

1982/195

**THE PRICE FREEZE REGULATIONS 1982,
AMENDMENT NO. 3**

DAVID BEATTIE, Governor-General

ORDER IN COUNCIL

At the Government House at Wellington this 20th day of August 1982

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.

ANALYSIS

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Title 2. Commencement and expiry 3. Interpretation 4. Control of prices 5. Recovery of imported costs by manufacturers, packers, or suppliers of services | <ol style="list-style-type: none"> 6. Recovery of import tendering premiums 7. Recovery by wholesalers, retailers, or other traders of increased prices 8. Hardship 9. Increased wage costs arising from new wage instruments, etc. 10. Alternative requirements |
|--|---|

REGULATIONS

1. Title—These regulations may be cited as the Price Freeze Regulations 1982, Amendment No. 3, and shall be read together with and deemed part of the Price Freeze Regulations 1982* (hereinafter referred to as the principal regulations).

2. Commencement and expiry—(1) These regulations shall come into force on the 21st day of August 1982.

(2) These regulations shall continue in force until the close of the 22nd day of June 1983, and shall then expire.

3. Interpretation—Regulation 3 (1) of the principal regulations is hereby amended by inserting, in their appropriate alphabetical order, the following definitions:

*S.R. 1982/142
Amendment No. 1: S.R. 1982/162
Amendment No. 2: S.R. 1982/188

“ ‘Instrument’ has the meaning given to it by regulation 3 of the Wage Freeze Regulations 1982:

“ ‘Remuneration’ has the meaning given to it by regulation 2 of the Wage Adjustment Regulations 1974:

“ ‘Sale’ includes—

“(a) In relation to any goods,—

“(i) A disposal of the goods under a hire purchase agreement; and

“(ii) Barter; and

“(iii) An agreement to dispose of the goods under a hire purchase agreement or to barter or to dispose of the goods in any other way for valuable consideration:

“(b) In relation to any services, an agreement to supply the services for valuable consideration;

and ‘sell’ and ‘sold’ have corresponding meanings.”.

4. Control of prices—(1) Regulation 4 (2) of the principal regulations is hereby amended by omitting the words “regulations 11 and 15”, and substituting the words “regulations 11, 11A, 11B, 12, and 15”.

(2) Regulation 4 of the principal regulations is hereby amended by adding the following subclause:

“(3) Subject to regulations 5 to 10 and regulations 11, 11A, 11B, 12, and 15 of these regulations, this regulation shall apply notwithstanding anything in any provision in any agreement of sale and purchase of any goods or services entered into before the date of the commencement of these regulations, under which an amount, in addition to the price at which goods or services were sold before that date, is to be paid to the seller or supplier upon any increase in cost to him or upon the happening of any other event or contingency.”

5. Recovery of imported costs by manufacturers, packers, or suppliers of services—Regulation 7 of the principal regulations is hereby amended by revoking subclause (1), and substituting the following subclause:

“(1) Notwithstanding anything in regulation 4 hereof, where any manufacturer, packer, or supplier of services,—

“(a) At any time after the commencement of these regulations, imports goods or purchases imported goods without change in form for use in the manufacture, packing, or supply, as the case may be, of any goods or services; and

“(b) The landed cost to him of those goods or the price at which he purchases those imported goods is higher than the last landed cost incurred by him in respect of goods of that kind or the price last paid by him for goods of that kind; and

“(c) Those imported goods at the higher landed cost or the higher price are used in the manufacture, packing, or supply of his goods or services,—

he may increase the maximum price under these regulations of those goods or services to the extent necessary and for such period as is necessary to recover the increased landed cost or the increased price of the imported goods.”

6. Recovery of import tendering premiums—The principal regulations are hereby amended by inserting, after regulation 8, the following regulation:

“8A. Nothing in these regulations prevents the recovery in the prices of any goods or services of any amount payable to the Crown, in relation to the goods sold, or supplied together with any services, under the import tendering scheme established by the Minister under regulation 9A of the Import Control Regulations 1973.”

7. Recovery by wholesalers, retailers, or other traders of increased prices—The principal regulations are hereby amended by revoking regulation 9, and substituting the following regulation:

“9. (1) Any manufacturer, packer, supplier of services, wholesaler, retailer, or other trader who purchases any goods or services which have increased in price to him, in accordance with any of the provisions of regulations 6, 7 (2), 8, and 8A of these regulations or of this regulation, may increase the maximum price of goods or services sold or supplied by him to the extent necessary to recover the increased price to him.

“(2) Every manufacturer, packer, wholesaler, or supplier of services who increases the price of any goods or services pursuant to any of the provisions of regulations 6 to 8A of these regulations or of this regulation shall give to every purchaser of those goods and services sold or supplied by him written advice of the amount by which he has increased the maximum price of those goods or services under these regulations and of the reason therefor.

“(3) Where any manufacturer has implemented an increase in the price of any goods before the commencement of these regulations, any wholesaler or retailer who purchases those goods at the increased price may increase his selling price of those goods to the extent necessary to recover the increased price of those goods to him.

“(4) Where any person implements, after the commencement of these regulations, an increase in the price of any goods or services (being an increase that results from an agreement of sale and purchase entered into before the commencement of these regulations), any wholesaler or retailer who purchases those goods or services at the increased price may increase his selling price of those goods or services to the extent necessary to recover the increased price of those goods or services to him.”

8. Hardship—Regulation 11 of the principal regulations is hereby amended by inserting, after subclause (4), the following subclause:

“(4A) The appropriate pricing authority may at any time amend or revoke any exemption given under subclause (1) of this regulation or amend or revoke any of the conditions subject to which any such exemption has been given.”

9. Increased wage costs arising from new wage instruments, etc.—The principal regulations are hereby amended by inserting, after regulation 11, the following regulation:

“11A. (1) In this regulation, the term ‘new wage instrument’ means—

“(a) An instrument to which regulation 6 (1) or regulation 6 (2) or regulation 6A (1) of the Wage Freeze Regulations 1982 applies:

“(b) An instrument or amendment to an instrument made at any time on or after the 1st day of June 1982 which lawfully—

“(i) Increases any rate of remuneration; or

“(ii) Provides for payment of any remuneration that is additional to remuneration lawfully payable on that date,—
whether or not the instrument or amendment, or any provision of the instrument or amendment relating to the rate of remuneration, comes into force before that date.

“(2) Where the appropriate pricing authority is satisfied that—

“(a) The cost of remuneration represents a very high proportion of the costs of—

“(i) The business or of any activity of the business of any person; or

“(ii) The businesses or of any activities of the businesses of any persons or any class or classes of persons; and

“(b) The increased or additional cost of remuneration lawfully payable under any new wage instrument should, by reason of the effect of that cost on the financial stability and economic viability of that business or those businesses, be recovered, in whole or in part, in the prices of goods or services of that person or those persons or that class or those classes of persons,—

the appropriate pricing authority may, for the purpose of authorising the recovery of the whole or any part of that increased or additional cost of remuneration, exercise any of the powers conferred by regulation 11 (1) of these regulations in relation to that person or those persons or that class or those classes of persons.

“(3) All the provisions of regulation 11 of these regulations, including subclause (2) of that regulation, shall, so far as applicable and subject to any necessary modifications, apply with respect to the exercise of the power conferred by subclause (1) of this regulation in the same manner as they apply to the exercise of the powers conferred by regulation 11 (1) of these regulations.”

10. Alternative requirements—The principal regulations are hereby amended by inserting, after regulation 11A (as inserted by regulation 9 of these regulations), the following regulation:

“11B. (1) Subject to subclause (2) of this regulation, where the Secretary is satisfied that compliance by any person or any class or classes of persons with any of the provisions of these regulations is or is likely to result in—

“(a) A serious anomaly in any of the selling prices of the goods or services of any person or of any class or classes of persons; or

“(b) Substantial practical difficulties for the conduct of the business, or of any activity of the business, of any person or of any class or classes of persons; or

“(c) Serious instability in or a serious impediment to the supply of any goods or services,—

the Secretary may grant a dispensation from compliance with that provision.

“(2) In no case shall the Secretary grant a dispensation from any provision that controls the prices of goods or services unless an alternative requirement is established (not inconsistent with the provisions of regulation 4 of these regulations) under which the prices of the goods or services, to which the dispensation relates, are controlled.

“(3) The Secretary may grant a dispensation, in whole or in part, and any dispensation may be limited in duration for such period and subject to such conditions as the Secretary in his discretion thinks fit.

“(4) Where the Secretary has granted any dispensation in accordance with this regulation, no person to whom that dispensation applies shall sell any goods or services to which that dispensation relates otherwise than in conformity with that dispensation.

“(5) The Secretary may at any time amend or revoke any dispensation granted under subclause (1) of this regulation or amend or revoke any of the conditions subject to which any such dispensation has been granted.”

P. G. MILLEN,
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, which come into force on 21 August 1982, amend the Price Freeze Regulations 1982. The amendments include—

- (a) The insertion of a new definition of the term “sale”. An agreement to sell is treated, by virtue of this definition, as a sale. Prices may be increased as a result of agreements to sell entered into before the commencement of the principal regulations on 23 June 1982 and any increases so resulting may be passed on. Escalation clauses in agreements are not however to be effective.
- (b) Provision for premiums paid under the import tendering scheme to be recovered in prices.
- (c) Provision for the recovery in prices, in certain cases, of wage increases lawfully effected by new wage instruments.
- (d) Provision for alternative requirements in cases of serious anomaly or impracticability.
- (e) Provision for the revocation or amendment of any exemptions granted under the principal regulations.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 20 August 1982.

These regulations are administered in the Department of Trade and Industry.