

STATUTORY INSTRUMENTS

1976 No. 630

COUNTER-INFLATION

**The Counter-Inflation (Price Code) (Amendment) (No. 2)
Order 1976**

<i>Made</i>	- - -	<i>22nd April 1976</i>
<i>Laid before Parliament</i>		<i>23rd April 1976</i>
<i>Coming into Operation</i>		<i>26th April 1976</i>

The Secretary of State in exercise of the powers conferred by section 2 of the Counter-Inflation Act 1973(a) as amended (b), and of all other powers enabling her in that behalf, and having consulted the Price Commission and representatives of consumers, persons experienced in the supply of goods or services, employers and employees and other persons in accordance with subsection (4) of the said section 2, hereby makes the following Order:—

1. This Order may be cited as the Counter-Inflation (Price Code) (Amendment) (No. 2) Order 1976 and shall come into operation on 26th April 1976.

2. The Counter-Inflation (Price Code) Order 1974(c), as amended(d), is hereby further amended in the Schedule by the insertion after sub-paragraph (e) of paragraph 141 of the following sub-paragraph—

“(f) in ascertaining—

(i) in accordance with paragraph 138(1)(b) whether the price of a product exceeds the base price determined under sub-paragraph (a) above by more than 5 per cent, and

(ii) the transferable revenue in relation to a restricted price product, there shall be left out of account an amount equal to any increase in excise duty charged on the product by reason of a change in the rate of duty (including a change from a nil rate) after 5th April 1976; and in this sub-paragraph “increase” does not include an amount equal to a reduction in customs duty charged on the product, or on anything comprised in it, by reason of any reduction in the rate of that duty after that date.”

John Fraser,

Minister of State,

Department of Prices and Consumer Protection.

22nd April 1976.

(a) 1973 c. 9.

(b) See S.I. 1974/1218 (1974 II, p. 4631).

(c) S.I. 1974/2113 (1974 III, p. 8253).

(d) The only amending order which is relevant to the subject matter of this Order is S.I. 1976/71 (1976 I, p. 244).

EXPLANATORY NOTE

(This Note is not part of the Order.)

In furtherance of the policy contained in the White Paper *The Attack on Inflation* (Cmnd. 6151), the Counter-Inflation (Price Code) (Amendment) Order 1976 (S.I. 1976/71) amended the Price Code contained in the Schedule to the Counter-Inflation (Price Code) Order 1974 (S.I. 1974/2113) by introducing, as paragraphs 137 to 141, provisions to facilitate selective price restraint by permitting revenue which may be forgone by restraining prices of certain products to a level not more than 5 per cent above their base price (as defined in paragraph 141(a)) to be recovered by increasing the prices of other products. Certain products in respect of which price restraint is being exercised are affected by changes in excise duty after 5th April 1976. This Order further amends the Price Code by introducing, as a new sub-paragraph 141(f), a provision that increases in excise duty after that date are to be left out of account in ascertaining—

- (i) whether the price of products in respect of which price restraint is being exercised exceeds their base price by more than 5 per cent; and
- (ii) the revenue forgone by restraint in the prices of those products which may be recovered by increasing the prices of other products.

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