

1970 No. 348

**INDUSTRIAL ORGANISATION AND DEVELOPMENT****The Wool Textile Industry (Export Promotion Levy)  
Order 1970***Laid before Parliament in draft**Made - - - - 5th March 1970**Coming into Operation 16th March 1970*

Whereas funds have been made available under the Wool Textile Industry (Export Promotion Levy) Order 1957(a), as amended(b), to a body called the National Wool Textile Export Corporation for the purpose of the promotion of export trade in connection with the wool textile industry:

And whereas it appears to the Minister of Technology that funds should continue to be made available for that purpose:

And whereas the Board of Trade initiated and the Minister of Technology has continued consultations with the organisations appearing to the Board and the Minister 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 and to the Minister to be appropriate:

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

Now, therefore, the Minister of Technology in pursuance of the powers conferred upon him by section 9 of the Industrial Organisation and Development Act 1947(c) and the Minister of Technology Order 1969(d), hereby orders as follows:—

*Citation, Commencement and Cessation of Charges*

1.—(1) This Order may be cited as the Wool Textile Industry (Export Promotion Levy) Order 1970 and shall come into operation on 16th March 1970.

(2) The provisions of Article 3 of the Wool Textile Industry (Export Promotion Levy) Order 1957 shall not impose on any person any charge in respect of any period after 30th September 1969.

*Interpretation***2. In this Order—**

(a) “emoluments” means any emoluments assessable to income tax under Schedule E to the Income Tax Act 1952(e) (other than pensions), being

(a) S.I. 1957/1379 (1957 I, p. 1176).

(b) S.I. 1966/202 (1966 I, p. 397).

(c) 1947 c. 40.

(d) S.I. 1969/1498 (1969 III, p. 4797).

(e) 1952 c. 10.

emoluments from which tax under that Schedule is deductible, whether or not tax in fact falls to be deducted from any particular payment thereof ;

- (b) “ animal fibre ” means fibre (other than hatters’ fur) from the coat or fleece of any animal which fibre has not been subjected to any process other than a process of a kind carried out in the preparation of such fibre for manufacture into rovings, yarn, pressed felt, bonded fabrics or needled materials ; and includes such fibre which has been recovered and which has not been so subjected subsequent to recovery and also human hair ;
- (c) “ fibre containing more than 15 per cent. by weight of animal fibre ” includes shoddy, mungo, noils, carded sliver, tops, broken tops and wastes of any description (other than wastes suitable only for manurial purposes) containing more than 15 per cent. by weight of animal fibre ;
- (d) “ raw wool or hair ” means fibre from the coat or fleece of any animal which has not been subjected to any process other than sorting and treating as defined in paragraph 1 of the Schedule hereto ;
- (e) “ supplied ” means supplied in pursuance of a contract of sale, sale or return, hire-purchase or barter ;
- (f) “ the designated activities ” means the activities designated in the Schedule hereto ;
- (g) “ the Minister ” means the Minister of Technology.

(2) 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*

3. For the purposes of this Order the wool textile industry shall consist of the activities designated in the Schedule hereto.

#### *Persons to whom the Order applies*

4. The persons to whom this Order applies are—

- (a) every person who on the date upon which this Order comes into operation is carrying on, or who thereafter commences to carry on, any business comprising any of the designated activities ; and
- (b) every person (not being a person carrying on business as aforesaid) who on that date is carrying on, or who thereafter commences to carry on, any business in Great Britain consisting wholly or partly in the supply of fibre containing more than 15 per cent. by weight of animal fibre other than a business which, so far as it relates to the supply of such fibre, relates solely to the supply of raw wool or hair from the coat or fleece of animals owned by the person carrying on the business.

#### *Levy Periods*

5. The levy periods shall be the periods of six months ending with 31st March and 30th September respectively in each year and the base year in respect of any levy period shall be the year ending with 31st March next preceding the commencement of that period.

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(a) 1889 c. 63.

*Payment of Levies*

6. Subject to the provisions of Article 8 hereof, every person to whom this Order applies shall pay to the Minister in respect of each levy period—

- (a) in the case of a person described in Article 4(a) hereof a charge calculated in accordance with the provisions of Article 7(1) and (2) hereof ;
- (b) in the case of a person described in Article 4(b) hereof a charge calculated in accordance with the provisions of Article 7(3) hereof.

*Computation of Levies*

7.—(1) The charge to be paid by a person by virtue of the provisions of Article 6(a) hereof in respect of any levy period shall be the aggregate of—

- (a) an amount equal to 0.092 per cent. of the chargeable amount of the emoluments paid or payable by him in respect of the base year ; and
- (b) an amount calculated in respect of that levy period at the following rates—
  - (i) 1.0105d. in respect of each 100 lbs. of the total weight of fibre containing more than 15 per cent. by weight of animal fibre (other than raw wool or hair from the coat or fleece of animals owned by him and other than tops or broken tops) supplied by him during that levy period in or by export from Great Britain, not being fibre comprised in a sale by him by auction or raw wool or hair supplied by him by export from Great Britain or by delivery on board a vessel or aircraft for carriage to a place outside Great Britain ; and
  - (ii) 1.88d. in respect of each 100 lbs. of the total weight of fibre containing more than 15 per cent. by weight of animal fibre (being tops or broken tops) supplied by him during that levy period in, or by export from, Great Britain.

(2) The chargeable amount of the emoluments paid or payable by a person in respect of a base year shall be calculated by aggregating—

- (a) the total of the emoluments of persons employed by him, under a contract of service,—
  - (i) in the actual performance of any process comprised in the designated activities specified in paragraph 2(1) of the Schedule hereto (other than the process of sorting fibre containing more than 15 per cent. by weight of animal fibre) or other purposes ancillary to such performance, and
  - (ii) in procuring the carrying out on commission of any process specified in heads (c) to (j) inclusive of paragraph 2(1) of the Schedule hereto ; and
- (b) the amount of the emoluments paid by him to persons employed by him, under a contract of service, in respect of—
  - (i) the payment of persons specified in head (a),
  - (ii) the direction, management, control, supervision, administration or costing of the designated activities,
  - (iii) the payment for, and the transportation of, the materials upon or from which any process comprised in the designated activities is to be carried out,

and by deducting therefrom any part of such emoluments which can be shown to the satisfaction of the Minister to have been paid in respect of activities carried on for the purposes of scientific research and development

being activities the products of which have not been supplied to any other person.

(3) The charge to be paid by virtue of the provisions of Article 6(b) hereof in respect of any levy period shall be an amount calculated in respect of that period at the rates specified in paragraph (1)(b) of this Article.

*Exemption from payment of levies*

8.—(1) A person shall not be required to pay that part of any charge which is calculated under head (a) of Article 7(1) hereof if the chargeable amount of the emoluments paid or payable by him in respect of the base year did not exceed £2,500.

(2) A person shall not be required to pay that part of any charge which is to be calculated at the rate specified in head (i) of Article 7(1)(b) hereof if the total weight of the goods specified in that head supplied by him during the period in respect of which that charge is to be calculated divided by the number of days comprised in that period did not exceed 300 lbs.

(3) A person shall not be required to pay that part of any charge which is to be calculated at the rate specified in head (ii) of Article 7(1)(b) hereof if the total weight of the goods specified in that head supplied by him during the period in respect of which that charge is to be calculated divided by the number of days comprised in that period did not exceed 165 lbs.

*Time for payment of levies*

9.—(1) As soon as may be after expiration of each period mentioned in Article 5 hereof the Minister will by notice, given in such manner as he thinks best adapted for informing the persons affected, require the payment of the charges imposed by this Order in respect of that period.

(2) Every person liable to pay a charge imposed by this Order in respect of any 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) The amount of any such charge shall be recoverable by the Minister as a debt.

(4) All monies received by the Minister in respect of any such charge shall be paid by him into the Wool Textile Industry (Export Promotion Levy) Deposit Account, being an account opened by Her Majesty's Paymaster General on behalf of the Minister, and shall be issued thereout to the National Wool Textile Export Corporation to meet any expenses incurred by it in respect of the promotion of export trade in connection with the wool textile industry.

*Furnishing of information*

10.—(1) Every person to whom this Order applies shall, unless that information has been previously furnished to the Board of Trade in pursuance of the Wool Textile Industry (Export Promotion Levy) Order 1950(a) or of the Wool Textile Industry (Export Promotion Levy) Order 1957, furnish the following information to the Minister within 14 days of the end of the first period in respect of which he is liable to pay a charge imposed by this Order :—

(a) his name and address ;

(b) the business name (if any) under which he carries on a business comprising any of the designated activities ;

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(a) S.I. 1950/1303 (1950 I, p. 1108).

(c) the business name (if any) under which he carries on a business in Great Britain consisting wholly or partly in the supply of fibre containing more than 15 per cent. by weight of animal fibre ;

(d) the principal place of such business ; and

(e) a description of such business.

(2) The Minister 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 Minister to be reasonably requisite for the purpose of the recovery of any charge imposed by this Order.

### *Enforcement*

**11.** Any person to whom this Order applies who is required by notice in writing by the Minister under the provisions of paragraph (2) of Article 10 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*

**12.—(1)** If any person required by or under the provisions of Article 10 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 10 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.

*Anthony Wedgwood Benn,*  
Minister of Technology.

5th March 1970.

Articles 2, 3 and 7.

### SCHEDULE

1. In this Schedule—

- (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 the person procuring the performance of the service;
- (b) “continuous filaments” means any yarn composed of one or more man-made fibres running the whole length of the yarn;
- (c) “man-made fibre” means fibre which is not the natural growth of a plant, the hair or fleece of an animal, human hair, asbestos or silk;
- (d) “narrow fabrics” means fabrics not exceeding 18 inches in width with two selvages;
- (e) “needled materials” means any material produced by consolidating by means of needle punching a web of fibres, whether or not such web is attached to or incorporates a woven fabric, weft or warp;
- (f) “processed animal fibre” means fibre (other than hatter’s fur) from the coat or fleece of any animal and also human hair, which has been subjected to any process of manufacture or recovery;
- (g) “rags” means any discarded or waste material containing more than 15 per cent. by weight of animal fibre, being—
  - (i) a garment or part of a garment; or
  - (ii) woven, knitted, netted, crocheted or felted material other than a thrum or a hosiery clip or overlock;
- (h) “sorting” includes any process of classing, grading, opening, taking off or blending by hand;
- (i) “specified yarn” means yarn of a kind specified, or spun in such a manner and by such a person as is specified, in head (c) of paragraph 2(1) of this Schedule;
- (j) “treating” includes treating by use of willey, fearnought, shaker, fleece breaker, teaser or similar machines and also includes blending by machine, scouring and carbonising.

2. The wool textile industry shall consist of the following activities so far as carried out in Great Britain:—

(1) any of the following processes—

- (a) any process—
  - (i) of sorting, treating or dyeing fibre containing more than 15 per cent. by weight of animal fibre; or
  - (ii) of treating or dyeing rags, otherwise than for agricultural purposes or in the manufacture of flock, paper, felt polishing bobs, felt hats, felt hat hoods, capelines or manchions;
- (b) the process of carding, combing or recombining on a wool card or comb—
  - (i) fibre containing more than 15 per cent. by weight of animal fibre, or
  - (ii) man-made fibre;
- (c) the process of making rovings or of spinning yarn—
  - (i) containing more than 15 per cent. by weight of processed animal fibre, or
  - (ii) by woollen or worsted spinning processes (if carried out by a person carrying on the business of manufacturing wool textiles);

- (d) any of the processes of twisting, doubling or folding—
- (i) specified yarn, or
  - (ii) specified yarn with any other yarn or with continuous filaments (if carried out by a person carrying on the business of manufacturing wool textiles)
- and the further subsection of yarn produced by such processes to any of those processes or to any process of inserting additional twist: Provided that this head shall not include any process which is performed on machinery which forms a subsidiary part of plant used for the production of hosiery or other knitted goods, carpets or narrow fabrics, if such process is ancillary to the main operations conducted on such plant;
- (e) any of the processes (or any combination of the processes) of bulking, texturising, dyeing, sizing, winding, warping or beaming—
- (i) specified yarn, or
  - (ii) yarn produced by any process specified in head (d) of this sub-paragraph
- or any other similar process in the preparation of such yarns for further processing:
- Provided that this head shall not include any process which is performed on machinery which forms a subsidiary part of plant used for the production of hosiery or other knitted goods, carpets or narrow fabrics, if such process is ancillary to the main operations conducted on such plant;
- (f) any process in the making up of—
- (i) specified yarn, or
  - (ii) yarn produced by any process specified in head (d) of this sub-paragraph,
- (whether or not such yarn has been subjected to any process specified in head (e) of this sub-paragraph) in the form of hanks, skeins, balls or the like of a kind normally sold by retail;
- (g) any process in the manufacture, dyeing, printing or finishing of pressed felt (other than felt polishing bobs, felt hats, felt hat hoods, capelines and manchions) containing more than 15 per cent. by weight of processed animal fibre;
- (h) any process in the manufacture, dyeing, printing or finishing of woven fabrics (excluding narrow fabrics and carpets and other floor coverings), woven felt, woven blankets, woven travelling rugs, woven scarves and woven pram rugs—
- (i) containing more than 15 per cent. by weight of processed animal fibre, or
  - (ii) manufactured from specified yarn or from yarn produced by any process specified in head (d) of this sub-paragraph (whether or not such yarn has been subjected to any process specified in head (e));
- (i) any process in the manufacture, dyeing, printing or finishing of bonded fabrics by the bonding together of—
- (i) fibres or woven fabrics containing more than 15 per cent. by weight of processed animal fibre, or
  - (ii) of woven fabrics manufactured from specified yarn or from yarn produced by any process specified in head (d) of this sub-paragraph (whether or not such yarn has been subjected to any process specified in head (e));

- (j) any process in the manufacture, dyeing, printing or finishing of needled materials (other than machine felt, carpets or other floor coverings) if carried out by a person who carries on the business of manufacturing wool textiles ;
  - (2) procuring the carrying out on commission in Great Britain of any one or more of the processes included in heads (c) to (j) inclusive of sub-paragraph (1).
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#### EXPLANATORY NOTE

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

This Order continues the imposition of the levy on the wool textile industry for the purpose of financing export promotion. The Wool Textile Industry (Export Promotion Levy) Order 1957, as amended, ceases to have effect as respects the imposition of the levy for any period after 30th September 1969.

The principal changes are—

- (a) the industry, for the purposes of the Order, is enlarged by the inclusion of processes using man-made fibres when carried out by a person carrying on the business of manufacturing wool textiles ;
- (b) the substitution of a charge based on emoluments for the charge based on employment units ;
- (c) a change in the rate of levy charged on weight of fibre supplied.

SI 1970/ 348  
ISBN 0-11-000348-9

