

1972/8



THE PRICE FREEZE REGULATIONS 1972

ARTHUR PORRITT, Governor-General

ORDER IN COUNCIL

At the Government House at Wellington this 14th day of February 1972

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to the Economic Stabilisation Act 1948, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

REGULATIONS

1. Title—These regulations may be cited as the Price Freeze Regulations 1972.

2. Commencement and expiry—(1) These regulations shall come into force on the 14th day of February 1972.

(2) These regulations shall continue in force until the close of the 31st day of March 1972, and shall then expire.

3. Control of prices—(1) Notwithstanding anything to the contrary in any price order made under section 15 of the Control of Prices Act 1947 or in any approval given under section 16 of that Act, the maximum prices or charges which may be charged or made by any importer, manufacturer, wholesaler, retailer, or other trader or seller, for any goods or services other than those specified in the Schedule hereto shall be—

- (a) In the case of goods, the normal price at which such goods were last sold in similar quantities and under similar conditions of purchase on or before the 14th day of February 1972, or such lower price as may be fixed or authorised by the Price Tribunal:
- (b) In the case of the performance of services of a kind for which uniform charges are customarily predetermined by the seller (whether or not accompanied by the supply of goods), the charges normally made for similar services last performed on or before the 14th day of February 1972, or such lower charges as may be fixed or authorised by the Price Tribunal:

(c) In the cases of the performance of other services (whether or not accompanied by the supply of goods, and without limiting the provisions of paragraph (a) of this subclause in relation to any such goods), the sum of the following items:

(i) Labour and overhead costs; and

(ii) Any other items normally incorporated in price,— each charged at a rate not exceeding the rate normally charged in respect of similar services last performed on or before the 14th day of February 1972, or such lower charges as may be fixed or authorised by the Price Tribunal:

Provided that the charges that may be made by any Electrical Supply Authority within the meaning of the Electricity Act 1968 for the supply of electricity shall not exceed the charges being made on the 31st day of January 1972 for electricity supplied under similar terms and conditions of purchase.

(2) Notwithstanding anything in subclause (1) of this regulation, where on or before the 14th day of February 1972 any importer, manufacturer, or wholesaler has sold any goods at an increased price,—

(a) The maximum selling price that may be charged by any person (hereinafter referred to as the purchaser) for goods of the same kind purchased by him at that increased price from that importer, manufacturer, or wholesaler shall not exceed the amount of the into-store cost of those goods to the purchaser, increased by the margin of profit on the into-store cost which he was normally incorporating on goods of the same kind—

(i) As at the 12th day of November 1970; or

(ii) In the case of a purchaser who first sold goods of the same kind after the 12th day of November 1970, as at the date on which he first sold goods of that kind,— or such other margin as may be fixed or approved by the Price Tribunal:

(b) Where the purchaser has sold any such goods to any other person, the maximum selling price that may be charged for those goods by that other person shall not exceed the amount of the into-store cost of those goods to that other person, increased by the margin of profit on the into-store cost which he was normally incorporating on goods of the same kind—

(i) As at the 12th day of November 1970; or

(ii) In the case of a person who first sold such goods after the 12th day of November 1970, as at the date on which he first sold such goods,— or such other margin as may be fixed or approved by the Price Tribunal.

(3) For the purpose of this regulation, goods shall be deemed to have been sold when possession of the goods has been taken by the purchaser and not otherwise. In this subclause the term “purchaser” includes the purchaser under a hire purchase agreement.

(4) Where any goods to which clause 2 of the Schedule hereto applies, other than secondhand goods, or where any goods to which clause 3 or clause 7 of the Schedule applies, are sold by a retailer, the maximum price that may be charged therefor shall not incorporate a margin of

profit on the into-store cost greater than that which the retailer was normally incorporating on similar goods—

- (a) As at the 12th day of November 1970; or
- (b) In the case of a retailer who first sold similar goods after the 12th day of November 1970, as at the date on which he first sold such goods,—

or such other margin as may be fixed or approved by the Price Tribunal.

(5) Where any person establishes to the satisfaction of the Minister that compliance with the provisions of these regulations would result in a serious deterioration in the financial stability and viability of his business, the Minister, in his discretion, may exempt that person from compliance, in whole or in part, with the provisions of these regulations for such period and subject to such conditions as the Minister thinks fit:

Provided that no such exemption shall increase the price of any goods or the charges for any services for the time being fixed under the Control of Prices Act 1947 or under any of the enactments specified in or under section 51 of that Act.

4. Prohibited transactions—No person shall—

- (a) Enter into any transaction, or make any contract or arrangement, purporting to do, whether presently or at some future time or upon the happening of any event or contingency, anything that contravenes or will contravene the provisions of these regulations; or
- (b) Enter into any transaction or make any contract or arrangement, whether orally or in writing, or do any thing, for the purpose of or having the effect of, in any way, whether directly or indirectly, defeating, evading, avoiding, or preventing the operation of these regulations in any respect.

5. Powers of Price Tribunal and other pricing authorities—Nothing in these regulations shall be construed as restricting any power of the Price Tribunal to make any price order or to give any approval under the Control of Prices Act 1947 or the power of any authority to make any determination fixing any prices or charges under any of the enactments specified in or under section 51 of that Act:

Provided that, except in the case of goods or services to which clause 8 of the Schedule to these regulations applies or for the purpose of giving effect to any exemption granted by the Minister pursuant to subclause (5) of regulation 3 of these regulations, no such price order or approval or determination fixing or authorising any increase in prices or charges made while these regulations continue in force shall have effect until a date fixed by the Tribunal or other authority, being a date later than the date of expiration of these regulations.

SCHEDULE

Reg. 3

EXEMPTED GOODS AND SERVICES

1. Secondhand goods.
2. Goods which have been sold by auction either to the owner for the time being of the goods or to any person through whom he derives title to the goods and goods sold by private treaty in circumstances where the prices charged are normally influenced to a substantial extent by the prices realised for similar goods sold by auction.
3. Fresh or frozen fish and meat.
4. Livestock.
5. Goods sold or services performed on the basis of prices submitted by tender.
6. Services for the performance of which charges have been agreed upon in writing between the parties before the performance of the services.
7. Women's fashion clothing other than standard lines.
8. Goods and services in respect of which any application in relation to prices or charges has been made under the Control of Prices Act 1947, or under any of the enactments specified in or under section 51 of that Act, but not finally dealt with, before the commencement of these regulations.
9. Goods and services in respect of which an approval or decision in relation to prices or charges (not being prices or charges fixed under an automatic pricing arrangement approved by the Price Tribunal) has been made or given under the Control of Prices Act 1947, or under any of the enactments specified in or under section 51 of that Act,—
 - (a) On or after the 1st day of January 1972 and coming into force before the 14th day of February 1972:
 - (b) Before the 14th day of February 1972 and coming into force on or after that date and before the expiry of these regulations.
10. Goods and services for which the Minister has, by notice published in the *Gazette*, granted an exemption from these regulations for the purpose of preserving essential supplies or services.

P. J. BROOKS,
Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations provide that, for the period expiring with 31 March 1972,—

- (a) The maximum prices and charges which may be charged or made by any importer, manufacturer, wholesaler, retailer, or other trader or seller for any goods or services other than those specified in the Schedule shall be the selling prices or charges which the importer, manufacturer, wholesaler, retailer, trader, or seller was normally charging or making as at 14 February 1972 (except in respect of electricity) and as at 31 January 1972 in respect of electricity.

- (b) Where any goods to which clause 2 of the Schedule applies other than secondhand goods, or where any goods to which clause 3 or clause 7 of the Schedule applies, are sold by a retailer, the maximum price which may be charged therefor shall not incorporate a greater margin of profit on the into-store cost than that which the retailer was normally incorporating on similar goods as at 12 November 1970.

If any importer, manufacturer, or wholesaler has sold goods of any kind at an increased price on or before 14 February 1972, that increase may be passed on to the consumer by any person who has purchased the goods at the increased price.

The Minister may exempt any person from compliance, in whole or in part, with the provisions of the regulations, if he is satisfied that compliance by that person would result in a serious deterioration in the financial stability and viability of his business.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 14 February 1972.

These regulations are administered in the Department of Industries and Commerce.