

Price Commission (Amendment) Act 1979

1979 CHAPTER 1

An Act to limit the application of section 9 of the Price Commission Act 1977. [12th February 1979]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Amendment of Price Commission Act 1977. 1977 c. 33.

1.—(1) Section 9 of the Price Commission Act 1977 (safeguard for basic profits) shall cease to apply except as regards the profits which persons are not to be prevented from earning by virtue of any such notice as is mentioned in section 13(1) of that Act (enforcement of orders made in consequence of reports on examinations); and accordingly that Act shall be amended as provided in the following provisions of this section.

(2) Section 4(5)(*b*) and (ii) (duty of the Price Commission to give a variation notice to the relevant person in cases where it appears to them that, apart from section 4(5), his profit would, in consequence of a notification under section 4(1), be kept below the profit determined in his case in pursuance of the said section 9) shall cease to have effect.

(3) In section 4(5)—

(*a*) after paragraph (*a*) there shall be inserted—

"(*aa*) that the whole or part of the increase ought not to be so restricted because of an increase in the costs of imported raw materials,";

(*b*) after paragraph (*i*) there shall be inserted—

"(*ia*) it shall be the duty of the Commission, in a case falling within paragraph (*aa*) of this subsection, to give to the relevant person a variation notice allowing so much of the increase as they consider ought not to be restricted for the reason mentioned in that paragraph.".

(4) In section 5(4) (application of section 4(5) in relation to notifications in respect of prices) for the words "and for any other reference to the increase there were substituted a reference to the price" there shall be substituted the words "and as if—

(i) in paragraph (*aa*), for the words from "the whole" to "restricted" there were substituted the words "a particular increase in the price ought not to be restricted by virtue of section 5(3) of this Act";

(ii) in paragraph (*ia*), for the words from "so" to "as" there were substituted the words "the increase in the price which"; and

(iii) for any reference to the increase (except those in paragraphs (*a*), (*aa*) and (*ia*)) there were substituted a reference to the price;".

(5) In section 7 (restrictions, undertakings and orders in consequence of reports on investigations) there shall be omitted—

(*a*) in subsection (1), the words "and subject to section 9 of this Act";

(*b*) in subsection (5)(*a*)(ii), the words "except by virtue of section 9 of this Act";

(*c*) subsection (7)(*b*) and the word "and" preceding it; and

(*d*) in subsection (8), the words "apart from section 9 of this Act".

(6) In section 9 (safeguard for basic profits)—

(*a*) subsection (1)(*a*) (which provides for the making of regulations as to the profits which are relevant for the purposes of section 4(5)(*b*)) shall be omitted; and

(*b*) in subsection (1)(*b*), for the words "any provision of section 7 of this Act" there shall be substituted the words "any such notice as is mentioned in section 13(1) of this Act".

(7) In section 13 (enforcement of orders and supervision of undertakings in consequence of reports on examinations) there shall be omitted—

(*a*) in subsection (1)(*b*), the words "by virtue of subsection (6) of this section"; and

(*b*) in subsection (6), the words from "and section 9(1)" onwards.

(8) The enactments mentioned in the Schedule to this Act are hereby repealed to the extent specified in the third column of that Schedule.

(9) The preceding provisions of this section shall not apply in relation to any increase of which notice was given to the Price Commission as mentioned in section 4(1) of the Price Commission Act 1977 before 17th January 1979; but as from the passing of this Act the regulations then in force under section 9 of that Act shall apply in relation to any such increase only so far as they were made in pursuance of subsection (1)(*a*) of the said section 9. 1977 c. 33.

Duration of Act.

2.—(1) As from the end of the relevant period the Price Commission Act 1977 shall have effect as it would if the following provisions of this Act, namely section 1 and the Schedule, had not been enacted, but without prejudice to the operation of those provisions during that period.

(2) Subject to subsection (3), the relevant period for the purposes of this section is the period of one year beginning with the date on which this Act is passed.

(3) Her Majesty may by Order in Council extend or further extend the relevant period for the purposes of this section; but the extension effected by any particular Order under this subsection shall not exceed 12 months.

(4) An Order under subsection (3) shall not be made unless a draft of the Order has been laid before Parliament and approved by a resolution of each House of Parliament.

Short title.

3. This Act may be cited as the Price Commission (Amendment) Act 1979.

Section 1(8).

SCHEDULE

REPEALS

Chapter	Short title	Extent of repeal
1977 c. 33.	Price Commission Act 1977.	Section 4(5)(*b*) and (ii). In section 7— (*a*) in subsection (1), the words " and subject to section 9 of this Act "; (*b*) in subsection (5)(*a*)(ii), the words " except by virtue of section 9 of this Act "; (*c*) subsection (7)(*b*) and the word " and " preceding it; and (*d*) in subsection (8), the words " apart from section 9 of this Act ". Section 9(1)(*a*). In section 13— (*a*) in subsection (1)(*b*), the words " by virtue of subsection (6) of this section "; and (*b*) in subsection (6), the words from " and section 9(1) " onwards.