SCHEDULE

(*The Fourth Schedule to S.I.* 1948 *No.* 304)

Date of Agreement	Parties to Agreement
19th April, 1948 ...	The Wool (& Allied) Textile Employers' Council and The National Association of Unions in the Textile Trade.
28th April, 1948 ...	The Rochdale and District Flannel Manufacturers' Association and The Transport and General Workers' Union.
30th June, 1948 ...	The Employers Section of the West of England District Council of the National Wool (and Allied) Textile Industrial Council and The Operatives Section of the West of England District Council of the National Wool (and Allied) Textile Industrial Council. (As amended by a further agreement made between the same parties on the 28th July, 1948.)

EXPLANATORY NOTE

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

This Order amends The Yarn and Cloth (Wool and Animal Fibre) (Maximum Prices and Charges) Order, 1948—

(1) by permitting a manufacturer when computing his costs of production and sale to take into account such wage increases as are in accordance with one of the Agreements mentioned in the Fourth Schedule, and

(2) by excluding from the provisions of the Order cloth sold in execution of orders placed in the United States of America or Canada, against payment in United States or Canadian dollars and for delivery to persons residing in the United Kingdom.

(36) MISCELLANEOUS GOODS

The Miscellaneous Goods (Maximum Prices) (Amendment) Order, 1948

1948 No. 776

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

The Board of Trade, in pursuance of Sections 1, 13 and 18 of the Goods and Services (Price Control) Act, 1941(a), as amended by the Defence

(a) 4 & 5 Geo. 6. c. 31.

(Price Control) Regulations, 1945(a), Regulation 9 of those Regulations and all other powers in that behalf enabling them, hereby order as follows:—

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 (hereinafter called " goods ") shall be computed in such manner and by reference to such matters as are hereinafter provided.

(2) The goods to which this Order applies are goods described in the First Schedule hereto not being:—

(*a*) second-hand goods;

(*b*) goods described in the Second Schedule hereto;

(*c*) goods being purchased by or on behalf of a Government Department in respect of which the seller shall have notice in writing, at or before the time of supply, that they are being so purchased;

(*d*) goods being purchased by or on behalf of a manufacturer of any articles for the purpose of being treated, used or consumed by him in the manufacture of those articles and being goods in respect of which the seller shall have notice in writing, at or before the time of supply, that they are being so purchased.

Maximum prices, Manufacturer.

2.—(1) The maximum price (exclusive of excise duties (if any) paid or payable) to be charged in the course of the business of a manufacturer in respect of goods of any description 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 but after deduction of excise duty (if any) paid or payable) 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:—

(*a*) on a sale otherwise than to a wholesaler who in relation to those goods is at the time of that sale a sole distributor thereof for the manufacturer, the manufacturer's costs of production and sale and 5 per cent. thereof;

(*b*) on a sale to a wholesaler who, in relation to those goods is at the time of that sale a sole distributor thereof for the manufacturer, the manufacturer's costs of production and 5 per cent. thereof.

(a) S.R. & O. 1945 (No. 1613) II, p. 81.

(2) Notwithstanding the foregoing provisions of this Article, on a sale, in the course of the business of a manufacturer, of goods respectively described in heads (*a*), (*b*) and (*c*) below, the appropriate maximum price computed in respect thereof in accordance with paragraph (1) (i) of this Article shall be increased:—

(*a*) in the case of goods made wholly or mainly of leather, by 12½ per cent. of that price;

(*b*) in the case of goods described in item 14 of the First Schedule hereto, being face towels, hand towels and carrier bags, in each case made wholly of paper, by 7½ per cent. of that price;

(*c*) in the case of goods described in item 12 of the First Schedule hereto, being toilet paper, by 7½ per cent. of that price.

Aggregation of sales.

3.—(1) The aggregate of the maximum prices chargeable in the course of the business of 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 or 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 12 months) shall be calculated as follows, that is to say, shall be:—

(i) in the case of such goods sold to a wholesaler who is, in relation to those goods, a sole distributor thereof for the manufacturer:—

(*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*) an amount equal to 5 per cent. of the sum calculated under the above head;

(ii) in any other case:—

(*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 the relevant goods so sold by him during that period, and

(*c*) an amount equal to 5 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 for 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 (*a*) the manufacturer's costs of production and sale; (*b*) the manufacturer's costs of production and (*c*) the manufacturer's other costs.

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, the manufacturer's costs of production 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 Third 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 costs of production, 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;

(*c*) 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 III 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, Part II or Part III, as the case may be, of the Third 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 4th 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 that business, or a wholesaler, in respect of such goods, shall be the landed cost and:—

(*a*) on a sale otherwise than to a retail customer, the appropriate percentage thereof specified in column 2 (*a*) of the First Schedule hereto;

(*b*) on a sale to a retail customer, the appropriate percentage thereof specified in column 2 (*b*) of that Schedule.

Other goods. Wholesaler selling goods of which he is a sole distributor for the manufacturer thereof.

6.—(1) The maximum price to be charged in the course of the business of a wholesaler who, in relation to the sale (otherwise than to a retail customer) of goods of any description in any of the following parts of the United Kingdom, namely, England (including Wales), Scotland or Northern Ireland, is the sole distributor of those goods for the manufacturer thereof, shall, on a sale of those goods in that part of the United Kingdom to any class of customer other than a retail customer (not being a sale to which Article 5 applies) be:—

(*a*) if similar articles of that description were being sold to that class of customer in that part of the United Kingdom 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;

(*b*) in any other case the purchase price paid or agreed to be paid by him to the manufacturer, the wholesaler's costs of sale and 5 per cent. of such price and such costs.

(2) Notwithstanding the foregoing provisions of this Article, on a sale of goods respectively described in heads (*a*), (*b*) and (*c*) below in the course of the business of a wholesaler, being a sale to which paragraph (1) (*a*) of this Article applies, the appropriate maximum price computed in respect of those goods in accordance with paragraph (1) (*a*) of this Article shall be increased:—

(*a*) in the case of goods made wholly or mainly of leather, by 12½ per cent. of that price;

(*b*) in the case of goods described in item 14 of the First Schedule hereto, being face towels, hand towels and carrier bags, in each case made wholly of paper, by 7½ per cent. of that price;

(*c*) in the case of goods described in item 12 of the First Schedule hereto, being toilet paper, by 7½ per cent. of that price.

*(3) For the purposes of this Order a wholesaler is, in relation to the sale of goods of any description in any of the following parts of the United Kingdom, namely, England (including Wales), Scotland or Northern Ireland, a sole distributor of those goods in that part of the United Kingdom for the manufacturer thereof, if:—

(*a*) the goods which he is selling were purchased by him from the manufacturer under a contract the effect of which was to prevent that manufacturer, during a period therein provided, selling in that part of the United Kingdom any article of that description manufactured by him otherwise than to that wholesaler or to a retail customer, or

(*b*) the goods which he is selling were purchased by him from the manufacturer thereof and are being sold under a registered trade mark of which such wholesaler is the proprietor or registered user.

Aggregation of sales by a wholesaler selling goods as a sole distributor for the manufacturer thereof.

7.—(1) The aggregate of the maximum prices chargeable in the course of the business of a wholesaler to whom the provisions of Article 6 apply in respect of all relevant goods (being relevant goods in respect of which the wholesaler's maximum price is under the foregoing provisions to be computed by reference to his costs of sale) sold by him as a sole distributor thereof for the manufacturer thereof during any period of not less than 4 nor more than 12 months beginning after 3rd May, 1948, shall be calculated as follows, that is to say, shall be:—

(*a*) the purchase price paid or agreed to be paid during that period in respect of all relevant goods purchased by him during that period, adjusted by adding the purchase price paid or agreed to be paid in respect of his opening stocks of relevant goods and subtracting the purchase price paid or agreed to be paid in respect of his closing stocks of such relevant goods; and

(*b*) the wholesaler's costs of sale of the relevant goods so sold by him during that period; and

* For new sub-paragraph (*c*) added by S.I. 1948 No. 2760, *see* p. 1557 below.

(*c*) an amount equal to 5 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 any wholesaler to whom the foregoing provisions of this Article apply for relevant goods sold by him during any such period as a sole distributor for the manufacturer thereof exceeds the aggregate of the maximum prices calculated as aforesaid that wholesaler 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 wholesaler's costs of sale.

8. For the purposes of this Order, the wholesaler's costs of sale in relation to any goods shall be such amount as is reasonably justified in relation to those goods by reference to the matters set out in Part III of the Third Schedule to this Order (or such of them as are appropriate to that case) taken as a whole; so, however, that the wholesaler shall not take into account the amount of any increase in such costs which is due to:—

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

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

Wholesaler (other than a sole distributor) who carries stocks.

9. The maximum price to be charged in respect of the sale of goods of any description (not being a sale to which Article 5 or 6 applies) in the course of the business of a wholesaler who, in relation to goods of that description, conducts a regular selling organization 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 be:—

(i) on a sale of goods of that description otherwise than to a retail customer, the aggregate of—

(*a*) the purchase price paid or agreed to be paid to the manufacturer by the first purchaser or, in a case in which he purchased those goods from another wholesaler (being a wholesaler to whom the provisions of Article 6 apply in relation to those goods) the purchase price paid or agreed to be paid by him to that wholesaler; and

(*b*) the amount of any quantity allowance made on the sale of those goods to him; and

(*c*) the appropriate percentage of the sum of the amounts included under (*a*) and (*b*) specified in column 3 of the First Schedule hereto or the percentage of such amounts equivalent to that which he added to such purchase price in respect of the sale of similar articles of that description in the basic period, whichever is the less;

(ii) on a sale of goods of that description to a retail customer, computed in accordance with Article 11 as if such wholesaler were a retailer.

Wholesaler (other than a sole distributor) who does not carry stocks.

10. The maximum price to be charged in respect of the sale of goods of any description in the course of the business of a wholesaler other than a wholesaler to whom Article 5, 6 or 9 applies, shall be computed in accordance with the appropriate provisions of Article 9; so, however, that in sub-head (*c*) of head (i) thereof for the reference to the appropriate percentage specified in column 3 of the First Schedule hereto there shall be substituted a reference to 5 per cent.

Retailer.

11. The maximum price to be charged in the course of the business of a retailer, in respect of goods of any description, shall be the aggregate of:—

(*a*) the purchase price paid or agreed to be paid to the manufacturer, importer or wholesaler by the first purchaser (being a retailer); and

(*b*) the amount of any quantity allowance made on the sale of those goods to him; and

(*c*) the appropriate percentage of the sum of the amounts included under (*a*) and (*b*) specified in column 4 of the First Schedule hereto or the percentage thereof equivalent to that which he was adding to such purchase price on a sale of similar articles of that description in the period of 2 months which ended on the day next following the last sale of such articles by him in the 11 months which immediately preceded the 31st December, 1947, whichever is the less.

Composite businesses.

12.—(1) In relation to a business which, in respect of goods, consists of at least two of the following, namely, a manufacturing branch, a wholesale branch and a retail branch, in relation to which the prescribed conditions are fulfilled, each such branch may be treated as a wholly separate business and:—

(i) the maximum price at which goods may be transferred from such a manufacturing branch shall be computed in accordance with the provisions of Article 2 as though such transfer were a sale;

(ii) the maximum price to be charged in respect of goods sold by such a wholesale branch shall be computed by adding to the wholesale cost either of the following:—

(*a*) an amount which is the appropriate percentage thereof specified in column 3 of the First Schedule hereto, or

(*b*) an amount which is the prescribed percentage thereof;

(iii) the maximum price to be charged in respect of goods sold by such a retail branch shall be computed in accordance with the provisions of Article 11; so, however, that for the purchase price paid or agreed to be paid there shall be substituted the retail cost.

(2) In this Article:—

(i) " prescribed conditions " means:—

(*a*) that separate records and books of account are being kept in relation to the manufacturing branch, the wholesale branch and the retail branch of the business (as the case may be) including records showing the transfer of goods from one branch to another branch and the price at which such goods are transferred; and

(*b*) that where there is a wholesale branch of the business there is maintained in connection with that branch a warehouse or other storage premises used for carrying stocks of the business which are substantial in relation to the turnover of that branch, and that there is conducted, in connection with that branch, a regular selling organization for supplying the retail trade; and

(*c*) 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) (*a*) and, where applicable, sub-paragraph

(i) (*b*) of this paragraph have been fulfilled, is forwarded to, and the duplicate of such notice has been returned by, the Secretary of the Central Price Regulation Committee;

(ii) " wholesale cost " means, in relation to a wholesale branch:—

(*a*) in respect of goods purchased from a manufacturer or a wholesaler to whom, in relation to the sale of those goods, the provisions of Article 6 did not apply, the purchase price paid or agreed to be paid to the manufacturer by the first purchaser; and

(*b*) in respect of goods purchased from a wholesaler to whom, in relation to the sale of those goods, the provisions of Article 6 applied, the purchase price paid or agreed to be paid to that wholesaler;

(*c*) in respect of goods transferred from the manufacturing branch to the wholesale branch the purchase price at which such goods were so transferred;

(iii) " retail cost " means, in relation to the retail branch:—

(*a*) in respect of goods purchased from a manufacturer or a wholesaler, the purchase price paid or agreed to be paid to the manufacturer or wholesaler by the first purchaser, being a retailer;

(*b*) in respect of goods transferred to the retail branch by the manufacturing branch, the purchase price at which such goods were so transferred;

(*c*) in respect of goods transferred to the retail branch by the wholesale branch (being a branch in which the maximum price chargeable on every sale of goods by that branch is computed by adding the prescribed percentage to the wholesale cost) the wholesale cost of the wholesale branch together with an amount which is the prescribed percentage thereof;

(*d*) in respect of goods transferred to the retail branch by the wholesale branch (not being a branch referred to in the preceding sub-paragraph) the wholesale cost of the wholesale branch;

(iv) " prescribed percentage " means the percentage which bears to the appropriate percentage specified in column 3 of the First Schedule hereto the same ratio as the wholesale cost of goods sold to retailers bears to the aggregate of the wholesale cost of:—

(*a*) goods sold to retailers, and

(*b*) goods transferred to the retail branches

during the six monthly accounting period immediately preceding the day on which such goods were sold or transferred.

Cash or settlement discount and rounding.

13.—(1) Notwithstanding anything contained in the preceding provisions of this Order the appropriate maximum price in respect of the sale of any quantity of goods of any description shall be reduced by an amount equivalent to the amount of any cash or settlement discount which was being allowed by the seller in relation to similar articles of that description, during the basic period, if payment for such goods is made during the same period of time as was granted by the seller as a condition of allowing such discount during the basic period.

(2) On a sale of goods to a retail customer, the maximum price computed in accordance with the appropriate foregoing provisions of this Order, shall be rounded upwards to the nearest penny if that price

exceeds the sum of 5s., and upwards to the nearest halfpenny if that price does not exceed that sum.

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

14.—(1) In relation to imported goods sold in the course of the business of an importer or a wholesaler and bought in the course of the business of a wholesaler, the Price-Controlled Goods (Invoices) Order, 1943(c), 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.

(2) In relation to goods sold in the course of the business of a wholesaler who, in relation to the sale of those goods, is a sole distributor thereof for the manufacturer thereof and bought in the course of the business of another 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 a statement that he is selling those goods as a sole distributor thereof for the manufacturer thereof.

Interpretation and revocation.

15.—(1) In this Order—

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

(*a*) if those articles were being sold in the period of two 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 10 months which ended on the 30th November, 1947, then the period of two 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 equal to the aggregate of—

(*a*) 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

(*b*) all sums (insofar as they are not included under (*a*) 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, in relation to any goods, a person who carries out or procures to be carried out upon materials owned by him a process in the production, re-construction or conversion of those goods;

*" maximum price " means—

(*a*) in relation to a sale of any goods by a manufacturer or a wholesaler who is selling those goods as a sole distributor thereof for the manufacturer thereof, the price inclusive of delivery charges but before any deductions by way of discount and exclusive of any purchase tax;

(*b*) in relation to any other sale, the price inclusive of delivery charges and after all deductions by way of discount other than cash or settlement discounts not exceeding 5 per cent. but exclusive of purchase tax; and

*" purchase price " means the price, inclusive of delivery charges and any excise duty payable but after all deductions by way of

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

* For amendment, *see* p. 1557 below.

discount other than cash or settlement discounts not exceeding 5 per cent. and exclusive of purchase tax;

so, however, that in relation to maximum price and purchase price no account shall be taken of delivery charges payable by the buyer—

(i) on a sale to a retail customer, or

(ii) on a sale, otherwise than to a retail customer, of goods (whether or not they are included in a parcel comprising other articles) where the total price of such goods or, as the case may be, such parcel (excluding purchase tax and delivery charges) does not exceed £2;

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

" quantity allowance " means, in relation to the sale of any quantity of goods to any class of customer, the difference between the price charged therefor and the price being charged by the same seller to that class of customer for the smallest quantity of those goods, being a difference (whether or not expressed in terms of a discount) due solely to the fact that the customer is buying otherwise than in such smallest quantity;

" relevant goods " means:—

(*a*) in relation to a 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;

(*b*) in relation to a wholesaler, goods purchased 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;

" retail customer " means a person to whom goods are sold by retail.

(2) The Miscellaneous Goods (Maximum Prices) Order, 1948(a), and the Miscellaneous Maximum Prices Orders (Amendment) Order, 1948(b), are hereby revoked.

Citation and commencement.

16. This Order may be cited as the Miscellaneous Goods (Maximum Prices) (Amendment) Order, 1948, and shall come into operation on the 3rd day of May, 1948, except in the case of paragraph (2) of Article 15 which shall come into operation on the 25th day of April, 1948.

Dated the 16th day of April, 1948.

Harold Wilson,

President of the Board of Trade.

(a) S.I. 1948 No. 348. (b) S.I. 1948 No. 508.

FIRST SCHEDULE

[For new Schedule substituted by S.I. 1948 No. 2760, see p. 1559 below.

SECOND SCHEDULE

[For new Schedule substituted by S.I. 1948 No. 2760, see p. 1563 below.]

THIRD SCHEDULE

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.

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 Costs of Production

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.

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.

Part III

Manufacturer's Other Costs
and
Wholesaler's Costs of Sale

Matters to be regarded in ascertaining costs

1. Overheads (being general overheads common to the whole business in the case of a manufacturer):—

(*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 telephones, 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.

2. Cash or settlement discounts customarily allowed.

[*For new Fourth Schedule added by S.I.* 1948 *No.* 2760, *See p.* 1563 *below.*]

EXPLANATORY NOTE

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

This Order fixes manufacturers', importers', wholesalers' and retailers' maximum prices for goods described in the First Schedule which are not second-hand goods, goods of a description included in the Second Schedule, or goods being purchased for a Government Department or for use in the manufacture of other articles. Hitherto the prices of these goods (except for those referred to in the next sentence) were controlled under the Prices of Goods Act, 1939. Manufacturers' and distributors' prices of basketware and travel and fancy goods, and distributors' prices of aluminium hollow-ware, combs and domestic woodware were controlled by Orders (now revoked) under Section 1 of the Goods and Services (Price Control) Act, 1941.

The manufacturer's price or that of a wholesaler selling home-produced goods as a sole distributor thereof (as defined in Article 6 (3)) is fixed 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 defined in Article 15 (1)). This price may be increased by 12½ per cent. thereof in the case of leather goods and 7½ per cent. thereof in the case of certain paper articles. If he did not sell similar articles to that class of customer in the basic period his price is—

(*a*) in the case of a manufacturer, his costs of production and sale (on a sale to a sole distributor, his costs of production only) and 5 per cent. thereof;
(*b*) in the case of a sole distributor, his costs of sale and 5 per cent. thereof.

Provision is made in Articles 3 and 7 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 or a sole distributor 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.

For imported goods the importer's or wholesaler's price is fixed at the landed cost (as defined in Article 15 (1)) and the appropriate percentage thereof; and for other goods the maximum price for a wholesaler (other than a sole distributor) is fixed at the purchase price paid to the manufacturer or sole distributor, the amount of any quantity allowance (as defined in Article 15 (1)) made on the sale of the goods to him, and either the appropriate percentage thereof or the percentage thereof which he was adding in the basic period, whichever is the less.

The retailer's price is fixed at the purchase price paid to the manufacturer, importer or wholesaler, the amount of any quantity allowance made on the sale of the goods to him and either the appropriate percentage thereof or the percentage thereof which he was adding in the 2 months which ended on the

day next following the date of the last sale of such articles in the 11 months immediately preceding 31st December, 1947, whichever is the less.

In the calculation of the manufacturer's costs of production and sale, the manufacturer's costs of production, the manufacturer's other costs and the sole distributing wholesaler's costs of sale, direct and indirect increases in wages, salaries and commission, agreed after 4th February, 1948, are not to be taken into account if, and in so far as, they result in a rise in such costs, or if they are offset by a reduction in the prices paid for materials.

The appropriate percentages are specified in columns 2, 3 and 4 of the First Schedule.

Provision is made in the usual form for composite businesses (Article 12), discount and rounding (Article 13) and furnishing of particulars in invoices (Article 14).

The Miscellaneous Goods (Maximum Prices) Order, 1948 (S.I. 1948 No. 348), as amended by S.I. 1948 No. 508, which was to have come into operation on the 26th April, 1948, is revoked.

The Miscellaneous Goods (Maximum Prices) (Amendment No. 3) Order, 1948

1948 No. 2760

Made - - - -	*20th December,* 1948
Laid before Parliament	*21st December,* 1948
Coming into Operation	*3rd January,* 1949

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**), and all other powers in that behalf enabling them, hereby order as follows:—

1. The Miscellaneous Goods (Maximum Prices) (Amendment) Order, 1948(**c**), as amended(**d**), shall have effect subject to the following amendments:—

(i) at the end of paragraph (3) of Article 6 there shall be added the word " or " and the following sub-paragraph:—

" (*c*) the goods which he is selling were purchased by him from the manufacturer thereof and are goods of a description in respect of which the Central Price Regulation Committee keep a register of sole distributors and his name is entered upon that register in respect of goods of that description." ;

(ii) in paragraph (1) of Article 15 for the definition of " maximum price " and " purchase price " there shall be substituted the following definitions:—

" " maximum price " means—

(*a*) in relation to a sale of any goods by a manufacturer or a wholesaler who is selling those goods as a sole distributor thereof for the manufacturer thereof, the price before any deductions by way of discount and exclusive of any purchase tax ;

(**a**) 4 & 5 Geo. 6. c. 31.
(**b**) S.R. & O. 1945 (No. 1613) II, p. 81.
(**c**) S.I. 1948 No. 776, p. 1544 above.
(**d**) S.I. 1948 No. 1868.