

1969 No. 882

INDUSTRIAL ORGANISATION AND DEVELOPMENT
**The Hosiery and Knitwear Industry (Scientific Research Levy)
Order 1969**
Laid before Parliament in draft

<i>Made</i>	- - -	<i>27th June 1969</i>
<i>Coming into Operation</i>		<i>1st July 1969</i>

Whereas it appears to the Board of Trade that it is expedient that funds be made available for the purpose of scientific research in connection with the hosiery and knitwear industry:

And Whereas it further appears to the Board of Trade that there is a body, called the Hosiery and Allied Trades Research Association, capable of carrying out such scientific research satisfactorily:

And Whereas the Board of Trade have consulted the organisations appearing to them to be representative of substantial numbers of persons carrying on business in the industry and the organisations representative of persons employed in the industry appearing to the Board of Trade to be appropriate:

And Whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, the Board of Trade in pursuance of the powers conferred upon them by section 9 of the Industrial Organisation and Development Act 1947(a), hereby order as follows:—

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Hosiery and Knitwear Industry (Scientific Research Levy) Order 1969 and shall come into operation on 1st July 1969.

(2) In this Order—

(a) “carrying out on commission” means in relation to any process the carrying out in pursuance of a contract of work and labour (with or without the provision of materials) of that process wholly or mainly upon or from materials owned in the course of his business by another person;

(b) “the industry” means the hosiery and knitwear industry;

(c) "the designated activities" means the activities designated in the Schedule hereto.

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

Extent of the Industry

2. For the purposes of this Order the hosiery and knitwear industry shall consist of the activities designated in the Schedule hereto.

Persons to whom the Order applies

3. The persons to whom this Order applies are every person who on 1st July 1969 is carrying on, or who thereafter commences to carry on, business in the industry.

Levy Periods

4. The levy periods shall be the periods of six months ending on 30th June and 31st December respectively in each year and the base period in relation to any levy period shall be the period of six months immediately preceding that levy period.

Payment of Levies

5. Every person to whom this Order applies who has carried on business in the industry at any time during the first seven days of a levy period shall pay in respect of that levy period a charge calculated—

(a) in the case of a person carrying on any of the activities specified in paragraph 2(1) or 2(2) of the Schedule hereto, in accordance with the provisions of Article 6(1), (2), (3) and (5) hereof ;

(b) in the case of a person carrying on the activity specified in paragraph 2(3) of the Schedule hereto, in accordance with the provisions of Article 6(4) and (5) :

Provided that a person shall not be liable to pay any charge in respect of a levy period if the total amount on which that charge is to be calculated under Article 6 does not exceed £5,000.

Computation of Levies

6.—(1) The charge to be paid by any person by virtue of the provisions of Article 5(a) hereof in respect of any levy period shall be calculated at the rate of 6s. 8d. for every £1,000 of—

(a) the net aggregate value of the products supplied by him during the base period in pursuance of contracts of sale (being products of the designated activities carried on by him) ; and

(b) the aggregate of the amounts received by him during the base period in respect of the carrying out on commission of any process specified in paragraph 2(1) or (2) of the Schedule hereto for any person other than a person carrying on the activity specified in paragraph 2(1)(a).

(2) The net aggregate value of the products supplied by a person during a base period shall be calculated by aggregating the prices received or receivable for such products before any deduction by way of discount, commission or allowance but excluding any sum in respect of purchase tax, and deducting therefrom—

- (a) the aggregate of the prices paid or payable by that person for products of the designated activities supplied to him in pursuance of contracts of sale during that period being products acquired by him for the purpose of subjecting them to any process specified in paragraph 2(1)(b) or 2(2)(b) of the Schedule hereto, before any deduction by way of discount, commission or allowance but excluding any sum in respect of purchase tax ;
- (b) the aggregate of the amounts paid by that person during that period in respect of the carrying out at any time for him of any process specified in paragraph 2(3) of the Schedule hereto (being a process carried out in Great Britain) by any person therein specified ;
- (c) the aggregate of the expenditure shown to the satisfaction of the Board of Trade to have been reasonably incurred by that person during that period—
 - (i) in respect of the maintaining and staffing of premises outside the United Kingdom in connection with the export therefrom of the products of the designated activities carried on by him ;
 - (ii) for—
 - (a) the advertising of the products of the designated activities carried on by him ; and
 - (b) the procuring of contracts of sale of the products of the designated activities carried on by him ;
being expenditure consisting of payment made or to be made to persons other than his employees ;
 - (iii) in respect of the remuneration and expenses of his employees wholly engaged in the procuring of contracts of sale of the products of the designated activities carried on by him.

(3) There shall be deducted from the aggregate amount specified in paragraph 1(b) of this Article the aggregate of the amounts paid by that person during that period in respect of the carrying out at any time for him of any process specified in paragraph 2(3) of the Schedule hereto (being a process carried out in Great Britain) by any person therein specified.

(4) The charge to be paid by any person by virtue of the provisions of Article 5(b) hereof in respect of any levy period shall be calculated at the rate of 6s. 8d. for every £1,000 of the aggregate of the amounts received by him during the base period in respect of the carrying out at any time of any process comprised in the activity specified in paragraph 2(3) of the Schedule hereto.

(5) The amount of the charge payable by any person in respect of any levy period shall, where necessary, be rounded to the nearest multiple of 6s. 8d.

Time for payment of levies

7.—(1) As soon as may be after the commencement of each levy period the Board of Trade will by notice, given in such manner as they think best adapted for informing the persons affected, require payment of the charges imposed by this Order in respect of that levy period.

(2) Every person liable to pay a charge imposed by this Order in respect of any levy period shall pay that charge within 30 days of the date on which the notice referred to in paragraph (1) of this Article is given in respect of that period.

(3) Every such charge shall be paid direct to the Board of Trade.

(4) The amount of any such charge shall be recoverable by the Board of Trade as a debt.

(5) All monies received by the Board of Trade in respect of any such charge shall be paid by them into the Hosiery and Knitwear Industry (Levy) Deposit Account, being an account opened by Her Majesty's Paymaster General on behalf of the Board of Trade, and shall be issued thereout to the Hosiery and Allied Trades Research Association to meet any expenses incurred by it in respect of scientific research in connection with the industry.

Furnishing of Information

8.—(1) Every person to whom this Order applies shall, within 30 days of the commencement of the first levy period in respect of which he is liable to pay a charge by virtue of the provisions of Article 5 hereof, furnish to the Board of Trade the following information—

- (a) his name and address ;
- (b) the business name (if any) under which he carries on a business comprising any of the designated activities ;
- (c) the principal place of such business ; and
- (d) a description of such business.

(2) The Board of Trade may by notice in writing require any person to whom this Order applies :—

- (a) to furnish such returns and other information ;
- (b) to keep such records ; and
- (c) to produce for examination such books and other documents and records

as may appear to the Board of Trade to be reasonably requisite for the purpose of the recovery of any charge imposed by this Order.

Enforcement

9. Any person who is required by notice in writing by the Board of Trade under the provisions of paragraph (2) of Article 8 hereof to furnish returns or other information, to keep records, or to produce for examination books or other documents or records, shall furnish in such form and manner and within such time such returns or other information as may be specified in the notice, or, as the case may be, keep such records or produce at such time such books or other documents or records in his custody or under his control as may be so specified.

Penalties

10.—(1) If any person required by or under the provisions of Article 8 hereof to furnish returns or other information, to keep records or to produce for examination books or other documents or records fails to furnish, keep or produce them in accordance with the requirement he shall, unless he proves

that he had reasonable excuse for the failure, be liable on summary conviction to a fine not exceeding five pounds for every day during which the failure continues.

(2) If any person, in purporting to fulfil any requirement imposed by or under the provisions of Article 8 hereof to furnish returns or other information, knowingly or recklessly makes any statement which is false in a material particular he shall be liable on summary conviction to a fine not exceeding fifty pounds, or on conviction on indictment to imprisonment for a term not exceeding two years or to a fine not exceeding one hundred pounds or to both such imprisonment and such fine.

Edmund Dell,
Minister of State,
Board of Trade.

27th June 1969.

SCHEDULE

1. In this Schedule—

- (a) "narrow fabrics" means fabrics not exceeding 18" in width with two selvages ;
- (b) "knitted articles" means articles produced by the carrying on of the activities specified in sub-paragraphs (1)(a), (2)(a) or (2)(b) of paragraph 2 ;
- (c) "making up" means any process of examining, laying, cutting, seaming, binding, embroidery, button-holing, button-sewing and other sewing, heat welding or adhesive processes, and "made-up" shall be construed accordingly ;
- (d) "finishing" means any of the processes commonly known as dyeing, scouring, bleaching, shrink resisting, preboarding, post boarding, softening, milling, brushing, raising, cropping, weighting, decatizing, stentering, setting, boarding, pressing, calendaring, stabilising, bulking, relaxing, stoving, solvent scouring, water-resisting, flame-resisting, sizing and other similar processes ;
- (e) "packaging" means any process of inspecting, sorting, grading, packing, and packaging for dispatch.

2. The hosiery and knitwear industry shall consist of the following activities so far as carried on in Great Britain:—

(1) (a) the knitting (whether on commission or not) on a weft-knitting machine of articles including garments, garment lengths, footwear or shaped pieces or other fabrics (not being narrow fabrics) ;

(b) when carried out (whether on commission or not) by a person engaged in the activity specified in head (a) of this sub-paragraph,

- (i) the subsection of yarn to any of the processes commonly known as reeling, warping, beaming, winding, rewinding, cleaning and lubricating so far as the treatment of yarn by that process is performed on machinery which forms a subsidiary part of plant used for the production of knitted articles, and such treatment is ancillary to the main operations conducted on such plant ;

(ii) the making up of knitted articles or of goods from knitted articles ;

- (iii) the application to knitted articles or goods made up from knitted articles of any of the processes commonly known as heat setting, steam pressing, straightening, folding, mending and any other similar process ;
 - (iv) the finishing of knitted articles or of goods made up from knitted articles ;
 - (v) the packaging of knitted articles or of goods made up from knitted articles ;
- (2) the procurement by a person engaged in the activity specified in sub-paragraph (1)(a) of the carrying out on commission (whether in Great Britain or not) of—
- (a) the activity specified in sub-paragraph (1)(a), or
 - (b) any process specified in heads (i) to (v) of sub-paragraph (1)(b) by any person ;
- (3) the carrying out on commission for a person engaged in the activity specified in sub-paragraph (1)(a) by a person not so engaged of any process specified in head (iv) of sub-paragraph (1)(b).
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EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order which is made under the Industrial Organisation and Development Act 1947, imposes levies on persons carrying on business in the hosiery and knitwear industry. The proceeds of the levies will be used to finance scientific research to be carried out in connection with the industry by the Hosiery and Allied Trades Research Association.