



Prices Act 1974

1974 CHAPTER 24

1 Food subsidies

- (1) Subject to the provisions of this section, the Secretary of State may make payments out of moneys provided by Parliament for the purpose of reducing, or preventing or limiting increases in, food prices in the United Kingdom.
- (2) Payments under this section may be made in respect of—
 - (a) milk, butter, cheese, flour for the manufacture of bread for sale and household flour, that is to say, flour not for the manufacture of any product for sale; and
 - (b) food of any other description specified by an order made by the Secretary of State.
- (3) The power to make payments under this section in respect of milk shall, in the case of milk produced in a marketing area as denned in Article 2(1) of the Milk (Guaranteed Prices) Order 1956, be exercised by making good to the appropriate Ministers the whole or any part of the sums paid by them in the year ending with 31st March 1975 under Article 5 of that Order.
- (4) The power to make payments under this section in respect of butter—
 - (a) shall be exercised by making good to the Intervention Board for Agricultural Produce the sums paid by them out of moneys provided by Parliament in respect of the year ending with 31st March 1975 in pursuance of the EEC butter subsidy regulations; and
 - (b) may, in addition, be exercised in accordance with subsection (5) below.
- (5) The power to make payments under this section in respect of food of any description, other than payments required to be made in accordance with subsection (3) or (4) (a) above, shall be exercisable by making payments, in accordance with a scheme or schemes prepared by the Secretary of State with the approval of the Treasury, to persons carrying on business in the United Kingdom who are concerned (whether as producers, manufacturers, importers, distributors or otherwise) with the supply of food of that description or of products in which such food is an ingredient.
- (6) The total payments made by the Secretary of State under this section shall not exceed £700 million.

- (7) For the purpose of securing that payments under this section do not confer any benefit in relation to goods exported from the United Kingdom, the Secretary of State may by order make provision for requiring payments to be made to him in respect of goods so exported which consist of or contain food in respect of which payments have been made by him under this section; and any such order—
- (a) may impose obligations on persons who have not themselves received payments under this section; and
 - (b) may make different provision in relation to different circumstances and may contain such supplementary provisions as the Secretary of State thinks necessary or expedient.
- (8) The power to make an order under this section shall be exercisable by statutory instrument and includes power to vary or revoke a previous order ; and—
- (a) a statutory instrument containing an order under subsection (2)(b) above shall be laid before Parliament after being made, and the order shall cease to have effect at the end of the period of twenty-eight days beginning with the day on which it was made (but without prejudice to anything previously done by virtue of the order or to the making of a new order) unless during that period it is approved by resolution of each House of Parliament;
 - (b) a statutory instrument containing an order under subsection (7) above shall be subject to annulment in pursuance of a resolution of either House of Parliament ;
- In reckoning the period mentioned in paragraph (a) above no account shall be taken of any time during which Parliament is dissolved or prorogued or during which both Houses are adjourned for more than four days.
- (9) The Secretary of State may make arrangements with any other government department (including a Northern Ireland department), with the Intervention Board for Agricultural Produce or with any other authority or body for the discharge by it or by its officers of functions relating to the administration of any scheme under this section or any order under subsection (7) above; and any such authority or body shall (if it would not otherwise do so) have power to enter into and give effect to any such arrangements.
- (10) In subsection (4) above "the EEC butter subsidy regulations" means Council Regulation (EEC) No. 1191/73 laying down general rules for the grant of a consumer subsidy for butter, Council Regulation (EEC) No. 711/74 authorising the United Kingdom to grant a national supplementary consumer subsidy for butter and any Regulation amending, replacing or supplementing either of those Regulations.

2 Power of Secretary of State to regulate price of food and certain other goods

- (1) The Secretary of State may by order—
- (a) regulate the prices to be charged for the sale of such subsidised food or fresh food as may be specified in the order and for the sale by retail of such other food or of such other goods to which this section applies as may be so specified;
 - (b) require persons selling by retail food or other goods in relation to which an order under paragraph (a) above is in force to display such information with respect to the effect of the order as may be so specified.
- (2) In subsection (1) above—

" subsidised food " means food specified in or under subsection (2) of section 1 above, including bread and, if an order under paragraph (b) of that subsection describes the food to which it applies by reference to its use for the manufacture of any product, that product;

" fresh food " means food produced in the course of agriculture, horticulture or fishing which has not been incorporated in any processed product and to which no process has been applied except—

- (a) cleaning, sterilising, breaking down of bulk supplies or packaging; and
- (b) in the case of any carcasses or parts of carcasses of livestock or poultry or of any product of fishing, chilling, freezing, curing, cutting up or boning and, in the case only of bacon and ham, cooking.

- (3) The goods, other than food, to which this section applies are articles which appear to the Secretary of State to be necessities normally the subject of recurrent expenditure by, and significantly affecting the cost of living for, persons with small incomes.
- (4) Without prejudice to the generality of subsection (1) above—
 - (a) an order under paragraph (a) of that subsection may make provision whereby the price to be charged by a person is not to exceed his buying price as determined in accordance with the order by more than a margin so determined;
 - (b) an order under paragraph (b) of that subsection may make provision as to the place and manner in which any information is to be displayed;
 - (c) an order under either paragraph of that subsection may make different provision in relation to different circumstances and may contain such supplementary provisions as the Secretary of State thinks necessary or expedient.
- (5) No order under this section shall apply to any sale after 31st March 1975; but the Secretary of State may by order direct that the foregoing provision shall have effect with the substitution of a subsequent date not being later than 31st March 1976.
- (6) Before making an order under subsection (1)(a) above the Secretary of State shall consult, in such manner as appears to him to be appropriate having regard to the subject-matter and urgency of the order, with such organisations representative of interests substantially affected by the order as appear to him, having regard to those matters, to be appropriate.
- (7) In determining whether and in what manner to exercise the powers conferred by subsection (1)(a) above the Secretary of State shall have regard to the circumstances of the food trade and the trade in other goods to which this section applies and to the effect of the exercise of those powers on the profitability of those trades.
- (8) The power to make an order under this section shall be exercisable by statutory instrument and, in the case of an order under subsection (1) above, includes power to vary or revoke a previous order; and—
 - (a) a statutory instrument containing an order under subsection (1) above shall be subject to annulment in pursuance of a resolution of either House of Parliament;
 - (b) no order shall be made under subsection (5) above unless a draft of it has been laid before, and approved by resolution of, each House of Parliament.
- (9) Nothing in this section applies to the sale of food for consumption on the premises where it is sold.

3 Additional powers of Price Commission to prevent or restrict price increases

- (1) If, in the case of any increase in a price or charge which is in accordance with the code for the time being contained in an order under section 2 of the Counter-Inflation Act 1973, the Price Commission satisfies the Secretary of State that there are exceptional circumstances justifying intervention under this section, the Secretary of State may direct that the powers conferred on the Commission by section 6 of that Act shall be exercisable as if the increase were not in accordance with the code or were in accordance with it only to such extent as is specified in the direction.
- (2) The Secretary of State shall not give a direction under this section except after consultation—
 - (a) with the person or persons selling the goods or providing the services to which the price or charge relates; and
 - (b) with such other persons, if any, as appear to the Secretary of State to be concerned ;and the Secretary of State shall, for the purposes of any consultation under paragraph (a) above, furnish to the person or persons there mentioned particulars of the grounds submitted to him by the Commission as justifying intervention under this section.
- (3) The power to give a direction under this section shall be exercisable by statutory instrument, and a statutory instrument containing a direction under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (4) This section does not apply to any increase implemented before the passing of this Act but, subject to that, applies both to a proposed increase and to an increase that has already been implemented; and in this section any expression which is also used in the said Act of 1973 has the same meaning as in that Act.

4 Price marking

- (1) The Secretary of State may by order make provision for securing that prices are indicated on or in relation to goods offered or exposed for sale by retail, being goods of a description to which the order applies.
- (2) Without prejudice to the generality of subsection (1) above, an order under this section—
 - (a) may make provision as to the manner in which any price is to be indicated ;
 - (b) may require that the price to be indicated on or in relation to any goods shall be, or shall include, a price expressed by reference to such unit or units of measurement as may be specified in the order;
 - (c) may, in relation to goods subject to value added tax, make provision as to the circumstances in which the price to be indicated may or may not be exclusive of the tax and as to the indication to be given of the tax included in, or payable in addition to, the price;
 - (d) may make different provision in relation to different circumstances and may contain such supplementary provisions as the Secretary of State thinks necessary or expedient.
- (3) Subsection (6) of section 2 above shall apply to an order under this section as it applies to an order under subsection (1)(a) of that section.

- (4) The power to make an order under this section shall be exercisable by statutory instrument and includes power to vary or revoke a previous order; and a statutory instrument containing an order under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (5) In the application of this section to Northern Ireland for any reference to the Secretary of State there shall be substituted a reference to the Department of Commerce for Northern Ireland and any order made by the Department under this section shall be subject to negative resolution within the meaning of section 41(6) of the Interpretation Act (Northern Ireland) 1954 as if it were a statutory instrument within the meaning of that Act; and subsection (4) above shall not apply to any such order except in so far as that subsection confers a power to vary or revoke a previous order.

5 Price range notices

- (1) The Secretary of State may by order make provision for requiring persons selling by retail such goods to which this section applies as may be specified in the order to display such information as may be so specified with respect to the range of prices within which it appears to the Secretary of State that such goods are being commonly sold by retail in the United Kingdom, or in a particular part thereof, at a particular date or during a particular period.
- (2) The goods to which this section applies are food and any such goods as are mentioned in section 2(3) above.
- (3) Without prejudice to the generality of subsection (1) above, an order under this section—
 - (a) may make provision as to the place and manner in which any information is to be displayed ;
 - (b) may make different provision in relation to different circumstances and may contain such supplementary provisions as the Secretary of State thinks necessary or expedient.
- (4) Subsection (6) of section 2 above shall apply to an order under this section as it applies to an order under subsection (1)(a) of that section except that consultation shall not be required as to the prices to be included in any order as constituting a range of prices applicable to goods of any description.
- (5) The power to make an order under this section shall be exercisable by statutory instrument and includes power to vary or revoke a previous order; and a statutory instrument containing an order under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.

6 Power to abolish Pay Board

- (1) The Secretary of State may by order abolish the Pay Board established by the Counter-Inflation Act 1973 and that order may contain such repeals and amendments in that Act, and such supplementary and transitional provisions, as he thinks necessary or expedient in connection with or in consequence of the abolition of the Board.
- (2) The power to make an order under this section shall be exercisable by statutory instrument and no such order shall be made unless a draft of it has been laid before, and approved by resolution of, each House of Parliament.

- (3) On the abolition of the Pay Board the references to that Board in Schedules 1 and 3 to the House of Commons Disqualification Act 1957 shall be omitted.

7 Enforcement

The Schedule to this Act shall have effect for preventing abuse in connection with payments under section 1 above and for the enforcement of orders under sections 2, 4 and 5 above.

8 Financial provisions

- (1) There shall be paid out of moneys provided by Parliament—
- (a) the expenses of any government department in respect of the administration of this Act;
 - (b) any increase attributable to this Act in the sums so payable under any other Act.
- (2) Any sums received by the Secretary of State or the Minister of Agriculture, Fisheries and Food by virtue of an order under section 1(7) above or paragraph 2 of the Schedule to this Act shall be paid into the Consolidated Fund.

9 Short title and interpretation

- (1) This Act may be cited as the Prices Act 1974.
- (2) In this Act " food " means food and drink for human consumption.
- (3) In this Act any reference to any enactment is a reference to that enactment as amended by or under any subsequent enactment.
- (4) No provision of this Act requiring consultation by the Secretary of State for any purpose shall be construed as requiring further consultation where the Secretary of State is satisfied that there has been sufficient consultation for that purpose before the passing of this Act.