The General Hollow-ware (Maximum Prices) Order, 1951

1951 No. 1530

Made - - - -	18*th August*, 1951
Laid before Parliament	20*th August*, 1951
Coming into Operation	28*th August*, 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 by Regulation 9 of those Regulations, hereby order as follows:—

PART I

Maximum Prices

Scope of Order

1.—(1) The maximum prices to be charged in the course of businesses of the following classes, namely, manufacturer, importer, wholesaler and retailer, in respect of goods to which this Order applies shall be computed in such manner and by reference to such matters as are hereinafter provided.

(2) The goods to which this Order applies (hereinafter called "goods") are—

(*a*) new metal hollow-ware of a kind used for domestic purposes, except—

(i) hollow-ware made of aluminium, stainless steel, copper, brass, electro-plated nickel silver, or electro-plated Britannia metal;

(ii) vitreous enamelled wrought steel hollow-ware;

(iii) hollow-ware made wholly or mainly of gold or silver;

(iv) apparatus and appliances which are operated by electricity or gas and component parts of such apparatus and appliances; and

(v) toilet or smokers' requisites;

(*b*) new tin lids for hollow-ware comprised in head (*a*) of this paragraph when sold with such hollow-ware.

Manufacturer

2.—(1) The maximum price to be charged in the course of the business of a manufacturer in respect of goods being tinplate hollow-ware shall be the manufacturers' costs of production and sale and 5 per cent. thereof.

(2) The maximum price to be charged in the course of the business of a manufacturer in respect of goods of any description (other than tinplate hollow-ware) 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;

(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.

(ii) in any other case, the manufacturer's costs of production and sale and 5 per cent. thereof.

(3) Notwithstanding the foregoing provisions of this Article, on a sale, in the course of the business of a manufacturer, of goods being galvanised hollow-ware, the appropriate maximum price computed in respect thereof in accordance with sub-paragraph (i) of paragraph (2) of this Article shall be increased by *15½ per cent. of that price.

(4) Nothing in this Article shall apply to goods made of pewter or Britannia metal.

Aggregation of Sales

3.—(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 the 27th day of August, 1951, (being a period of not less than 4 nor more than 12 months) shall be calculated by adding to the manufacturer's costs of production and sale of such relevant goods sold by him during that period an amount equal to 5 per cent. thereof.

(2) If the aggregate of the prices charged in the course of the business of a manufacturer for such 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

4.—(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 shall, in relation to any goods, be such amount as is reasonably justified, in relation to those goods, by reference to the matters set out in the Schedule hereto (or such of them as are appropriate) 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 the 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 the 4th day of February, 1948, or

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

Imported goods. Importer and wholesaler

5. The maximum price to be charged in the course of the business of an importer in respect of goods imported into the United Kingdom in the course of his business, or a wholesaler in respect of such goods, shall be the landed cost and—

(*a*) on a sale otherwise than by retail, 37 per cent. thereof;

(*b*) on a sale by retail, 47½ per cent. thereof and the amount of purchase tax (if any) paid or payable in respect thereof.

* "25½ per cent." substit. by S.I. 1951 No. 1746, p. 979 below.

Other goods. Wholesaler

6. Subject to the provisions of Article 5—

(1) the maximum price to be charged in the course of the business of a wholesaler who, in respect of goods, conducts a regular selling organisation for supplying the retail trade and who carries, in a warehouse or other storage premises, stocks which are substantial in relation to his turnover, shall—

(i) on a sale, otherwise than by retail, of goods which are dispatched to the buyer from the seller's warehouse or other storage premises, be the purchase price paid or agreed to be paid to the manufacturer by the first purchaser and 32 per cent. thereof;

(ii) on a sale, otherwise than by retail, of goods not dispatched as aforesaid, be the purchase price paid or agreed to be paid to the manufacturer by the first purchaser and 16 per cent. thereof;

(iii) on a sale of goods by retail, be computed in accordance with Article 7 as if such wholesaler were a retailer;

(2) the maximum price to be charged in the course of the business of any other wholesaler shall—

(i) on a sale of goods otherwise than by retail, be the purchase price paid or agreed to be paid to the manufacturer by the first purchaser and 5 per cent. thereof;

(ii) on a sale of goods by retail, be computed in accordance with Article 7 as if such wholesaler were a retailer.

Retailer

7. The maximum price to be charged in the course of the business of a retailer in respect of goods shall be the purchase price paid or agreed to be paid to the manufacturer, importer or wholesaler by the first purchaser (being a retailer), 47½ per cent. thereof and the amount of purchase tax (if any) paid or payable in respect of such goods.

Discounts, etc.

8. Notwithstanding anything contained in this Order—

(1) on a sale, otherwise than by retail, of goods the maximum price of which is computed in accordance with the provisions of subparagraph (i) of paragraph (1) of Article 6, and which are dispatched from the seller's warehouse or other storage premises in Great Britain to the buyer's premises in Northern Ireland, the maximum price computed as aforesaid shall be increased by an amount equal to 1½ per cent. thereof;

(2) on a sale of goods by retail, the maximum price computed in accordance with the appropriate foregoing provisions of this Order shall be rounded up to the nearest halfpenny if that price does not exceed 5s. and up to the nearest penny if that price exceeds 5s.;

(3) on a sale of goods (otherwise than by retail) the maximum price computed in accordance with the appropriate foregoing provisions of this Order shall be reduced by an amount equal to 2½ per cent. thereof in any case in which payment for those goods is made or tendered before the last day in the calendar month immediately succeeding that in which the goods were consigned by the seller to or to the order of the buyer.

PART II

General

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

9. In relation to imported goods sold in the course of the business of an importer or wholesaler and bought in the course of the business of a wholesaler, 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 statements that the goods were imported and of the landed cost thereof.

Interpretation

10. In this Order:

" basic period " means, in relation to the sale of any articles —

(*a*) if similar articles were being sold in the period of 2 months which ended on the 31st day of July, 1951, that period;

(*b*) if similar articles were not being so sold but were being sold in the 10 months which ended on the 31st day of May, 1951, then the period of 2 months which ended on the day next following the date of the last of such sales;

" landed cost " means, in relation to imported goods, an amount equivalent to the aggregate of—

(i) the price (after all deductions by way of discount other than cash or settlement discounts not exceeding 2½ per cent.) paid or agreed to be paid by the importer, and

(ii) all sums (in so far as they are not included under (i) above) paid or payable by the importer in respect of packing, insurance, freight to the port of entry, import duties and customs clearance charges;

" manufacturer " means any person who carries out or procures or permits to be carried out a process of manufacture whereby goods are produced;

" maximum price " means the price payable before any deduction by way of discount and, on a sale by retail but not otherwise, includes purchase tax; and delivery charges shall be included in the said price except that

(i) in calculating the maximum price to be charged on a sale of any goods by a manufacturer who, in the ordinary course of his business during the period of three months which ended on the 31st day of August, 1943, was making a charge for delivering comparable goods, delivery charges may be excluded,

(ii) in calculating the maximum price to be charged on a sale of any goods by retail, the cost actually paid or incurred of delivering those goods may be excluded, and

(iii) in calculating the maximum price to be charged on a sale of any goods otherwise than by retail, the cost actually paid or incurred of delivering those goods may be excluded, where the price of those goods, or, if the goods are included in a parcel comprising other articles, the price of the parcel (exclusive of purchase tax and such cost of delivering) does not exceed £2;

" purchase price " means the price after all deductions by way of discount other than cash or settlement discounts not exceeding 5 per cent. and exclusive of purchase tax; and delivery charges may be included in the

(**a**) S.R. & O. 1943 (No. 604) I, p. 309.

calculation of the purchase price of any goods except where the price of the goods purchased, or, if the goods were included in a parcel comprising other articles and the price of the parcel (exclusive of purchase tax and delivery charges) did not exceed £2 ;

" relevant goods " means, in relation to any manufacturer, goods manufactured by him (whether before or after the commencement of this Order), being such goods generally or any class of such goods defined by reference to description, type, size or any other matter whatsoever.

Revocation

11. The General Hollow-ware (Maximum Prices) Order, 1949(**a**), and the General Hollow-ware (Maximum Prices) (Amendment No. 4) Order, 1951(**b**), are hereby revoked.

Citation and Commencement

12. This Order may be cited as the General Hollow-ware (Maximum Prices) Order, 1951, and shall come into operation on the 28th day of August, 1951.

Dated this 18th day of August, 1951.

J. Chuter Ede,
One of His Majesty's Principal Secretaries of State in the absence of the President of the Board of Trade.

SCHEDULE

Manufacturer's Costs of Production and Sale

Matters to be regarded in ascertaining Costs

1. Costs of the provision of materials.

2. Costs of labour being all wages directly incurred in the production of the article.

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.

(**a**) S.I. 1949 (No. 1971) I, p. 2176. (**b**) S.I. 1951 No. 655.

(*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 telephones, insurance, 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.

EXPLANATORY NOTE

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

This Order supersedes the General Hollow-ware (Maximum Prices) Order, 1949, and its amending Order.

The principal changes are as follows:—

(*a*) manufacturers' maximum prices for all tin plate hollow-ware are now to be computed by reference to the cost of production and sale of such hollow-ware,
(*b*) the "basic period", by reference to which manufacturers' maximum prices for certain goods are to be computed (Article 2), has been changed (Article 10),
(*c*) manufacturers' maximum prices of galvanised hollow-ware are increased by 15½ per cent. in those cases where they are to be computed by reference to the price charged in the basic period,
(*d*) the "cost plus" provisions of the Order have been revised,
(*e*) hollow-ware supplied to a Government Department is no longer free from price control.

The General Hollow-ware (Maximum Prices) Order, 1951, (Amendment) Order, 1951

1951 No. 1746

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 by Regulation 9 of those Regulations, hereby order as follows:—

1. The General Hollow-ware (Maximum Prices) Order, 1951(**d**), shall have effect subject to the amendment that in paragraph (3) of Article 2 thereof for "15½ per cent" there shall be substituted "25½ per cent".

(**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.
(**d**) S.I. 1951 No. 1530, p. 974 above.