STATUTORY INSTRUMENTS

1977 No. 1285

PRICES

The Price Investigation and Examination (Exceptions) Order 1977

Laid before Parliament in draft

Made - - -	28*th July* 1977
Coming into Operation	1*st August* 1977

The Secretary of State, in pursuance of the powers conferred by section 22(2) of the Price Commission Act 1977(**a**) and of all other powers enabling him in that behalf, hereby makes the following Order, a draft whereof has been approved by resolution of each House of Parliament:—

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Price Investigation and Examination (Exceptions) Order 1977 and shall come into operation on 1st August 1977.

(2) In this Order, "the Act" means the Price Commission Act 1977 and all other expressions have the same respective meanings as they have for the purposes of the Act.

(3) The Interpretation Act 1889(**b**) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

Exceptions from certain provisions of the Price Comission Act 1977

2.—(1) The provisions of subsection (1)(*a*) of section 5 and of subsection (5)(*b*) of section 7 of the Act (which relate, among other things, respectively to the giving by the Price Commission to the Secretary of State of a notification that a price or charge should be the subject of an investigation in pursuance of section 6 of the Act and to the acceptance by the Secretary of State of an undertaking offered by a person by reference to a report made to him by the Price Commission pursuant to the said section 6) shall not apply in the case of a price or charge of a description specified in Part I, II or III of the Schedule.

(2) The provisions of subsection (1) of section 10 of the Act (which relates to a direction by the Secretary of State to the Price Commission to examine any question relating to prices or charges) shall not apply in the case of a price or a charge of a description specified in Part I of the Schedule.

(3) The provisions of heads (*b*) to (*d*) of subsection (2) of section 11 and of subsection (3) of section 12 of the Act (which relate respectively to matters to be included in a report of the Price Commission in pursuance of subsection (1) of the said section 11, to the acceptance by the Secretary of State of an undertaking offered by a person by reference to a report made to him by the

(**a**) 1977 c. 33. (**b**) 1889 c. 63.

Price Commission in pursuance of the said section 11 and to the making of orders by the Secretary of State in consequence of such a report) shall not apply in the case of a price or charge of a description specified in Part II of the Schedule, but nothing in this paragraph shall preclude any such report from containing indications or advice relating to a margin of a distributor (whether a margin described in regulations under section 5(6)(*b*) of the Act or another) or any such undertaking or order from containing provisions relating to such a margin.

Roy Hattersley
Secretary of State for Prices and Consumer Protection.

28th July 1977.

(*Article 2*)

THE SCHEDULE

PART I

Exceptions from sections 5(1)(*a*), 7(5)(*b*) *and* 10(1) *of the Price Commission Act* 1977.

1. Charges for carriage by air transport for which an air transport licence granted by the Civil Aviation Authority is by section 21 of the Civil Aviation Act 1971(**a**) required to be held by the operator.

2. Bus fares which are fixed by conditions attached to a road service licence granted under section 135 of the Road Traffic Act 1960(**b**) or a permit granted under section 30 of the Transport Act 1968(**c**) and charges made in respect of the use of vehicles under authorisations granted under section 2(3)(*b*) of the Passenger Vehicles (Experimental Areas) Act 1977(**d**).

3. Insurance premiums.

4. Charges for services to the Post Office by sub-postmasters.

5. Charges being payments in respect of services provided under or pursuant to Part IV of the National Health Service Act 1946(**e**) or Part IV of the National Health Service (Scotland) Act 1947(**f**) to persons providing such services.

6. Charges payable to returning officers in connection with Parliamentary elections, determined under the Representation of the People Act 1949(**g**).

7. Subscriptions charged by organisations which—

(*a*) exist for religious, charitable, educational, representational or recreational purposes; and

(*b*) are non-profit-making; and

(*c*) do not carry on a trade or business as their main activity,

and any price charged or charge made in the course of its activities where the purchaser or the person for whom the services are performed is a member of the organisation.

(**a**) 1971 c. 75. (**b**) 1960 c. 16. (**c**) 1968 c. 73. (**d**) 1977 c. 21
(**e**) 1946 c. 81. (**f**) 1947 c. 27. (**g**) 1949 c. 68.

8. Prices for the sale of liquid milk of which the maximum price is for the time being controlled by an order(a) under section 6 of the Emergency Laws (Re-enactments and Repeals) Act 1964(b).

PART II

Exceptions from sections 5(1)(*a*), 7(5)(*b*), 11(2)(*b*) *to* (*d*) *and* 12(3) *of the Price Commission Act* 1977.

1. Prices for the sale of goods or charges for the performance of services which are supplied, whether by the person selling or performing them or another, outside the United Kingdom or to persons or in relation to property outside the United Kingdom.

2. Prices for the sale of any goods—

(*a*) which have been produced or manufactured outside the United Kingdom; and

(*b*) which have not been subjected to any process in the United Kingdom other than packing or re-packing, cleaning and sterilising or, in the case of crude oil, stabilisation; and

(*c*) which have not been sold to any person in the United Kingdom,

and charges for the performance of any services in the United Kingdom or in relation to any property in the United Kingdom which are performed for any person outside the United Kingdom.

3. Prices for the sale, whether alive or dead, of any goods produced in the course of agriculture, horticulture or fishing including—

(*a*) (except in the case of a Milk Marketing Board) liquid milk not referred to in paragraph 8 of Part I of this Schedule; and

(*b*) by-products for animal feeding which arise in the milling of grain, the processing of sugar beet or oilseeds or in the manufacture of alcoholic drinks,

which have not been incorporated in any processed product and to which no process has been applied except—

(i) cleaning, sterilising, breaking down of bulk supplies or packaging; and

(ii) in the case of any carcasses or parts of carcasses of livestock or poultry or of any product of fishing, chilling, freezing, curing, cutting up or boning, in the case only of bacon and ham, cooking and, in the case only of whole hams, canning.

4. Prices for the sale of raw beet sugar for further refining.

5. Prices for the sale of tallow, meat and bone meal processed from waste fat, bone and offal.

6. Prices for the sale of—

(*a*) unseasoned timber in logs;

(*b*) raw wool which has not undergone any process of combing, spinning or felting and tops of wool and other fine animal hair; and

(*c*) untanned hides.

7. Prices for the sale of coal and steel (as defined in Annex I to the Treaty establishing the European Coal and Steel Community, signed at Paris on 18th April 1951, together with any additions to the list in that Annex made by the Special Council of Ministers under Article 81 of that Treaty) charged by an undertaking as defined in Article 80 of that Treaty (other than for the special purposes therein mentioned) except for sales to domestic consumers.

8. Prices for the sale of scrap metal.

(a) S.I. 1971/1037, 1038, 1974/1548, 1549, 1975/1664, 1977/858, 859 (1971 II, pp. 3105, 3108; 1974 III, pp. 5867, 5869; 1975 III, p. 5720; 1977 II, pp. 2366, 2368).

(b) 1964 c. 60.

9. Charges for carriage by sea transport between terminals of which one or both are outside the United Kingdom including charges for carriage between points in the United Kingdom, where the tariff applicable to those charges is one for the whole of the first-mentioned carriage.

10. Charges for a package holiday taken outside the United Kingdom.

11. (*a*) Charges or dues for the provision of aids for air navigation where that provision is made principally in connection with transport between terminals of which one or both are outside the United Kingdom;

(*b*) charges for the provision of landing and related facilities for aircraft;

(*c*) pilotage dues within the meaning of the Pilotage Act 1913(a);

(*d*) charges for harbour operations within the harbour area made by a harbour authority within the meaning of the Harbours Act 1964(b) or the Harbours Act (Northern Ireland) 1970(c) as the case may be, in so far as they relate to transport of a description referred to in paragraph 9 above; and

(*e*) ship, passenger and goods dues in relation to which an objection may be made to the National Ports Council under the said Act of 1964 or to the Department of Commerce under section 7 of the said Act of 1970 and charges exigible by virtue of section 29 of the said Act of 1964 (local light dues).

12. (*a*) Prices of any goods on any sale by auction; and

(*b*) prices for the sale of any goods determined on a commodity market in the United Kingdom (including any price to the extent to which it is determined by reference to a price determined on any such market).

13. Prices for the sale of manufactured goods—

(*a*) which have been used to a material extent otherwise than solely for the purpose of testing, examination or adjustment and, in the case of a ship, aircraft, hovercraft or motor vehicle in the course of its delivery to a person who ordinarily sells ships, aircraft, hovercraft or motor vehicles in the course of business; and

(*b*) which have not been substantially changed after completion of their manufacture.

14. Prices for the sale of goods to, or charges for the performance of services for, a Government Department to which the profit formula for non-competitive contracts as recorded in the Report by the Review Board for Government Contracts published by Her Majesty's Stationery Office in 1974 relates.

15. Charges by the Post Office for services of a description provided only to a Government Department.

16. Prices for the sale of any human pharmaceutical which may be prescribed under the National Health Service but is not advertised to the general public.

17. Prices for the sale of goods or charges for the performance of services to the extent that any increases made therein are required for the purpose of implementing, and only to the extent required for that purpose, any obligation created or arising by or under any international agreement or arrangement (being an agreement or arrangement between states or organisations of states and not any other) or are made as a direct consequence of any such increase already made.

18. Charges made by the Post Office in accordance with any international agreement in respect of the carriage of postal packets or the provision of telecommunications, giro or remittance services to or from any place in the United Kingdom to or from any other place.

19. Charges by way of interest.

(a) 1913 (2 & 3 Geo. 5) c. 31. (b) 1964 c. 40. (c) 1970 c. 1. (N. I.).

PART III

Exceptions from sections 5(1)(*a*) *and* 7(5)(*b*) *of the Price Commission Act* 1977

1. Charges for services provided by ship brokers.

2. Taxi fares fixed by regulations made by, or by byelaws confirmed by, the Secretary of State.

3. Charges for carriage by sea transport between terminals of which both are within the United Kingdom, whether or not any such charge relates to a voyage during which a call is made at any other place, other than charges which are in accordance with a tariff of general application.

4. Charges for harbour operations within the harbour area made by a harbour authority within the meaning of the Harbours Act 1964 or the Harbours Act (Northern Ireland) 1970 as the case may be (other than charges falling within paragraph 11(*d*) of Part II of this Schedule).

EXPLANATORY NOTE

(*This Note is not part of the Order.*)

This Order specifies prices and charges to which an investigation by the Price Commission under section 5 of the Price Commission Act 1977 may not relate. These prices and charges are largely the same as those of which no notice of a proposed increase has to be given to the Commission pursuant to an Order under section 5 of the Counter-Inflation Act 1973 and which are for that reason excepted from the Commission's power to investigate price increases following a notification by them under section 4 of the 1977 Act (Article 2 and Parts I, II and III of the Schedule).

The Order also specifies prices and charges which may not be the subject of an examination by the Price Commission following a direction by the Secretary of State under section 10 of the 1977 Act (and, consequently, an Order or undertaking under section 12 following a report under section 11) (Article 2 and Part I of the Schedule).

In addition, the Order specifies further prices and charges which may not be the subject of such an Order or undertaking under section 12 of the Act (Article 2 and Part II of the Schedule).

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