 2 of Part I of the Second Schedule hereto, shall be the relevant price specified in that Part;

(*b*) in any other case, shall be the purchase price paid or agreed to be paid by the first purchaser (other than a manufacturer buying in the course of his business) together with an amount equal to 33⅓ per cent. of that price:

Provided that—

(i) the maximum price, if not a multiple of 3d., shall be rounded to the nearest such multiple above it, and

(ii) in the case of furniture which bears a Type Symbol specified in column 2 of Part I of the said Second Schedule, the maximum price shall not exceed the relevant price specified in that Part.

MAXIMUM PRICES FOR SECOND-HAND FURNITURE

Distributor

7.—(1) The maximum price to be charged in the course of the business of a distributor in respect of any furniture (including Government surplus furniture) to which neither Article 3 nor Article 6 of this Order applies shall be the aggregate of—

(*a*) the purchase price paid or agreed to be paid for that furniture by the first purchaser thereof from a person not carrying on a business to which this Order applies (or, if more than one of such persons have owned that furniture, the last such person, not being a person who it is established was the owner for less than twelve months), being a price exclusive of any commission or other consideration payable to an agent in respect of that purchase,

(*b*) an amount equal to 50 per cent. of such price, and

(*c*) the cost of any repair carried out to that furniture after acquisition by that first purchaser.

(2) The maximum price to be charged in the course of the business of a distributor in respect of any furniture which was comprised in a hire-purchase or credit sale agreement and which has been returned to him or which he has recovered shall be the maximum price at which he could lawfully have sold that furniture at the date of the agreement.

(3) The maximum price computed under the provisions of this Article, in respect of any utility furniture which is described in Part I of the Second Schedule hereto shall not exceed the relevant price specified in that Part.

(4) For the purposes of this Article—

"the cost of any repair" means—

(*a*) in relation to a repair carried out by the seller of the furniture, an amount which (before any deduction by way of discount) is equal to the aggregate of the cost of labour, 125 per cent. of such cost and the cost (including any purchase tax paid or payable) of additional material used in doing that work,

(*b*) in relation to any repair the carrying out of which the seller has procured, the amount charged by the repairer before deduction of any discount except any part of the aggregate of any discounts exceeding 10 per cent., and

(*c*) in relation to furniture purchased by the seller from a distributor, any amount specified in writing by that distributor as the cost of any repair thereto in pursuance of Article 10 of this Order.

"cost of labour" means, in relation to the carrying out of any work, such amount as is reasonably justified, having regard to the time necessary for carrying out such work, by reference to the labour (including that (if any) of the proprietor of the business) directly employed in that work:

Provided that no account shall be taken of any increase in such amount which is due to—

(i) any increase in the rate or scale of wages, salaries or commission agreed after the 4th day of February, 1948, or

(ii) any change in the terms and conditions of employment agreed after that date.

MISCELLANEOUS PROVISIONS AND INTERPRETATION

Composite Businesses

8.—(1) In relation to a business which, in respect of new furniture to which this Order applies, consists of a manufacturing branch and a distributing branch or distributing branches, and in relation to which the conditions contained in paragraph (2) of this Article are fulfilled, each such branch may, for the purposes of this Order, be treated as a wholly separate business and—

(i) the maximum price to be charged, in respect of such furniture transferred from the manufacturing branch to a distributing branch, shall be computed in accordance with the relevant provisions of this Order as though such transfer were a sale, that is to say, in the case of new office furniture, in accordance with Article 2, and in the case of new utility furniture in accordance with Article 5: Provided that, in calculating the manufacturer's costs of production and sale, no account shall be taken of the matters set out in paragraph 4 of the First Schedule to this Order;

(ii) the maximum price to be charged in respect of new furniture sold by a distributing branch shall be computed in the case of new office furniture in accordance with Article 3, and in the case of new utility furniture in accordance with Article 6 of this Order.

(2) The conditions referred to in paragraph (1) of this Article are—

(i) that separate records and books of account are being kept in respect of the manufacturing branch and the distributing branches of the business including records showing the transfer of new furniture from one branch to another branch and the price at which such furniture was transferred; and

(ii) that a notice in writing, in duplicate, signed by a person competent to do so, stating that the conditions set out in sub-paragraph (i) of this paragraph have been fulfilled, has been forwarded to, and the duplicate of such notice has been returned by, the Secretary of the Central Price Regulation Committee: Provided that it shall be a compliance with this sub-paragraph if notice has already been given to the Central Price Regulation Committee under the provisions of a previous Order determining the maximum prices to be charged for furniture.

Notice of Maximum Prices

9. Any person carrying on a business to which this Order applies in the course of which any furniture described in Part I of the Second Schedule hereto is offered for sale by retail, shall display in a prominent place in each of his establishments at which such furniture is so offered where it can be easily read by any customer a notice in the form specified in the Third Schedule hereto and shall, if requested so to do by any customer, show or cause to be shown to him a copy of the said Second Schedule hereto.

Modification of the Price-Controlled Goods (Invoices) Order, 1943

10. In relation to the sale of furniture in the course of the business of any distributor and bought in the course of the business of another distributor the Price-Controlled Goods (Invoices) Order, 1943(**a**), shall have effect as if, in the invoice to be furnished, the seller were required (in addition to the particulars referred to in Article 2 of that Order) to include—

(*a*) in respect of new furniture—

(i) in the case of imported furniture, a statement that it is imported furniture,

(ii) in any other case, a statement of the purchase price paid or agreed to be paid for the furniture to the manufacturer by the first purchaser (other than a manufacturer buying in the course of his business);

(*b*) in respect of second-hand furniture, a statement of—

(i) the purchase price paid or agreed to be paid for the furniture by the first purchaser thereof from a person not being a manufacturer or distributor (or, if more than one of such persons have owned that furniture, the last such person not being a person who it is established was the owner for less than twelve months), being a price exclusive of any commission or other consideration payable to an agent in respect of that purchase, and

(ii) the cost of any repair to that furniture which is permitted by paragraph (1) of Article 7 of this Order to be included in the maximum price to be charged by the seller.

Revocation and Saving

11.—(1) The Furniture (Maximum Prices) Order, 1949(**b**), the Furniture (Maximum Prices) (Amendment) Order, 1950(**c**), and the Furniture (Maximum Prices) (Amendment No. 5) Order, 1951(**d**), are hereby revoked.

(**a**) S.R. & O. 1943 (No. 604) I, p. 309.
(**b**) S.I. 1949 (No. 1706) I, p. 2612.
(**c**) S.I. 1950 (No. 1306) I, p. 928.
(**d**) S.I. 1951 No. 940.

(2) Nothing in this Order shall affect the execution of any agreement lawfully made under the Orders hereby revoked in a manner not prohibited by those Orders.

Meaning of maximum price, variations of maximum prices and charges in relation to delivery

12. In this Order, " maximum price " means—

(1) on a sale otherwise than by retail, the price before any deduction by way of discount and exclusive of any purchase tax paid or payable but inclusive—

(*a*) in the case of goods sold for export to the Channel Islands or the Isle of Man, of any charge in respect of the delivery to any premises in the United Kingdom nominated by the buyer ;

(*b*) in any other case, of any charge in respect of the delivery to premises in the United Kingdom of the buyer or to any premises in the United Kingdom nominated by the buyer being premises at which furniture is regularly sold by retail:

Provided that, if on a sale of utility furniture, that furniture is not delivered by the seller at any such premises as aforesaid, the maximum price of that furniture computed in accordance with the provisions of this Order shall be reduced by the amount of any delivery charges which would be reasonably incurred in the delivery of the furniture to premises of or nominated by the buyer, as the case may be ;

(2) on a sale by retail, the price before any deduction by way of discount and exclusive of any purchase tax paid or payable but inclusive of any charges in respect of delivery to the premises of or nominated by the buyer:

Provided that—

(*a*) if on a sale of any furniture, that furniture is under the contract delivered at premises of or nominated by the buyer, being premises more than 15 miles from the premises at which the contract was made, the maximum price of that furniture, computed in accordance with the provisions of this Order, shall be increased by the amount of any charges or costs reasonably incurred in the delivery thereof,

(*b*) if on a sale of any utility furniture, that furniture is not delivered to premises of or nominated by the buyer, being premises not more than 15 miles from the premises at which the contract was made, the maximum price of that furniture, computed in accordance with the provisions of this Order, shall be reduced by the amount which would have been reasonably incurred in delivering furniture to those premises.

Other definitions

13.—(1) In this Order—

" distributor " means a person carrying on a business of disposing of furniture whether as a principal or agent ;

" imported furniture " means furniture manufactured outside and imported into the United Kingdom ;

" manufacture " in relation to any person means the carrying out by him, or procuring the carrying out upon materials owned by him, of a process in the production, reconstruction or conversion of furniture ; but in relation to a business comprising a manufacturing branch and a distributing branch, which are for the purposes of this Order or any other Order regulating the supply of furniture to be treated as separate businesses,

furniture manufactured in the manufacturing branch when supplied from the distributing branch shall be deemed not to have been manufactured by the distributor;

"new office furniture" and "new utility furniture" mean office furniture and utility furniture, as the case may be, which have not subsequently to production, reconstruction or conversion, or the latest of them, been used but do not include any Government surplus furniture;

"purchase price" means—

(*a*) in the case of furniture other than new utility furniture, the price, exclusive of any purchase tax but inclusive of all delivery charges, payable after all deductions by way of discount other than cash or settlement discounts not exceeding 5 per cent.;

(*b*) in the case of new utility furniture, the price, inclusive of all delivery charges, payable after all deductions by way of discount;

"type symbol" in relation to furniture of any description refers to a distinctive mark which, in accordance with any Order made by the Board of Trade or Ministry of Commerce Northern Ireland, may be applied only to furniture of that description;

"utility furniture" means furniture to which the utility mark (shown in the Second Schedule to the Utility Furniture (Marking and Supply) (No. 2) Order, 1950(a),) has been applied in pursuance of that or any other Order.

(2) Any reference to a price specified in Part I of the Second Schedule hereto shall be deemed to be a reference to that price increased by the appropriate amount, where applicable, specified in Part II of that Schedule.

Citation and Commencement

14. This Order may be cited as the Furniture (Maximum Prices) Order, 1951, and shall come into operation on the 8th day of October, 1951.

Dated this 1st day of October, 1951.

Hartley Shawcross,
President of the Board of Trade.

FIRST SCHEDULE

Manufacturer's Costs of Production and Sale

1. Costs of the provision of materials.
2. Costs of labour being all wages directly incurred in the production of the article.
3. Factory or Workshop 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*) Costs of materials and services which indirectly enter into manufacture.
(*g*) Transport and packing, being the actual costs on account of the factory.
(*h*) Cost of Air Raid Precautions.

(a) S.I. 1950 (No. 2046) III, p. 755.

(*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.

4. 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.

5. Cash or settlement discounts customarily allowed.

SECOND SCHEDULE

(New Schedule 2 substituted by S.I. 1951, No. 2219, p. 951 below.)

THIRD SCHEDULE

FORM OF NOTICE

NOTICE

GOODS AND SERVICES (PRICE CONTROL) ACT, 1941

Overriding maximum prices or cash maximum prices have been fixed under the above mentioned Act for utility furniture which is offered for sale in this establishment.

Schedules containing such prices will on request be shown to any customer.

EXPLANATORY NOTE

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

This Order supersedes the Furniture (Maximum Prices) Order, 1949, as amended.

The principal changes are:—

(1) the maximum and overriding maximum prices formerly set out in a separately printed Related Schedule are now set out in the Second Schedule to this Order;

(2) maximum and overriding maximum prices are fixed for two new items; these items are printed in the Second Schedule in italics;

(3) the maximum and overriding maximum prices of spring mattresses and the extra allowances for side rails and woven wire meshes are increased; these increases are indicated in the Second Schedule by plus (+) signs;

(4) the provisions relating to delivery costs have been revised; and

(5) sales of furniture to Government Departments are now subject to price control.

The Furniture (Maximum Prices) (Amendment) Order, 1951

1951 No. 2219

Made - - - -	17*th December*, 1951
Laid before Parliament	18*th December*, 1951
Coming into Operation	31*st December*, 1951

The Board of Trade in pursuance of the powers conferred upon them by Sections 1, 13 and 18 of the Goods and Services (Price Control) Act, 1941(**a**), as amended by the Defence (Price Control) Regulations, 1945(**b**), (which are continued in force by virtue of the Supplies and Services (Continuance) Order, 1951(**c**),) and Regulation 4 of those Regulations, hereby order as follows:—

1. The Furniture (Maximum Prices) Order, 1951(**d**), shall have effect subject to the following amendments:—

(*a*) for Article 2 thereof there shall be substituted the following:—

"2.—(1) The maximum price to be charged in the course of the business of a manufacturer of furniture in respect of any new office furniture manufactured by him shall, subject to the provisions of paragraph (2) of this Article, be such amount as is reasonably justified in respect of the manufacturer's costs of production and sale by reference to the matters set out in the First Schedule hereto (taken as a whole) together with a sum equal to 6 per cent. thereof.

(2) Nothing in paragraph (1) of this Article shall permit a manufacturer, in calculating his costs of production and sale, to take into account the amount of any increase in such costs computed by reference to such of the matters specified in paragraphs 2, 3, 4 and 5 of the First Schedule hereto as are relevant, due to—

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

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

except so much of any increase or change made by him after that date but before the 9th day of November, 1951, in pursuance of the National Labour Agreement for the Furniture Manufacturing

---

(a) 4 & 5 Geo. 6. c. 31.
(b) S.R. & O. 1945 (No. 1613) II, p. 81.
(c) S.I. 1951 No. 2116, *see* Vol. III, p. 27.
(d) S.I. 1951 No. 1744. p. 944 above.