



Price Commission Act 1977

CHAPTER 33

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Price Commission Act 1977

CHAPTER 33

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Price Commission Act

1977

1977 CHAPTER 33

An Act to make further provision about the Price Commission and prices and charges, and to amend the Counter-Inflation Act 1973 and the Remuneration, Charges and Grants Act 1975. [22nd July 1977]

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:—

The Price Commission

1.—(1) The Price Commission (hereafter in this Act referred to as “the Commission”) shall continue in being as a body corporate, but the enactments mentioned in subsections (2) and (3) of this section (which among other things relate to the constitution of the Commission) shall have effect as amended by those subsections.

Alteration of
constitution
etc of
Commission.

(2) In section 1(2) of the Counter-Inflation Act 1973 (which provides for members of the Commission to be appointed by the Secretary of State and the Minister of Agriculture, Fisheries and Food acting jointly) the words “and the Minister of Agriculture, Fisheries and Food (acting jointly)” shall cease to have effect, and paragraph 20 of Schedule 1 to that Act (which

provides for certain references to the Secretary of State to be construed as references to the Secretary of State and the said Minister acting jointly) shall cease to have effect.

(3) The said Schedule 1 (which contains incidental provisions relating to the Commission) shall have effect with the following amendments, namely—

(a) paragraph 1 (which requires the Commission to make reports on the way in which they have discharged their functions under Part II of the 1973 Act) shall cease to have effect ;

(b) in paragraph 10 (which provides for the appointment of officers and servants by the Commission after consultation with the Secretary of State) for the words “ after consultation with the Secretary of State ” and the words “ after such consultation ” there shall be substituted the words “ with the consent of the Secretary of State ” ;

(c) in paragraph 16, for sub-paragraph (4) (under which a person who does not comply with a summons requiring him to attend and give evidence at an inquiry under the 1973 Act is liable to a fine not exceeding £400) there shall be substituted the following sub-paragraph—

(4) If a person refuses or wilfully neglects to attend in obedience to a summons issued under this paragraph or to give evidence as required by such a summons—

(a) he shall be liable on summary conviction to a fine not exceeding £1,000 ; and

(b) without prejudice to his liability under paragraph (a) above, the High Court may, on the application of the Price Commission, make such order as the Court thinks fit for requiring the refusal or neglect to be remedied ;

and any such order may provide that all the costs or expenses of and incidental to the application for the order shall be borne by the person in consequence of whose refusal or neglect the order was made ;

(d) in paragraph 16(5) (which adapts for Scotland and Northern Ireland a reference in paragraph 16 to the High Court), for the words “ and for the reference ” there shall be substituted the words “ and for any reference ”, after the words “ Ireland, for the reference ” there shall be inserted the words “ in sub-paragraph (2) above ” and at the end there shall be inserted the words “ and for any reference in sub-paragraph (4) above to the High Court there shall be

substituted a reference to a judge of the High Court in Northern Ireland ”; and

- (e) in paragraph 17 (under which the Commission may arrange for the publication of information and advice with respect to the matters there mentioned) after the word “functions,” there shall be inserted the words “or matters relating to prices, charges, profits or costs.”.

(4) The provisions of Schedule 1 to this Act shall have effect for the purpose of enabling the functions of the Commission mentioned in paragraph 1(1) of that Schedule to be performed through groups of members of the Commission.

(5) It is hereby declared that the Commission are not to be regarded as the servant or agent of the Crown or as enjoying any status, privilege or immunity of the Crown or as exempt from any tax, duty, rate, levy or other charge whatsoever, whether general or local, and that their property is not to be regarded as property of or held on behalf of the Crown.

2.—(1) It shall be the duty of the Commission, in performing any functions mentioned in subsection (3) of this section—

- (a) to have regard to all matters which appear to the Commission in the particular circumstances to be relevant with a view to restraining prices of goods and charges for services so far as that appears to the Commission to be consistent with the making of adequate profits by efficient suppliers of goods and services; and

- (b) to have regard in particular to the matters mentioned in the following subsection so far as the Commission consider them relevant,

and not to have regard to any other matters.

(2) The matters aforesaid are—

- (a) the need to recover costs incurred in efficiently supplying goods and services and in maintaining the value of the relevant businesses;
- (b) the desirability of encouraging reductions in costs by improvements in the use of resources and of securing reductions in prices of goods and charges for services in consequence of such improvements;
- (c) the need to earn, from selling goods and providing services in the United Kingdom, profits which provide a return on the capital employed in producing the profits which is sufficient, taking one year with another—

- (i) to defray the cost of the capital (including compensation for the risk involved in producing the profits), and

Commission's
duty to have
regard to
specified
matters.

- (ii) to provide money for, and to encourage the promotion of, innovations and technical improvements in and the expansion in the United Kingdom of the enterprises which consist of or include the relevant businesses ;
 - (d) the need to take account of changes in prices in determining the value of assets ;
 - (e) the desirability of maintaining the quality of goods and services and satisfying the demands of users of goods and services ;
 - (f) the need to safeguard the interests of users of goods and services by promoting competition between suppliers or, where competition must be restricted or cannot be promoted (either because certain suppliers control a substantial share of the relevant market or for any other reason), by restricting prices and charges ;
 - (g) the desirability of establishing and maintaining a balance between the supply of goods and services and the demand for them ; and
 - (h) the need to avoid detriment, from restraints on prices and charges, to the United Kingdom's balance of payments and the need to increase the share of United Kingdom enterprises in markets in the United Kingdom and elsewhere.
- (3) The functions of the Commission referred to in subsection (1) of this section are—
- (a) the function of determining whether to give a notification in pursuance of section 4(1) or 5(1) of this Act ;
 - (b) the function of determining whether to give a notice in pursuance of section 4(4) or paragraph (i) of section 4(5) or that paragraph as applied by section 5(4) of this Act and of determining the terms of a notice in pursuance of that paragraph or that paragraph as so applied ; and
 - (c) the function of carrying out, and of preparing a report in consequence of, an investigation in pursuance of section 6 or an examination in pursuance of section 11 of this Act.

Quarterly
report.

3.—(1) It shall be the duty of the Commission to make to the Secretary of State—

- (a) during the month of November in the year 1977 and the month of February, May, August and November in each subsequent year, a report on the performance of the Commission's functions during the three months ending with the preceding month ;

- (b) during the month of August 1977, a report on the performance of the Commission's functions during the months of June and July 1977.
- (2) It shall be the duty of the Secretary of State—
- (a) to lay before each House of Parliament a copy of each report made to him in pursuance of the preceding subsection ; and
- (b) to publish each such report in such manner as he considers appropriate.

Investigation by Commission of price increases, prices and margins

4.—(1) If the Commission consider that an increase of which notice has been given to the Commission in pursuance of an order under section 5 of the 1973 Act should be the subject of an investigation in pursuance of section 6 of this Act, the Commission may, at any time within the period which in relation to the notice is specified in the order in accordance with section 5(3) of that Act, notify the Secretary of State in writing that in the opinion of the Commission the increase should be the subject of such an investigation.

Proposals to investigate price increases.

(2) Where the Commission give a notification to the Secretary of State in pursuance of the preceding subsection in respect of an increase, then—

- (a) it shall be the duty of the Commission to give a copy of the notification immediately to the person who gave the notice of the increase to the Commission (hereafter in this Act referred to, in relation to the increase, as “the relevant person”); and
- (b) the order aforesaid shall, subject to the following provisions of this section and section 7(1) of this Act, have effect as if—
- (i) the said section 5(3) authorised, and the order specified, four months' notice in respect of the increase, and
- (ii) the order provided that, until the end of that period, any implementation of the increase constituted a contravention of the order.

(3) If the Secretary of State considers that an increase in respect of which he has received such a notification should not be the subject of an investigation in pursuance of section 6 of this Act he may, whether or not such an investigation of the increase has begun, give notice to the Commission and the relevant person providing that the increase shall not be the subject of such an investigation and that subsection (5) of this section shall not apply in consequence of the notification ; and when the relevant

person receives the notice subsection (2)(b) of this section shall cease to apply to the increase.

(4) If, after a notification in pursuance of subsection (1) of this section has been given in respect of an increase, the relevant person gives notice to the Commission stating that he withdraws the notice of the increase in consequence of which the notification was given, the Commission may if they think fit give to the Secretary of State a notice cancelling the notification; and where they do so—

- (a) it shall be their duty to give a copy of the last-mentioned notice to the relevant person; and
- (b) the following subsection shall not apply in consequence of the notification.

(5) If at any time after the Commission have given a notification in pursuance of subsection (1) of this section in respect of an increase and before they have made a report in respect of the increase in pursuance of section 6 of this Act it appears to the Commission, on the application of the relevant person or otherwise, either—

- (a) that the whole or part of the increase ought not to be restricted by virtue of subsection (2)(b) of this section; or
- (b) that apart from this subsection the profit of the relevant person would, in consequence of the notification, be kept below the profit determined in his case in pursuance of section 9 of this Act,

then, whether or not the Commission have previously given a variation notice in respect of the increase providing as mentioned in paragraph (a) of the following subsection—

- (i) the Commission may, in a case falling within paragraph (a) of this subsection, give to the relevant person a variation notice in respect of the increase, and
- (ii) it shall be the duty of the Commission, in a case falling within paragraph (b) of this subsection, to prevent the consequence mentioned in that paragraph by giving to the relevant person a variation notice.

(6) In the preceding subsection “a variation notice” means a notice providing—

- (a) that on and after a date specified in the notice such part of the increase in question as is so specified shall not be restricted by virtue of subsection (2)(b) of this section; or
- (b) that subsection (2)(b) of this section shall cease to apply to the increase on a date so specified,

and such a notice may, if in the opinion of the Commission the increase relates to goods or services of different descriptions or to

be supplied in different circumstances, make different provision as respects the different descriptions of goods or services or the different circumstances.

5.—(1) If the Commission consider that—

- (a) a price for an increase of which no notice is required in pursuance of section 5 of the 1973 Act and which is not a price of a distributor of goods and which includes an increase made after 31st May 1977; or
- (b) the margin of a distributor of goods,

Proposals
to investigate
prices or
margins.

should be the subject of an investigation in pursuance of the following section, the Commission may notify the Secretary of State in writing that in the opinion of the Commission the price or margin should be the subject of such an investigation.

(2) Where the Commission give a notification to the Secretary of State in pursuance of the preceding subsection in respect of a price or margin it shall be the duty of the Commission to give a copy of the notification immediately to the person who charges the price or to the distributor of goods to whom the margin relates (hereafter in this Act referred to, in relation to the price or margin, as “ the relevant person ”).

(3) Where a copy of a notification in respect of a price is given to the relevant person in pursuance of the preceding subsection, then, subject to subsections (4) and (5) of this section and section 7(1) of this Act—

- (a) during the period of three months beginning with the date when the notification was given to the Secretary of State the relevant person shall not increase the amount of the price above the amount of it at the time when the copy of the notification was given to him or, if at that time he has quoted a higher amount as the amount of the price, shall not increase the amount of it above that higher amount; and
- (b) if he does so he shall be guilty of an offence and liable on summary conviction to a fine of an amount not exceeding £1,000 or, on conviction on indictment, to a fine;

and for the purposes of this subsection a person has at a particular time quoted an amount as the amount of a price if before that time he has given notice, by display, advertisement, circular or other public notice, of his intention to do business at a price of that amount before the expiration of the period of twenty-eight days beginning with that time.

(4) Subsection (5) of the preceding section shall have effect in relation to a notification in respect of a price in pursuance of this section as it has effect in relation to a notification in respect

of an increase in pursuance of that section but as if for the words from “whole” to “section” in paragraph (a) there were substituted the words “price ought to be increased” and for any other reference to the increase there were substituted a reference to the price; and subsection (6) of the preceding section shall have effect, in relation to subsection (5) of that section as applied by this subsection, as if—

- (a) for the words “part of the increase” and “subsection (2)(b) of this section” in paragraph (a) and the words “subsection (2)(b) of this section shall cease to apply to the increase” in paragraph (b) there were substituted respectively the words “increase in the price” and “section 5(3) of this Act” and “section 5(3) of this Act shall cease to apply to the price”; and
- (b) the words following paragraph (b) were omitted.

(5) If the Secretary of State considers that a price or margin in respect of which he has received a notification in pursuance of subsection (1) of this section should not be the subject of an investigation in pursuance of the following section he may, whether or not such an investigation of the price or margin has begun, give notice to the Commission and the relevant person providing that the price or margin shall not be the subject of such an investigation; and if the notice relates to a price subsections (3) and (4) of this section shall cease to apply to the price when the relevant person receives the notice.

(6) Regulations may make provision—

- (a) as to the persons who for the purposes of this Act are distributors of goods; and
- (b) as to what for those purposes are margins and prices of such distributors; and
- (c) as to what for the purposes of subsection (1)(a) of this section is an increase made after the date there mentioned;

and in this section and the two following sections “price” includes charge.

Investigations. 6.—(1) Where the Commission have given a notification to the Secretary of State in pursuance of section 4(1) or 5(1) of this Act in respect of an increase or a price or margin, it shall be the duty of the Commission, subject to the following subsection—

- (a) to carry out an investigation as to whether the increase or the price or margin should be wholly or partly restricted;

(b) to complete the investigation and make a report to the Secretary of State in consequence of it before the expiration of—

(i) in the case of an increase, the period of four months beginning with the date when notice of the increase was given as mentioned in section 4(1) of this Act, and

(ii) in the case of a price or margin, the period of three months beginning with the date when notification of the investigation was given to the Secretary of State in pursuance of the preceding section ; and

(c) as soon as they have given the report to the Secretary of State, to give a copy of it to the relevant person.

(2) The functions conferred on the Commission by the preceding subsection in respect of an increase or a price or margin shall cease if notice in pursuance of section 4(3) or (4) of this Act or subsection (5) of the preceding section is given by the Secretary of State or the Commission in respect of the increase or a notification relating to the increase or in respect of the price or margin.

(3) The Commission shall, if so required by a notice given to the Commission by the relevant person within the period of fourteen days beginning with the date when the copy of the notification of the investigation was given to him in pursuance of section 4(2)(a) or 5(2) of this Act, hold a public inquiry in connection with an investigation in pursuance of this section ; and paragraphs 15 and 16 of Schedule 1 to the 1973 Act (which relate to inquiries) shall apply to an inquiry in pursuance of this subsection as they apply to an inquiry under that Act but as if in paragraph 15(1) of that Schedule the words from the beginning to the first “ and ” were omitted.

(4) The Commission shall, if so required by a notice given as mentioned in the preceding subsection, give to the relevant person or to a person appointed by him an opportunity of making representations in person to a member of the Commission about the increase, price or margin in question before the investigation is completed.

(5) A report in pursuance of subsection (1) of this section must include—

(a) a statement of the findings of fact made by the Commission in the course of the investigation to which the report relates ;

(b) subject to the following subsection—

(i) a recommendation by the Commission as to whether the increase or the price or margin in

question should be wholly or partly restricted and as to the duration of any recommended restriction, and

(ii) if the report relates to an increase, a recommendation by the Commission as to whether the price to which the increase relates, as increased by the increase or part of it or without the increase, should not be increased during any particular period ; and

(c) a statement of the Commission's reasons for making the recommendations ;

and subject to the following subsection a recommendation in pursuance of paragraph (b) of this subsection in respect of an increase may, if in the opinion of the Commission the increase relates to goods or services of different descriptions or to be supplied in different circumstances, recommend different restrictions as respects the different descriptions of goods or services or the different circumstances.

(6) A recommendation in pursuance of paragraph (b) of the preceding subsection shall not recommend—

(a) the restriction of an increase or part of it—

(i) on or after the date on which, by virtue of a variation notice, section 4(2)(b) of this Act ceases to apply to the increase or, as the case may be, the part is not restricted by virtue of the said section 4(2)(b), or

(ii) after the expiration of the period of twelve months beginning with the date when the Commission received the notice mentioned in section 4(1) of this Act in respect of the increase ;

(b) that in a case falling within paragraph (b)(ii) of the preceding subsection the price in question be not increased during any period after the expiration of the period mentioned in paragraph (a)(ii) above ;

(c) the restriction of a price so as to make the amount of it—

(i) less than it was, or was quoted as being, at the beginning of the period of twenty-eight days ending with the day when the copy of the notification in consequence of which the recommendation is made was given to the relevant person in pursuance of subsection (2) of the preceding section, or

(ii) less than is authorised by a variation notice relating to the price ;

(d) the restriction of a price after, or of a margin by reference to a period after, the expiration of the period of

twelve months beginning with the date when the notification in consequence of which the recommendation is made was given to the Secretary of State in pursuance of the preceding section ;

and in this subsection references to a variation notice shall be construed in accordance with subsection (6) of section 4 of this Act or, as the case may require, in accordance with that subsection as modified by subsection (4) of the preceding section and the reference to quotation of an amount shall be construed in accordance with subsection (3) of the preceding section.

(7) Nothing in this section shall be construed as preventing the Commission from including in a report any matter which the Commission are not required by virtue of subsection (5) of this section to include in the report, or by virtue of the preceding subsection to exclude from the report, but consider should be included in it.

(8) In preparing a report in pursuance of subsection (1) of this section the Commission shall have regard to the need for excluding, so far as it is practicable to do so—

- (a) any matter which relates to the private affairs of an individual where the publication of that matter would or might, in the opinion of the Commission, seriously and prejudicially affect the interests of that individual ; and
- (b) any matter which relates specifically to the affairs of a particular person where publication of that matter would or might, in the opinion of the Commission, seriously and prejudicially affect the interests of that person,

except any matter which in the opinion of the Commission is necessary for the purposes of the report ; and for the purposes of the law relating to defamation every publication of such a report, and of such a report from which matter has been deleted in pursuance of the following subsection, shall be absolutely privileged.

(9) It shall be the duty of the Secretary of State to lay before each House of Parliament a copy of each report made to him in pursuance of subsection (1) of this section and to arrange for each such report to be published in a manner which he considers appropriate ; but if he considers that it would be against the public interest to publish any of the findings of fact included in pursuance of subsection (5)(a) of this section in such a report he may delete the findings in question from the report before laying copies of it and arranging for its publication in pursuance of this subsection.

Restrictions,
undertakings
and orders in
consequence
of reports on
investigations.

7.—(1) On the effective date of a report in pursuance of subsection (1) of the preceding section in respect of an increase or a price, section 4(2)(b) of this Act shall cease to apply to the increase or, as the case may be, section 5(3) of this Act shall cease to apply to the price; and on and after that date any provisions recommending a restriction of the increase or price which are included in the report in pursuance of subsection (5)(b)(i) of the preceding section shall have effect, until the date determined in pursuance of the following subsection and subject to section 9 of this Act, as if they were provisions restricting the increase or price and contained in a notice duly given to the relevant person in pursuance of subsections (2) and (3) of section 6 of the 1973 Act (which relate to the restriction of prices) and as if that section did not provide for the making of representations.

(2) The date aforesaid is whichever of the following first occurs, namely—

- (a) the date following the expiration of the period of twenty-eight days beginning with the effective date of the report;
- (b) the date when the relevant person first receives notice from the Secretary of State stating that the Secretary of State accepts an undertaking offered by that person by reference to the report;
- (c) the date when the Secretary of State first makes an order in pursuance of subsection (5)(a) of this section by reference to the report.

(3) During the following period, namely—

- (a) any period while provisions included in a report have the effect mentioned in subsection (1) of this section in relation to an increase or a price; or
- (b) the period of twenty-eight days beginning with the publication date of a report in respect of a margin,

the relevant person may make representations in writing to the Secretary of State as to what should be done in consequence of the recommendations included in the report.

(4) Any such representations may include an undertaking by which the relevant person agrees to be bound, if it is accepted by the Secretary of State, for a period specified in the representations expiring not later than the end of the period of twelve months beginning with—

- (a) in the case of representations relating to an increase, the date when the Commission received the notice mentioned in section 4(1) of this Act in respect of the increase; and
- (b) in the case of representations relating to a price or margin, the date when the notification in consequence

of which the report in question was made was given to the Secretary of State in pursuance of section 5(1) of this Act in respect of the price or margin.

(5) The Secretary of State may—

(a) at any time during the second half of the period of twenty-eight days beginning with the effective date of a report made in pursuance of the preceding section in respect of an increase or a price or beginning with the publication date of a report so made in respect of a margin, make an order—

(i) restricting the increase, price or margin as recommended in the report, or to a less extent or for a shorter period (or both) than so recommended,

(ii) if the report is in respect of an increase and contains a recommendation in pursuance of subsection (5)(b)(ii) of the preceding section that a price should not be increased during a particular period, providing that the price shall not be increased during that period or a shorter period except by virtue of section 9 of this Act ;

(b) at any time, give notice to a person accepting an undertaking which, by reference to such a report, is offered by the person either in pursuance of the preceding subsection or otherwise.

(6) The Secretary of State may by order vary or revoke any order in force by virtue of paragraph (a) of the preceding subsection but shall not have power to vary such an order so as to increase the extent or lengthen the period of the restriction imposed by the order apart from the variation.

(7) In subsection (1) of section 6 of the 1973 Act (which provides for the Commission to exercise their powers under that section so as to ensure that the provisions of the code which concern prices and charges are implemented) for the words “ which concern prices and charges ” there shall be substituted the words “ and of any orders so far as made by virtue of subsection (5)(a)(i) of section 7 of the Price Commission Act 1977 and of any such orders as varied in pursuance of subsection (6) of that section ” ; but—

(a) the duty imposed on the Commission by section 2(1) of the 1973 Act to have regard to the code in performing their functions under that Act shall not apply to functions attributable to the preceding provisions of this subsection ; and

(b) any order made or notice given in pursuance of the said section 6 for implementing an order made by virtue of this section shall have effect subject to section 9 of this Act.

(8) If during a period when section 4(2)(b) of this Act applies to the whole or part of an increase of a price or a period when, apart from section 9 of this Act, an increase of a price is restricted by virtue of subsection (1) or precluded by virtue of subsection (5)(a)(ii) of this section, notice of an increase in the price is given in pursuance of an order under section 5 of the 1973 Act, the notice shall be deemed not to be given when it is actually given and shall be deemed to be given—

- (a) on the first day on which no such period is current in relation to the price ; or
- (b) on an earlier day specified by the Secretary of State if, on the application of the Commission or the relevant person and after consulting whichever of them is not the applicant, he specifies such a day in respect of the notice.

Supervision of undertakings.

8.—(1) Where a person's undertaking is accepted by the Secretary of State in pursuance of the preceding section it shall be the duty of the Commission—

- (a) to ascertain whether the undertaking is carried out by the person who gave it ; and
- (b) if in the Commission's opinion he fails to carry it out, to give to the Secretary of State a notice containing particulars of the alleged failure and to give a copy of the notice immediately to the person who gave the undertaking.

(2) Where the Secretary of State receives a notice in pursuance of the preceding subsection in respect of an undertaking, subsections (3) to (5) of the preceding section shall have effect as if—

- (a) the day on which he receives the notice were the effective or publication date in relation to the report to which the undertaking relates ; and
- (b) for paragraphs (a) and (b) of the said subsection (3) there were substituted the words "the period of twenty-eight days beginning with the effective or publication date of a report".

Safeguard for basic profits.

9.—(1) It shall be the duty of the Secretary of State to make regulations, by reference to such matters as he thinks fit, as to the profits as defined by the regulations—

- (a) which are relevant for the purposes of paragraph (b) of section 4(5) of this Act and that paragraph as applied by section 5(4) of this Act ; and
- (b) which persons are not to be prevented from earning by virtue of any provision of section 7 of this Act ;

and regulations in pursuance of this subsection may make different provision for different circumstances and contain such supplementary provisions as the Secretary of State considers appropriate.

(2) Where the Secretary of State proposes to make regulations in pursuance of the preceding subsection it shall be his duty, before he makes the regulations, to consult the Commission and such representatives of persons as are mentioned in section 2(4)(a) of the 1973 Act about the proposal.

Examination by Commission of questions relating to prices and charges

10.—(1) The Secretary of State may direct the Commission to examine any question relating to prices or charges which is specified in the direction and to make a report to him upon the result of the examination before a date so specified ; and where the Secretary of State proposes to give a direction in pursuance of this subsection it shall be his duty, before deciding whether to give the direction, to consult the Commission and the Director General of Fair Trading about the proposal.

Directions to examine questions.

(2) Such a question as is mentioned in the preceding subsection may, except as provided by this subsection, be framed in any way whatsoever and may in particular, without prejudice to the generality of the preceding provisions of this subsection, refer to a specified area, specified descriptions of goods or services, profits, costs, efficiency, reductions in quality without reductions in prices or charges, plans for activities or the use of resources ; but such a question must not relate to one person only unless in the opinion of the Secretary of State he is the only person in the United Kingdom who supplies the goods or services to which the question relates in the capacity (whether as manufacturer, wholesaler, retailer, importer or otherwise) in which he supplies them.

(3) The Secretary of State may at any time vary or cancel a direction given by him in pursuance of subsection (1) of this section.

(4) When the Secretary of State gives, varies or cancels such a direction it shall be his duty to publish the direction or particulars of the variation or notice of the cancellation, as the case may be, in such manner as he thinks fit.

11.—(1) Subject to subsection (3) of the preceding section, it shall be the duty of the Commission to comply with a direction given to them in pursuance of subsection (1) of that section to examine and report on a question.

Examinations.

(2) A report in pursuance of the preceding subsection in consequence of an examination must include—

- (a) a statement of the findings of fact made by the Commission, in the course of the examination, in connection with the question to which the report relates ;
- (b) an indication of any matters which the Commission consider are connected with that question and should be remedied ;
- (c) advice from the Commission with respect to any matter which, in the direction requiring the examination, is specified as a matter on which the Commission's advice is required ; and
- (d) a statement of the Commission's reasons for indicating the matters indicated in the report and giving the advice contained in the report in pursuance of paragraphs (b) and (c) of this subsection ;

but nothing in the preceding provisions of this subsection shall be construed as preventing the Commission from including in such a report any matter which the Commission are not required by virtue of those provisions to include in a report but consider should be included in it.

(3) Subsections (8) and (9) of section 6 of this Act shall apply to a report in pursuance of subsection (1) of this section as if for references to that section and subsection (5)(a) of that section there were substituted respectively references to this section and subsection (2)(a) of this section.

Undertakings
and orders in
consequence
of reports on
examinations.

12.—(1) During the period of twenty-eight days beginning with the publication date of a report made in pursuance of subsection (1) of the preceding section, any person who considers that the remedying of matters indicated in the report in pursuance of subsection (2)(b) of that section could affect prices charged or charges made by him may make representations in writing to the Secretary of State as to what should be done in consequence of the indications.

(2) Any such representations may include an undertaking by which the person who makes the representations agrees to be bound, if it is accepted by the Secretary of State, for a period specified in the representations.

(3) The Secretary of State may—

- (a) at any time, give notice to a person accepting an undertaking which, by reference to a report made in pursuance of the preceding section, is offered by the person either in pursuance of the preceding subsection or otherwise ;

- (b) at any time during the period of three months beginning with the publication date of such a report, except during the first twenty-eight days of that period, make an order containing such provisions for regulating any prices or charges as he considers appropriate in consequence of any indications or advice included in the report ;

and where the Secretary of State proposes to accept an undertaking or make an order in pursuance of this subsection it shall be his duty, before deciding whether to accept or make it, to consult the Director General of Fair Trading about the proposal.

(4) Without prejudice to the generality of paragraph (b) of the preceding subsection, an order in pursuance of that paragraph may contain such provisions as the Secretary of State considers appropriate in consequence of any indications or advice included in the report in question—

- (a) for prohibiting a person who indicates that goods of any kind are or may be for sale by him from indicating—

(i) a price at which another person buying the goods may sell the goods, or

(ii) the charges which such another person may make for services relating to the goods ;

- (b) for prohibiting a person who indicates that goods of any kind are or may be for sale by him by retail (hereafter in this paragraph referred to as “the seller”) from indicating that another person has indicated—

(i) that such goods may be sold by retail at a price higher than a price at which the seller indicates that he will or may sell them, or

(ii) that services relating to such goods may be provided at a charge higher than a charge at which the seller indicates that he will or may provide them ;

but such provisions as are authorised by the preceding provisions of this subsection shall not be included in such an order in respect of goods which are exempted goods for the purposes of the Resale Prices Act 1964.

1964 c. 58.

(5) The Secretary of State may at any time by order vary or revoke an order in force in pursuance of subsection (3)(b) of this section.

(6) An order in pursuance of this section may be framed in such manner as the Secretary of State considers appropriate and may in particular, without prejudice to the generality of the preceding provisions of this section—

- (a) make different provision for different circumstances ;
(b) contain provisions which apply only, or do not apply, to a particular person or area ; and

- (c) provide for the enforcement of the order by an authority specified in the order.

(7) An order in pursuance of this section which contains provisions (other than such as are mentioned in subsection (4) of this section) for regulating any price or charge for an indefinite period or for a period exceeding twelve months or for a period which, together with any period for which the price or charge was regulated by virtue of provisions of a previous order in pursuance of this section (other than such as are so mentioned), forms a continuous period of more than twelve months, shall cease to have effect at the expiration of the period of one month beginning with the date on which the order was made unless before the expiration of that month the order has been approved by a resolution of each House of Parliament; and in calculating that month no account shall be taken of any period during which Parliament is dissolved or prorogued or both Houses of Parliament are adjourned for more than four days.

Enforcement
of orders and
supervision of
undertakings.

13.—(1) It shall be the duty of an authority specified in such an order in pursuance of subsection (6)(c) of the preceding section—

- (a) to serve or publish, in accordance with paragraph (c) of this subsection, such notices as the authority considers appropriate for the purpose of giving effect to the order other than such provisions of it as are mentioned in subsection (4) of the preceding section;
- (b) to specify in such a notice the prices and charges to which the notice applies and the manner in which, subject to regulations made in pursuance of section 9 of this Act by virtue of subsection (6) of this section, the prices and charges are to be regulated; and
- (c) to serve such a notice on each of the persons who charge a price or make a charge to which the notice applies or, if the authority considers it impracticable to serve the notice on each of those persons, to publish the notice as well as or instead of serving it on any of those persons.

(2) A person on whom a notice is served in pursuance of paragraph (c) of the preceding subsection or who considers that he is affected by a notice published as mentioned in that paragraph may, at any time during the period of fourteen days beginning with the date on which the notice was served on him or first so published, make representations about the notice to the authority which served or published it.

(3) An authority which receives representations in pursuance of the preceding subsection about a notice may if it thinks fit

vary or revoke the notice in consequence of the representations ; and if it does so it shall be the duty of the authority—

- (a) to give notice of the variation or revocation to each person on whom it served the first-mentioned notice ; and
- (b) if that notice was published in pursuance of subsection (1)(c) of this section, to publish notice of the variation or revocation.

(4) A person who, after the expiration of the period of twenty-eight days beginning with the date when a notice was served on him or first published in pursuance of subsection (1)(c) of this section whichever first occurs, contravenes provisions of the notice which regulate prices or charges shall be guilty of an offence and liable on summary conviction to a fine not exceeding £1,000 or, on conviction on indictment, to a fine.

(5) The Schedule to the Prices Act 1974 (which among other things relates to the enforcement of an order under section 4 of that Act) shall have effect as if the references in paragraph 5 to such an order included references to an order in pursuance of subsection (3)(b) of the preceding section so far as it contains such provisions as are mentioned in subsection (4) of that section and, in relation to an order in pursuance of the said subsection (3)(b) so far as it contains such provisions, with such other amendments and such additions and omissions as are prescribed by regulations. 1974 c. 24.

(6) Section 8 of this Act, except subsection (2)(b), shall have effect in relation to an undertaking accepted in pursuance of the preceding section as if—

- (a) for references to the Commission there were substituted references to such authority as the Secretary of State may designate as the supervising authority for the undertaking ; and
- (b) for references to section 7 of this Act and subsections (3) to (5) of that section there were substituted respectively references to the preceding section and subsections (1) to (3) of that section and the words “ effective or ” were omitted ;

and section 9(1) of this Act shall have effect as if the reference to any provision of section 7 of this Act included a reference to such a notice as is mentioned in subsection (1) of this section.

Amendments of enactments

14.—(1) Sections 5, 6, 9 and 15 of the 1973 Act (which relate respectively to the notification and approval of price increases, the powers of the Commission, restrictions on insurance premiums and the obtaining of information) shall, as amended by this Act and subject to section 17(3) of this Act, have permanent effect. Certain temporary provisions of Counter-Inflation Act 1973 to have permanent effect.

(2) Accordingly the following provisions of the 1973 Act (which as originally enacted referred to the duration of sections 3 to 11 which constituted Part II of that Act) shall have effect, and be deemed always to have had effect, with the following amendments, namely—

- (a) in sections 8(1) and 10(1) for the words “ this Part of this Act ” there shall be substituted the words “ this section ” ;
- (b) in section 15(6) for the words “ when Part II ” there shall be substituted the words “ when any provision of Part II of this Act ” and for the words “ under Part II ” there shall be substituted the words “ under that provision ” ; and
- (c) in paragraph 4 of Schedule 3 for the words “ of Part II ” there shall be substituted the words “ of any provision of Part II ” and for the words “ if Part II of this Act ” there shall be substituted the words “ if that provision ” .

Amendments
relating to the
code and
other
amendments
of 1973 Act.

15.—(1) In section 2 of the 1973 Act (which among other things provides for the preparation and alteration of a code for the purposes of that Act), after subsection (2) there shall be inserted the following subsection—

(2A) The code shall not provide for the restriction of any prices or charges by reference to the costs of producing or distributing the goods or performing the services in question ; but nothing in this subsection shall prevent the code from containing provisions under which, by reference to such costs, prices or charges which apart from those provisions could be restricted to a particular extent by virtue of the code are not to be so restricted by virtue of the code or are not to be restricted to that extent.

(2) A code prepared in pursuance of the said section 2 and contained in an order under that section which is made after the passing of this Act may, as so prepared, include any provisions which, immediately after the making of the order, could have been inserted in the code by way of changes made by virtue of section 3 of the Remuneration, Charges and Grants Act 1975 (which relates to a sanction against the payment of remuneration in excess of certain limits).

1975 c. 57.

(3) Such a code may contain provisions requiring the Commission, in a case where the Secretary of State gives notice to the Commission stating that in his opinion the sanction provisions may be, or may when they were in force have been, applicable to an employer mentioned in the notice, to give a notification in pursuance of subsection (1) of section 5 of this Act in respect of such prices charged and such charges made by

the employer as the Commission consider are relevant or, as the case may be, in respect of the margin of the employer; and—

- (a) in relation to prices charged and charges made by an employer to whom such a notice relates the said subsection (1) shall have effect as if for paragraph (a) there were substituted the words “(a) a price; or”; and
- (b) a recommendation made in pursuance of section 6(5)(b)(i) of this Act in consequence of such a notice may, notwithstanding anything in this Act apart from this subsection and in particular notwithstanding anything in section 6(6) or 9 of this Act, recommend that the prices or charges or margin in question be reduced to such an extent as the Commission think appropriate for the purpose of giving effect to the sanction provisions or, if those provisions have ceased to be in force, for the purpose of giving effect to them in connection with any period when they were in force.

(4) The 1973 Act shall have effect subject to the provisions of Schedule 2 to this Act.

16.—(1) For subsection (1) of section 4 of the Prices Act 1974 (which enables provision to be made by order for securing that prices are indicated for goods offered or exposed for sale by retail) there shall be substituted the following subsection—

Amendments
of Prices
Act 1974.
1974 c. 24.

(1) The Secretary of State may by order make provision for securing—

- (a) that prices are indicated on or in relation to goods which a person indicates are or may be for sale by retail, whether or not the goods are in existence when he does so;
- (b) that charges are indicated for services which a person indicates are or may be provided, except services which he indicates are or may be provided only for the purposes of businesses carried on by other persons;
- (c) that prices of such goods or charges for such services are not indicated in a manner which the Secretary of State considers inappropriate and that no part of a penny except one half-penny is specified in the amount of an indicated price or charge.

(2) Accordingly—

- (a) in subsection (2) of that section (which contains supplementary provisions relating to an order under that section), after the words “this section” there shall be

inserted the words “ may specify the kinds of goods or services to which and the circumstances in which the order applies and ” and after the words “ price ” and “ goods ” wherever they occur there shall be inserted respectively the words “ or charge ” and “ or services ” ; and

(b) in paragraph 7 of the Schedule to that Act (which among other things authorises purchases of goods for the purpose of determining whether an order under that section is being complied with) after the word “ goods ” there shall be inserted the words “ and any contracts for services ”.

(3) In subsection (5) of that section (which among other things provides that an order under that section made by the Department of Commerce for Northern Ireland shall be subject to negative resolution as provided by that subsection) before the word “ subject ” there shall be inserted the words “ a statutory rule for the purposes of the Statutory Rules Act (Northern Ireland) 1958 and be ”.

1974 c. 24.

(4) Section 3 of the Prices Act 1974 (which confers on the Commission additional powers relating to price increases) shall cease to have effect.

Amendments
of
Remuneration,
Charges and
Grants Act
1975.

1975 c. 57.

17.—(1) At the end of subsection (1) of section 1 of the Remuneration, Charges and Grants Act 1975 (which provides that an employer who limits remuneration paid by him so as to keep it within the limits mentioned in that subsection shall not by reason of so doing be liable for breach of a contract to pay it which was entered into before the commencement of that Act) there shall be inserted the words “ or payable in respect of a period after 31st July 1977 under an agreement entered into at any time ”.

(2) In section 2 of that Act (which among other things provides for section 1 of that Act to cease to have effect at the expiration of the period ending with 31st July 1976 unless by Order in Council it is continued in force, as it has been, for a period ending not later than 31st July 1977), for the words “ 31st July 1976 ” in subsection (1) there shall be substituted the words “ 31st July 1978 ” and for subsection (3) there shall be substituted the following subsection—

(3) If section 1 of this Act has ceased to be in force before 31st July 1978 Her Majesty may by Order in Council bring it again into force for a period ending not later than that date.

(3) In subsections (1) to (3) and (7) of the said section 2 the references to section 1 of that Act shall be construed as including the words “ of the code and ” in section 6(1) of the 1973 Act

(which among other things relates to the power of the Commission to ensure that the provisions of the code are implemented).

Miscellaneous

18.—(1) The Secretary of State may make from time to time, out of money provided by Parliament, grants to persons in respect of expenditure incurred by them after 31st March 1977 in connection with the collection and dissemination of information relating to prices and charges and other information of interest to users of goods and services and in connection with the giving of advice relating to prices and charges; and a grant in pursuance of this section shall be made on such terms as the Secretary of State determines with the approval of the Treasury.

Grants towards expenditure in providing information about prices etc.

(2) The preceding subsection shall have effect, in relation to grants under that subsection in Northern Ireland, with the omission of the words “out of money provided by Parliament” and with the substitution for references to the Secretary of State and the Treasury respectively of references to the Department of Commerce for Northern Ireland and the Department of Finance for Northern Ireland.

(3) The grants to be disregarded in determining for any year the amount available for grants to local authorities in pursuance of subsection (2) of section 1 of the Local Government Act 1974 (which relates to rate support grants) shall include any grant in pursuance of this section; and the expenditure to be disregarded in calculating the relevant expenditure mentioned in subsection (4) of that section shall include expenditure mentioned in subsection (1) of this section.

1974 c. 7.

19.—(1) If information about an agreement which appears to the Commission to be subject to registration under Part I of the Restrictive Trade Practices Act 1976 and not to be registered under that Part comes to the knowledge of the Commission, it shall be the duty of the Commission to send particulars of the information to the Director General of Fair Trading (hereafter in this section referred to as “the Director”) and to send a copy of the particulars to the Secretary of State.

Provisions relating to the Director General of Fair Trading, 1976 c. 34.

(2) It shall be the duty of the Director to make available to the Commission—

- (a) such of the information and evidence obtained by him by virtue of section 2(1) or (2) of the Fair Trading Act 1973 (which relates to certain commercial activities in the United Kingdom) as he considers it appropriate to provide for the Commission or as the Commission request him to provide for them, other than informa-

1973 c. 41.

tion of which the disclosure is prohibited by section 133(1) of that Act ; and

- (b) such assistance as he considers it appropriate to provide for the Commission or the Commission request him to provide for them.

(3) The duty in respect of any undertaking relating to prices, charges or profits which is imposed on the Director by section 88(4) of the said Act of 1973 (which among other things provides for the Director to supervise and give advice about certain undertakings) shall, if the Secretary of State so directs, be a duty of the Commission instead of a duty of the Director ; and it shall be the duty of the Secretary of State to specify, in any direction he gives in pursuance of this subsection, the undertakings to which the direction relates and to serve copies of the direction on the Director and the Commission and such other persons as appear to the Secretary of State to be concerned.

(4) The duty in respect of any order containing provisions relating to prices which is imposed on the Director by section 88(5) of the said Act of 1973 (which among other things provides for the Director to supervise, give advice about and enforce certain orders) shall, if the Secretary of State so directs, be a duty of the Commission instead of a duty of the Director ; and it shall be the duty of the Secretary of State to specify, in any direction he gives in pursuance of this subsection, the orders to which it relates and to serve copies of the direction on the Director and the Commission and such other persons as appear to the Secretary of State to be concerned.

In this subsection "provisions relating to prices" means provisions included in the order in question by virtue of any of the provisions of paragraphs 8 to 11 of Schedule 8 to the said Act of 1973.

Further duties to have regard to specified matters and sanction provisions.

20.—(1) It shall be the duty of the Secretary of State, in performing any of the functions mentioned in the following subsection, to have regard to all matters which appear to him in the particular circumstances to be relevant with a view to restraining prices of goods and charges for services so far as that appears to him to be consistent with the making of adequate profits by efficient suppliers of goods and services and to have regard in particular to the matters mentioned in section 2(2) of this Act so far as he considers them relevant ; but the Secretary of State may disregard the duty imposed on him by the preceding provisions of this subsection if he thinks it right to do so in connection with the sanction provisions.

(2) The functions referred to in the preceding subsection are—

- (a) the function of determining whether to give a notice in pursuance of section 4(3) or 5(5) of this Act ;

- (b) the function of determining whether to make an order in pursuance of section 7 or 12 of this Act and of determining the terms of such an order ;
- (c) the function of determining whether to accept an undertaking in the exercise of a power conferred on him by either of those sections ;
- (d) the function of determining whether to specify a day, and which day to specify, in pursuance of section 7(8)(b) of this Act ; and
- (e) the function of determining whether to give, vary or cancel a direction in pursuance of section 10 of this Act.

(3) It shall be the duty of the Commission to have regard to the sanction provisions in performing their functions under this Act ; and where that duty conflicts with the duty imposed on the Commission by section 2(1) of this Act their duty to have regard to the sanction provisions shall prevail.

Supplemental

21.—(1) An order in force under section 2 of the 1973 Act immediately before this subsection comes into force shall not be affected by subsection (2A) of that section before 1st October 1977. Transitional provisions.

(2) An order coming into force under the said section 2 on or after 1st August 1977 may contain provisions for securing that, notwithstanding anything in the said subsection (2A), prices and charges are restricted by reference to such costs as are mentioned in that subsection in such manner as the Secretary of State considers appropriate for preserving restrictions imposed before that date.

(3) Without prejudice to the generality of the preceding subsection—

- (a) where before 1st August 1977 the Commission have given notice in pursuance of subsection (4) of section 6 of the 1973 Act (which provides for the giving of fourteen days notice of an order or notice under that section restricting prices or charges), any order or notice in respect of which the notice under the said subsection (4) was given and which is made or given under that section on or after that date may contain provisions by reference to the code as it was in force immediately before that date ; and
- (b) where during the period of twenty-eight days ending with 31st July 1977 notice of an increase has been given to the Commission in pursuance of an order under section 5 of the 1973 Act, the Commission may, by an

order or notice given or made under the said section 6 after that date, restrict the increase by reference to the code as it was in force on that date.

(4) Where, in consequence of a notice of an increase given to the Commission in pursuance of an order under section 5 of the 1973 Act before the coming into force of this subsection, the increase or part of it could have been implemented before 1st October 1977 without contravening such an order but was not wholly implemented before that date, the notice shall be treated on and after that date as not extending to so much of the increase or part as was not implemented before that date.

(5) Any order or notice in force under section 6 of the 1973 Act immediately before words in subsection (1) of that section cease to be in force by virtue of section 17(3) of this Act shall continue in force as if those words had continued in force and may be revoked or varied accordingly ; and the Commission may, at any time after those words cease to be in force, make such further orders and give such further notices under the said section 6 as the Commission consider appropriate for preserving restrictions imposed when those words were in force.

Interpretation,
supplementary
provisions
and repeals.
1973 c. 9.

22.—(1) In this Act—

- “ the 1973 Act ” means the Counter-Inflation Act 1973 ;
- “ charge ”, “ the code ”, “ goods ” and “ price ” have the meanings assigned to them by section 21(1) of the 1973 Act ;
- “ the Commission ” means the Price Commission ;
- “ effective date ” means, in relation to a report in pursuance of subsection (1) of section 6 of this Act in respect of an increase or a price, the date on which a copy of the report is given to the relevant person in pursuance of paragraph (c) of that subsection ;
- “ publication date ”, in relation to a report in pursuance of section 6(1) of this Act in respect of a margin or a report in pursuance of section 11(1) of this Act, means the date on which the report is first published in pursuance of subsection (9) of section 6 of this Act or that subsection as applied by section 11(3) of this Act ;
- “ regulations ” means regulations made by the Secretary of State ;
- “ relevant person ” has the meanings assigned to it by sections 4(2) and 5(2) of this Act ; and
- “ the sanction provisions ” means provisions included in the code by virtue of section 15(2) of this Act or section 3

of the Remuneration, Charges and Grants Act 1975 1975 c. 57.
(which relates to a sanction against the payment of remuneration in excess of certain limits).

(2) The Secretary of State may by order—

- (a) provide that such of the provisions of this Act as are specified in the order shall not apply in such cases as are so specified ;
- (b) vary or revoke any order in force by virtue of this subsection ;

but no order shall be made in pursuance of this subsection unless a draft of the order has been approved by a resolution of each House of Parliament.

(3) Any power conferred by this Act to make an order or regulations shall be exercisable by statutory instrument and any statutory instrument made by virtue of this subsection (except an instrument containing only such an order as is mentioned in section 12(7) of this Act or containing only an order of which a draft was approved as mentioned in the preceding subsection) shall be subject to annulment in pursuance of a resolution of either House of Parliament ; but nothing in the preceding provisions of this subsection affects a power to make an order conferred by section 16(1) or 17(2) of this Act or conferred on a court or judge.

(4) Proceedings for an offence under this Act shall not be instituted in England and Wales except with the consent of the Attorney General and shall not be instituted in Northern Ireland except with the consent of the Attorney General for Northern Ireland ; and in any such proceedings it shall be a defence for the person charged to prove that he took all reasonable precautions and exercised all due diligence to avoid the commission of the offence.

It is hereby declared that references in the preceding provisions of this subsection to an offence under this Act do not include an offence attributable to section 13(5) or 16 of this Act.

(5) No action for damages shall lie in respect of a failure by the Secretary of State or the Commission or such an authority as is mentioned in section 13 of this Act to perform a duty imposed by virtue of this Act.

(6) Except where the contrary intention appears, any reference in this Act to any enactment is a reference to it as amended by or under any other enactment, including an enactment in this Act.

(7) The enactments mentioned in the first and second column of Schedule 3 to this Act are hereby repealed to the extent specified in the third column of that Schedule.

Expenses.

23. There shall be paid out of money provided by Parliament—

- (a) any administrative expenses incurred by a Government department in consequence of this Act; and
- (b) any increase attributable to this Act in the sums payable under any other Act out of money so provided.

Citation and commencement.

24.—(1) This Act may be cited as the Price Commission Act 1977.

(2) This Act, except the following provisions namely section 17(1) and (2), this section and paragraphs 1, 3(2) and (3) and 4(b) and (d) of Schedule 2, shall come into force on 1st August 1977, and accordingly those provisions come into force at the passing of this Act.

SCHEDULES

SCHEDULE 1

Section 1(4).

PERFORMANCE OF CERTAIN FUNCTIONS OF COMMISSION
THROUGH GROUPS OF MEMBERS

1.—(1) If the chairman of the Commission so directs—

- (a) the function of carrying out and completing an investigation, and of holding any public inquiry required in connection with the investigation, which is conferred on the Commission by section 6 of this Act ; or
- (b) the function of examining a question which is conferred on the Commission by section 11(1) of this Act,

shall, so far as the function has not been performed before the direction is given, be performed through a group of not less than three members of the Commission selected by the chairman of the Commission.

(2) In the following provisions of this Schedule “group” means a group of members of the Commission selected in pursuance of this paragraph and “the chairman” (except where the reference is to the chairman of a group) means the chairman of the Commission.

2. The chairman may appoint one of the members of a group to act as the chairman of the group.

3.—(1) Where during the proceedings of a group—

- (a) a member of the group ceases to be a member of the Commission ; or
- (b) the chairman is satisfied that a member of the group will be unable for a substantial period to perform his duties as a member of the group,

the chairman may appoint any member of the Commission to be a member of the group in his place.

(2) The chairman may at any time appoint any member of the Commission to be an additional member of a group.

4.—(1) At the invitation of the chairman of a group any member of the Commission who is not a member of the group may attend meetings or otherwise take part in the proceedings of the group, except that such a member shall not be entitled to vote at any such meetings or in any such proceedings.

(2) Nothing in the preceding sub-paragraph shall prevent a group or a member of a group from consulting any member of the Commission with respect to any matter with which the group is concerned.

5. Subject to the following paragraph, a group may determine its own procedure including the quorum necessary for a meeting of the group.

SCH. 1

6. In determining its procedure, and in exercising any powers conferred on the Commission by this Act, a group shall comply with any special or general directions which may be given to it by the Commission as well as with any directions given to the Commission by the Secretary of State.

7. Where the Commission's function of holding an inquiry in pursuance of section 6(3) of this Act is exercised by a group, paragraph 15(1) of Schedule 1 to the 1973 Act shall have effect in relation to the inquiry as if for references to the chairman there were substituted references to the chairman of the group.

8. Anything done by or in relation to a group in or in connection with the performance of a function required by virtue of this Schedule to be performed through the group shall have the same effect as if it had been done by or in relation to the Commission.

Section 15(4).

SCHEDULE 2

OTHER AMENDMENTS OF 1973 ACT

1.—(1) The power to make orders conferred by subsection (1) of section 5 of the 1973 Act (which among other things relates to the notification of price increases in time for the Commission to consider whether the Commission should exercise their powers to prevent the increase) shall—

- (a) include power to make orders to ensure that the Commission receive notice of increases in any prices or charges in time to consider whether to notify the Secretary of State in pursuance of section 4(1) of this Act that the increases should be investigated ; and
- (b) include, and be deemed always to have included, power to make different provision for different circumstances.

(2) In subsection (3) of the said section 5 (which provides that the length of notice required by an order under that section shall not exceed eight weeks) for the words "eight weeks" there shall be substituted the words "four weeks" ; but an order in force under that section immediately before the coming into force of this paragraph shall not be affected by that amendment unless and until the order is subsequently varied.

2. Section 8 of the 1973 Act (which gives power to modify Acts about prices and charges) and section 10 of that Act (which provides for restrictions on dividends) shall severally cease to be in force at the expiration of any period for which that section is continued in force or brought into force by an Order in Council made by virtue of section 2(4) of the Remuneration, Charges and Grants Act 1975.

1975 c. 57.

3.—(1) In section 15 of the 1973 Act (which provides for the obtaining of information for the purposes of that Act), after the words "this Act" in subsections (1) and (2) there shall be inserted the words "or the Price Commission Act 1977".

(2) After subsection (3) of the said section 15 there shall be inserted the following subsection—

SCH. 2

(3A) If a person makes default in complying with a notice or order under the preceding provisions of this section, then, without prejudice to any liability under section 17 of this Act in respect of the default, the High Court or, in Scotland, the Court of Session may, on the application of the Minister, make such order as the Court thinks fit for requiring the default to be made good; and any such order may provide that all the costs or expenses of and incidental to the application shall be borne by the person in default or by any officers of a body who are responsible for its default.

References to an order under this section in the following provisions of this section and in section 17(5) of this Act do not include an order under this subsection; and in the application of this subsection to Northern Ireland for references to the High Court there shall be substituted references to a judge of the High Court in Northern Ireland.

(3) At the end of subsection (5) of the said section 15 (which among other things provides for an order under that section to be made by statutory instrument) there shall be inserted the words “; and a statutory instrument made by virtue of this subsection after the passing of the Price Commission Act 1977 shall be subject to annulment in pursuance of a resolution of either House of Parliament”.

4. In section 17 of the 1973 Act (which relates to offences)—

(a) in subsection (5) (which provides for a person to be liable on summary conviction to a fine not exceeding £400 if among other things he refuses or neglects to furnish information in pursuance of section 15 of the 1973 Act or furnishes or records false information for certain purposes of that Act) for the word “£400” there shall be substituted the words “£1,000 or, on conviction on indictment, to a fine”;

(b) in subsection (6) (which penalises an officer of a body corporate for an offence committed by the body with his consent or through his neglect) after the words “this Act” there shall be inserted the words “or the Price Commission Act 1977” and at the end of the subsection there shall be inserted the words—

“Where the affairs of a body corporate are managed by its members, the preceding provisions of this subsection shall apply in relation to acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate”;

(c) in subsection (8) (which among other things provides that nothing in the 1973 Act shall give rise to liability for conspiracy or in tort) after the words “this Act” where they first occur there shall be inserted the words “or the Price Commission Act 1977”; and

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(d) at the end of subsection (9) (which provides that proceedings for an offence under the 1973 Act shall not be begun without the consent of the Attorney General) there shall be inserted the words “; and in any such proceedings it shall be a defence for the person charged to prove that he took all reasonable precautions and exercised all due diligence to avoid the commission of the offence.”

5. The following provisions of the 1973 Act (which also relate to offences) shall cease to have effect, namely—

(a) subsections (7) and (10) of section 17 and in subsection (8) of that section the words from “; and nothing which” onwards;

(b) subsections (1) to (3) and (6) of section 18 (which relates to offences by unincorporated bodies) and in subsection (4) of that section the words “within subsection (1) above”.

6.—(1) In subsection (1) of section 21 of the 1973 Act (which relates to interpretation) for the definition of “the Minister” there shall be substituted the following—

“the Minister” means the Secretary of State or the Treasury; and at the end of the definition of “charge” there shall be inserted the words “and also includes a charge for a holiday caravan licence”.

(2) After subsection (1) of the said section 21 there shall be inserted the following subsection—

(1A) In the definition of “charge” in subsection (1) above “holiday caravan licence” means a licence to put on any land a caravan (within the meaning of Part I of the Caravan Sites and Control of Development Act 1960 as amended by the Caravan Sites Act 1968) for use for the purpose of holidays in a case where washing facilities or lavatories are provided or a supply of water, electricity or gas is provided, otherwise than by the licensee, for use in connection with the caravan; and any reference in section 6 of this Act to performing services shall be construed as including a reference to giving such a licence.

(3) In subsection (5) of the said section 21 (which provides for the application of the 1973 Act to conditional sale and hire-purchase agreements) after the words “This Act” there shall be inserted the words “and the Price Commission Act 1977”.

7.—(1) In sub-paragraph (2) of paragraph 2 of Schedule 1 to the 1973 Act (which provides for a Minister to instruct the Commission to keep under continuous review any question concerning all or any of the matters mentioned in sub-paragraph (1) of that paragraph) for the words “concerning all or any of the matters mentioned in sub-paragraph (1) above” there shall be substituted the words “relating to prices or charges”; and accordingly—

(a) in paragraph (a) of that sub-paragraph for the word “matters” there shall be substituted the word “question”; and

(b) in paragraph (b) of that sub-paragraph for the words from “those matters” onwards there shall be substituted the words “the question”.

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(2) For sub-paragraph (4) of paragraph 3 of that Schedule (which relates to reports in consequence of such reviews) there shall be substituted the following sub-paragraph—

(4) Subsections (8) and (9) of section 6 of the Price Commission Act 1977 shall apply to a report in pursuance of paragraph 2(2)(b) of this Schedule as they apply to a report in pursuance of subsection (1) of that section but as if the provisions relating to the deletion of findings of fact were omitted.

8. Regulations may provide that any of the provisions of paragraphs 2, 3, 5 and 7 of Schedule 3 and paragraphs 1 to 3 and 5(1) of Schedule 4 to the 1973 Act (which contain supplemental provisions and provisions relating to enforcement) shall have effect with such additions, omissions and amendments as the Secretary of State considers appropriate for the purpose of applying those provisions for the purposes of or in relation to any provision of this Act or any instrument made under this Act.

9. In sub-paragraph (2) of paragraph 4 of Schedule 4 to the 1973 Act (which prohibits the disclosure of certain information obtained in pursuance of that Act except in the cases mentioned in paragraphs (a) to (e) of that sub-paragraph)—

- (a) at the end of paragraph (e) (which among other things relates to disclosure in connection with criminal proceedings under the 1973 Act) there shall be inserted the words “or the Price Commission Act 1977”;
- (b) after paragraph (e) there shall be inserted the words “, or
(f) for the purpose of facilitating the performance of any functions of the Price Commission”.

10. The following provisions of the 1973 Act (which are spent) namely—

- (a) sections 3, 4, 11 to 13 and 16;
- (b) in paragraph 8 of Schedule 1 the words “or the Pay Board” in the second place where they occur; and
- (c) in paragraph 4(2)(e) of Schedule 4 the words “or the Counter-Inflation (Temporary Provisions) Act 1972”,

shall be omitted from that Act; but nothing in this Act affects provisions of any order made under section 11 of the 1973 Act which are in force by virtue of paragraph 1(5) of Schedule 3 to that Act immediately before the passing of this Act.

Section 22(7).

SCHEDULE 3

ENACTMENTS REPEALED

Chapter	Short title	Extent of repeal
1973 c. 9.	The Counter-Inflation Act 1973.	<p>In section 1(2) the words from "and the Minister" onwards.</p> <p>In section 2, in subsection (4)(b) the words "except in the case of the first order made under this section".</p> <p>Sections 3 and 4.</p> <p>In section 6, in subsection (2) the words from "where" onwards, and subsection (7).</p> <p>In section 9(1) the words from "where" onwards.</p> <p>Sections 11 to 13.</p> <p>In section 15(6) the words from the beginning to "but" and the words "continue to".</p> <p>Section 16.</p> <p>In section 17, in subsection (1) the words "or Part III" in both places, in subsection (6) the words "Subject to subsection (7) below", subsection (7), in subsection (8) the words from "; and nothing which" onwards, and subsection (10).</p> <p>In section 18, subsections (1) to (3), in subsection (4) the words "within subsection (1) above", and subsection (6).</p> <p>In section 19(2)(b) the words from "; and nothing which" onwards.</p> <p>Section 20(3), (5)(b) and (8).</p> <p>In section 21(1) the definitions of "official", "organisation of workers", "organisation of employers" and "trade union".</p> <p>In Schedule 1, paragraphs 1 and 2(1), in paragraph 3(2) the words "question referred or", in paragraph 3(3) the words "referring any question, or", "question or" and "by referring a further question or, as the case may be", in paragraph 8 the words "or the Pay Board" in the second place where they occur, and paragraph 20.</p>

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Chapter	Short title	Extent of repeal
1973 c. 9. <i>cont.</i> —	The Counter-Inflation Act 1973.— <i>cont.</i>	In Schedule 3, in paragraph 3(1) the words from “made at” to “force”, the words “during that period” where they first occur and the words from “either” onwards. In Schedule 4, paragraphs 1(1)(b) and 3(1)(b), in paragraph 4(2)(e) the words “or the Counter-Inflation (Temporary Provisions) Act 1972” and in paragraph 5(1) and (2) the words “or Part III”.
1974 c. 24. 1975 c. 57.	The Prices Act 1974. The Remuneration, Charges and Grants Act 1975.	Section 3. In section 2, in subsection (4) the figures “5, 6”, the figure “9” and the words from “and accordingly” onwards, in subsection (5)(b) the words from “extending” onwards, and subsection (6).

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