



# Competition Act 1980

## 1980 CHAPTER 21

An Act to abolish the Price Commission; to make provision for the control of anti-competitive practices in the supply and acquisition of goods and the supply and securing of services; to provide for references of certain public bodies and other persons to the Monopolies and Mergers Commission; to provide for the investigation of prices and charges by the Director General of Fair Trading; to provide for the making of grants to certain bodies; to amend and provide for the amendment of the Fair Trading Act 1973; to make amendments with respect to the Restrictive Trade Practices Act 1976; to repeal the remaining provisions of the Counter-Inflation Act 1973; and for purposes connected therewith. [3rd April 1980]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

### *Abolition of Price Commission*

#### **1 Abolition of Price Commission**

- (1) At the expiry of the winding-up period specified in subsection (2) below the Price Commission shall cease to exist and, during that period, the Commission shall exercise their functions solely in accordance with directions given to them by the Secretary of State with a view to bringing the activities of the Commission to an end at or before the expiry of that period.
- (2) In this Act "the winding-up period" means the period beginning on the appointed day and ending on the thirtieth day after the appointed day or on such later date as the Secretary of State may specify by order.
- (3) The provisions of Schedule 1 to this Act shall have effect in connection with the dissolution of the Price Commission and, subject to the provisions of that Schedule—

- (a) any rights or obligations of the Price Commission which remain in existence immediately before the expiry of the winding-up period and any property held by the Commission at that time shall, on the expiry of that period, become rights, obligations and property of the Secretary of State ; and
- (b) after the expiry of the winding-up period, anything which, apart from subsection (1) above, would be required or permitted to be done by or to the Price Commission shall or may be done by or to the Secretary of State.

*Control of anti-competitive practices*

**2 Anti-competitive practices**

- (1) The provisions of sections 3 to 10 below have effect with a view to the control of anti-competitive practices, and for the purposes of this Act a person engages in an anti-competitive practice if, in the course of business, that person pursues a course of conduct which, of itself or when taken together with a course of conduct pursued by persons associated with him, has or is intended to have or is likely to have the effect of restricting, distorting or preventing competition in connection with the production, supply or acquisition of goods in the United Kingdom or any part of it or the supply or securing of services in the United Kingdom or any part of it.
- (2) To the extent that a course of conduct is required or envisaged by a material provision of, or a material recommendation in, an agreement which is registered or subject to registration under the Restrictive Trade Practices Act 1976, that course of conduct shall not be regarded as constituting an anti-competitive practice for the purposes of this Act; and for the purposes of this subsection—
  - (a) a provision of an agreement is a material provision if, by virtue of the existence of the provision (taken alone or together with other provisions) the agreement is one to which that Act applies ; and
  - (b) a recommendation is a material recommendation in an agreement if it is one to which a term implied into the agreement by any provision of section 8 or section 16 of that Act (terms implied into trade association agreements and services supply association agreements) applies.
- (3) For the purposes of this Act, a course of conduct does not constitute an anti-competitive practice if it is excluded for those purposes by an order made by the Secretary of State; and any such order may limit the exclusion conferred by it by reference to a particular class of persons or to particular circumstances.
- (4) Without prejudice to the generality of subsection (3) above, an order under that subsection may exclude the conduct of any person by reference to the size of his business, whether expressed by reference to turnover, as defined in the order, or to his share of a market, as so defined, or in any other manner.
- (5) For the purpose only of enabling the Director General of Fair Trading (in this Act referred to as " the Director") to establish whether any person's course of conduct is excluded by virtue of any such provision of an order under subsection (3) above as is referred to in subsection (4) above, the order may provide for the application, with appropriate modifications, of any provisions of sections 44 and 46 of the Fair Trading Act 1973 (power of Director to require information).
- (6) For the purposes of this section any two persons are to be treated as associated—

- (a) if one is a body corporate of which the other directly or indirectly has control either alone or with other members of a group of interconnected bodies corporate of which he is a member, or
- (b) if both are bodies corporate of which one and the same person or group of persons directly or indirectly has control;

and for the purposes of this subsection a person or group of persons able directly or indirectly to control or materially to influence the policy of a body corporate, but without having a controlling interest in that body corporate, may be treated as having control of it.

- (7) In this section " the supply or securing of services " includes providing a place or securing that a place is provided other than on a highway, or in Scotland a public right of way, for the parking of a motor vehicle (within the meaning of the Road Traffic Act 1972).
- (8) For the purposes of this Act any question whether, by pursuing any course of conduct in connection with the acquisition of goods or the securing of services by it, a local authority is engaging in an anti-competitive practice shall be determined as if the words "in the course of business" were omitted from subsection (1) above; and in this subsection " local authority " means—
  - (a) in England and Wales, a local authority within the meaning of the Local Government Act 1972, the Common Council of the City of London or the Council of the Isles of Scilly,
  - (b) in Scotland, a local authority within the meaning of the Local Government (Scotland) Act 1973, and
  - (c) in Northern Ireland, a district council established under the Local Government Act (Northern Ireland) 1972.

### **3 Preliminary investigation by Director of possible anticompetitive practice**

- (1) If it appears to the Director that any person has been or is pursuing a course of conduct which may amount to an anti-competitive practice, the Director may in accordance with this section carry out an investigation with a view to establishing whether that person has been or is pursuing a course of conduct which does amount to such a practice.
- (2) Before carrying out an investigation under this section, the Director shall—
  - (a) give to the Secretary of State and the person or persons whose conduct is to be investigated notice of the proposed investigation, together with an indication of the matters to be investigated, the person or persons concerned and the goods or services to which the investigation is to relate; and
  - (b) arrange for notice of the proposed investigation, together with an indication of the matters to be investigated, the person or persons concerned and the goods or services to which the investigation is to relate, to be published in such manner as the Director considers most suitable for bringing the proposed investigation to the attention of any other persons who, in the opinion of the Director, would be affected by or be likely to have an interest in the investigation.
- (3) The Secretary of State may by regulations prescribe the manner in which any notice is to be given under subsection (2) above, and the evidence which is to be sufficient evidence of its having been given, and of its contents and authenticity.

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- (4) Subject to the following provisions of this section, where notice of a proposed investigation has been given in accordance with paragraph (a) and published in accordance with paragraph (b) of subsection (2) above, the Director shall proceed with the investigation as expeditiously as possible.
- (5) If, before the end of the period of two weeks beginning with the day on which the Secretary of State receives notice of a proposed investigation under paragraph (a) of subsection (2) above, the Secretary of State directs the Director not to proceed with the investigation the Director shall take no further action under this section with respect to the matters referred to in the notice ; but nothing in this subsection shall prevent the Director from proceeding with a subsequent investigation, notwithstanding that it relates wholly or partly to the same matters.
- (6) Where the Secretary of State gives a direction under subsection (5) above, he shall—
- (a) give notice of the direction to the person or persons whose conduct was to be investigated; and
  - (b) arrange for the direction to be published in such manner as he considers most suitable for bringing it to the attention of any other person who, in his opinion, would have been affected by, or likely to have had an interest in, the direction.
- (7) For the purposes of an investigation under this section the Director may, by notice in writing signed by him—
- (a) require any person to produce, at a time and place specified in the notice, to the Director or to any person appointed by him for the purpose, any documents which are specified or described in the notice and which are documents in his custody or under his control and relating to any matter relevant to the investigation ; or
  - (b) require any person carrying on any business to furnish to the Director such estimates, returns or other information as may be specified or described in the notice, and specify the time, the manner and the form in which any such estimates, returns or information are to be furnished;
- but no person shall be compelled for the purpose of any such investigation to produce any document which he could not be compelled to produce in civil proceedings before the High Court or, in Scotland, the Court of Session or, in complying with any requirement for the furnishing of information, to give any information which he could not be compelled to give in evidence in such proceedings.
- (8) Subsections (5) to (8) of section 85 of the Fair Trading Act 1973 (enforcement provisions relating to notices under subsection (1) of that section requiring production of documents etc.) shall apply in relation to a notice under subsection (7) above as they apply in relation to a notice under subsection (1) of that section.
- (9) At any time before the completion of an investigation under this section the Director may, with the consent of the Secretary of State, determine not to proceed with the investigation and, in that event, he shall—
- (a) give notice of his determination to the person or persons whose conduct was being investigated; and
  - (b) arrange for the determination to be published in such manner as he considers most suitable for bringing it to the attention of any other person who, in his opinion, would have been affected by, or likely to have had an interest in, the investigation.

- (10) As soon as practicable after the completion of an investigation under this section the Director shall, in such manner as he considers appropriate, publish a report stating, with reasons, whether in his opinion any course of conduct described in the report constituted or constitutes an anti-competitive practice and, if so—
- (a) specifying the person or persons concerned and the goods or services in question ; and
  - (b) stating, with reasons, whether he considers that it is appropriate for him to make a reference under section 5 below.

#### **4 Undertakings in consequence of Director's reports**

- (1) Where a report is published under section 3 above stating, in accordance with subsection (10)(b) of that section, that it is appropriate for the Director to make a reference under section 5 below, the Director shall consider any representations in writing which are made to him by a person specified in the report as a person who was or is engaged in an anti-competitive practice and which contain proposals as to what should be done in consequence of the conclusions of the report so far as they relate to that person.
- (2) Any such representations may include an undertaking by which the person who makes the representations agrees to be bound, if the undertaking is accepted by the Director, for a period specified in the representations.
- (3) At any time before the Director makes a reference under section 5 below in relation to a report under section 3 above, the Director may, by notice given to the person concerned, accept an undertaking which is offered by that person by reference to that report.
- (4) It shall be the duty of the Director—
- (a) to arrange for any undertaking accepted by him under this section to be published in such manner as appears to him to be appropriate,
  - (b) to keep under review the carrying out of any such undertaking and from time to time to consider whether, by reason of any change of circumstances, the undertaking is no longer appropriate and either the person concerned can be released from the undertaking or the undertaking needs to be varied or superseded by a new undertaking, and
  - (c) if it appears to him that the person by whom an undertaking was given has failed to carry it out, to give that person notice of that fact.
- (5) If at any time the Director concludes under subsection (4)(b) above—
- (a) that any person can be released from an undertaking, or
  - (b) that an undertaking needs to be varied or superseded by a new undertaking,
- he shall give notice to that person stating that he is so released, or specifying the variation or, as the case may be, the new undertaking which in his opinion is required.
- (6) Where a notice is served on any person under subsection (5) above specifying a variation or new undertaking, the notice shall state the change of circumstances by virtue of which the notice is served.
- (7) Subject to subsection (8) below, the Director may at any time, by notice given to the person concerned—

- (a) agree to the continuation of an undertaking in relation to which he has given notice under subsection (5) above specifying a variation or new undertaking, or
  - (b) accept a new or varied undertaking which is offered by that person as a result of such a notice.
- (8) If the Director makes a reference under section 5 below in relation to a notice under subsection (5) above, he shall not, after the reference has been made, agree to the continuation of the undertaking in relation to which that notice was given or accept a new or varied undertaking which is offered as a result of that notice.
- (9) The Secretary of State may by regulations prescribe the manner in which any notice is to be given under this section, and the evidence which is to be sufficient evidence of its having been given, and of its contents and authenticity.

## **5 Competition references**

- (1) In any case where—
- (a) a report has been published under section 3 above stating, in accordance with subsection (10) (b) of that section, that it is appropriate for the Director to make a reference under this section and the Director has not accepted from each of the persons specified in the relevant report such undertaking or undertakings as, in his opinion, covers or cover every course of conduct which is described in the report as constituting an anti-competitive practice, or
  - (b) the Director has given notice to any person under section 4(4)(c) above with respect to an undertaking given by that person, or
  - (c) the Director has given notice to any person under section 4(5) above specifying either a variation of an undertaking or a new undertaking which is required and has neither accepted a new or varied undertaking from that person nor agreed upon the continuation of the original undertaking,
- then, subject to the following provisions of this section, the Director may make a reference under this section to the Monopolies and Mergers Commission (in the following provisions of this Act referred to as a " competition reference ").
- (2) In this section a competition reference is referred to—
- (a) as a "report reference" if it is made by virtue of subsection (1)(a) above ; and
  - (b) as a " notice reference" if it is made by virtue of subsection (1)(b) or subsection (1)(c) above.
- (3) No competition reference may be made within the period of four weeks beginning with the relevant date nor, subject to subsection (4) below, may such a reference be made after the expiry of the period of eight weeks beginning on that date; and in this subsection " the relevant date " means—
- (a) in the case of a report reference, the date on which was first published, in accordance with section 3(10) above, the report of the Director to which the reference relates; and
  - (b) in the case of a notice reference, the date on which notice was given as mentioned in subsection (1)(b) or, as the case may be, subsection (1)(c) above.
- (4) If the Secretary of State so directs, subsection (3) above shall have effect in relation to a competition reference of a description specified in the direction as if for the period of eight weeks specified in that subsection there were substituted such longer period not exceeding twelve weeks as may be specified in the direction; but the Secretary of State

shall not give a direction under this subsection unless, upon representations made to him by the Director, it appears to the Secretary of State that it would be appropriate in the case in question to allow the Director a longer period in which to negotiate one or more undertakings under section 4 above.

- (5) In this section and section 6 below " the relevant report" means—
- (a) in the case of a report reference, the report referred to in subsection (1)(a) above ;
  - (b) in the case of a notice reference made by virtue of subsection (1)(b) above, the report by reference to which the person to whom the notice was given under section 4(4)(c) above gave the undertaking to which that notice refers; and
  - (c) in the case of a notice reference made by virtue of subsection (1)(c) above, the report by reference to which the person to whom the notice was given under section 4(5) above gave the undertaking which the Director proposes should be varied or superseded.

## **6 Scope of competition references**

- (1) In a competition reference the Director shall specify—
- (a) the person or persons whose activities are to be investigated by the Commission (in this section referred to as the person or persons " subject to the reference " ),
  - (b) the goods or services to which the investigation is to extend, and
  - (c) the course or courses of conduct to be investigated.
- (2) The Director may not under subsection (1) above specify in a competition reference any person who is not specified in the relevant report nor any goods or services which are not so specified nor any course of conduct which is not described in that report but, subject to that and subsection (3) below, the Director may under subsection (1) above specify such person or persons, such goods or services and such course or courses of conduct as he considers appropriate.
- (3) To the extent that the Director is of the opinion that an undertaking accepted by him under section 4 above covers the activities of any person specified in the relevant report, or any goods or services so specified, or any course of conduct described in that report, the Director shall exclude that person, those goods or services or, as the case may require, that course of conduct from the reference.
- (4) In subsection (3) above the reference to an undertaking accepted by the Director under section 4 above does not include—
- (a) an undertaking in respect of which notice has been served under subsection (4) (c) of that section, or
  - (b) an undertaking in respect of which the Director has given notice under subsection (5)(b) of that section specifying a new or varied undertaking, unless he has agreed upon its continuation with or without variation.
- (5) Subject to subsection (6) below, on a competition reference the Commission shall investigate and report on the following questions, namely—
- (a) whether any person subject to the reference was at any time during the period of twelve months ending on the date of the reference pursuing, in relation to goods or services specified in the reference, a course of conduct so specified or any other course of conduct which appears to be similar in form and effect to the one so specified; and

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- (b) whether, by pursuing any such course of conduct, a person subject to the reference was at any time during that period engaging in an anti-competitive practice; and
  - (c) whether, if any person was so engaging in an anti competitive practice, the practice operated or might be expected to operate against the public interest.
- (6) The Director may at any time, by notice given to the Commission, restrict the scope of a competition reference by excluding from the reference—
- (a) some or all of the activities of any person subject to the reference,
  - (b) any goods or services specified in the reference, or
  - (c) any course of conduct so specified,
- and, subject to section 7 below, on the receipt of such notice the Commission shall discontinue their investigation so far as it relates to any matter so excluded and shall make no reference to any such matter in their report.

## **7 Supplementary provisions as to competition references**

- (1) On making a competition reference or on varying such a reference under section 6(6) above the Director shall send a copy of the reference or, as the case may be, the variation to the Secretary of State.
- (2) If, before the end of the period of two weeks beginning with the day on which the Secretary of State receives a copy of a competition reference under subsection (1) above, the Secretary of State directs the Commission not to proceed with the reference—
  - (a) the Commission shall not proceed with that reference, but
  - (b) nothing in paragraph (a) above shall prevent the Commission from proceeding with a subsequent competition reference, notwithstanding that it relates wholly or partly to the same matters.
- (3) If, before the end of the period of two weeks beginning with the day on which the Secretary of State receives a copy of a variation of a competition reference under subsection (1) above, the Secretary of State directs the Commission not to give effect to the variation—
  - (a) the Commission shall proceed with the reference as if that variation had not been made, but
  - (b) nothing in paragraph (a) above shall prevent the Commission from giving effect to any subsequent variation, notwithstanding that it relates wholly or partly to the matters to which that variation related.
- (4) On making a competition reference or on varying such a reference under section 6(6) above the Director shall arrange for the reference or, as the case may be, the variation to be published in such manner as he considers most suitable for bringing it to the attention of persons who, in his opinion, would be affected by it or be likely to have an interest in it.
- (5) Where the Secretary of State gives a direction under subsection (2) or subsection (3) above, the Secretary of State shall arrange for the direction to be published in such manner as he considers most suitable for bringing it to the attention of persons who, in his opinion, would have been affected by, or likely to have had an interest in, the reference or variation to which the direction relates.



- (6) Sections 70 (time limit for report on merger reference), 84 (public interest) and 85 (attendance of witnesses and production of documents) of the Fair Trading Act 1973 and Part II of Schedule 3 to that Act (performance of functions of Commission) shall apply in relation to competition references as if—
- (a) the functions of the Commission in relation to those references were functions under that Act;
  - (b) the expression "merger reference" included a competition reference;
  - (c) in paragraph 11 of that Schedule the reference to section 71 of that Act were a reference to section 6(6) above; and
  - (d) in paragraph 16(2) of that Schedule the reference to section 56 of that Act were a reference to sections 9 and 10 below.

## **8 Conclusions and reports of the Commission**

- (1) A report of the Commission on a competition reference shall be made to the Secretary of State.
- (2) Subject to section 6(6) above and subsection (3) below, a report on a competition reference shall state, with reasons, the conclusions of the Commission with respect to the following matters—
  - (a) whether any person whose activities were investigated was at any time during the period of twelve months referred to in paragraph (a) of subsection (5) of section 6 above pursuing any such course of conduct as is referred to in that paragraph ; and
  - (b) if so, whether by pursuing such a course of conduct any such person was at any time during that period engaging in an anti-competitive practice; and
  - (c) if so, whether that anti-competitive practice operated or might be expected to operate against the public interest; and
  - (d) if so, what are, or are likely to be, the effects adverse to the public interest.
- (3) If, on a competition reference, the Commission conclude that any person was pursuing such a course of conduct as is referred to in section 6(5)(a) above but that, by virtue of section 2(2) above, that course of conduct does not, in whole or in part, constitute an anti-competitive practice, the Commission shall state their conclusion in their report and shall not make any recommendation under subsection (4) below with respect to things done as mentioned in section 2(2) above.
- (4) If, on a competition reference, the Commission conclude that any person was at any time during the period of twelve months referred to in section 6(5)(a) above engaging in an anti-competitive practice which operated or might be expected to operate against the public interest, the Commission—
  - (a) shall, as part of their investigations, consider what action (if any) should be taken for the purpose of remedying or preventing the adverse effects of that practice ; and
  - (b) may, if they think fit, include in their report recommendations as to such action including, where appropriate, action by one or more Ministers (including Northern Ireland departments) or other public authorities.
- (5) A copy of every report of the Commission on a competition reference shall be transmitted by the Commission to the Director; and the Secretary of State shall take account of any advice given to him by the Director with respect to any such report.

## 9 Undertakings following report on competition reference

(1) In any case where—

- (a) the report of the Commission on a competition reference concludes that any person specified in the report was engaging in an anti-competitive practice which operated or might be expected to operate against the public interest, and
- (b) it appears to the Secretary of State that the effects of that practice which are adverse to the public interest might be remedied or prevented if that person or any other person specified in the report took or refrained from taking any action,

the Secretary of State may by notice in writing request the Director to seek to obtain from the person or, as the case may be, each of the persons specified in the notice an undertaking to take or refrain from taking any action with a view to remedying or preventing those adverse effects.

(2) Where the Secretary of State makes a request under subsection (1) above—

- (a) he shall at the same time send a copy of the notice by which the request is made to the person or, as the case may be, each of the persons from whom an undertaking is to be sought; and
- (b) it shall be the duty of the Director to seek to obtain an undertaking or undertakings of the description requested.

(3) In any case where—

- (a) the Director is satisfied that a person from whom he has been requested to seek to obtain an undertaking is unlikely to give a suitable undertaking within a reasonable time, or
- (b) having allowed such time as in his opinion is reasonable for the purpose, he is satisfied that a suitable undertaking has not been given by the person in question,

the Director shall give such advice to the Secretary of State as he may think proper in the circumstances.

(4) Where, following a request under subsection (1) above, an undertaking has been accepted by the Director, it shall be his duty—

- (a) to give a copy of the undertaking to the Secretary of State;
- (b) to arrange for the undertaking to be published in such manner as appears to him to be appropriate;
- (c) to keep under review the carrying out of the undertaking and from time to time to consider whether, by reason of any change of circumstances, the undertaking is no longer appropriate and either the person concerned can be released from the undertaking or the undertaking needs to be varied or to be superseded by a new undertaking ; and
- (d) if it appears to him that any person can be so released or that an undertaking has not been or is not being fulfilled, or needs to be varied or superseded, to give such advice to the Secretary of State as he may think proper in the circumstances.

(5) If, following advice from the Director that a person can be released from an undertaking, the Secretary of State considers that it is appropriate for the Director to release him from it—

- (a) the Secretary of State shall request the Director to do so, and

(b) the Director shall give the person concerned notice that he is released from the undertaking ;

and regulations under subsection (9) of section 4 above shall apply in relation to such a notice as they apply to a notice under subsection (5) of that section.

(6) The Secretary of State shall take account of any advice given to him by the Director under this section (including advice as to the exercise by the Secretary of State of any of his powers under this Act).

## **10 Orders following report on competition reference**

(1) If, in any case where the report of the Commission on a competition reference concludes that any person specified in the report was engaged in an anti-competitive practice which operated or might be expected to operate against the public interest—

- (a) the Secretary of State has not under section 9(1) above requested the Director to seek to obtain undertakings from one or more of the persons so specified, or
- (b) following a request under subsection (1) of section 9 above, the Director has informed the Secretary of State that he is satisfied as mentioned in paragraph (a) or paragraph (b) of subsection (3) of that section, or
- (c) the Director has informed the Secretary of State that an undertaking accepted by him under section 9 above from a person specified in the report has not been or is not being fulfilled,

the Secretary of State may, if he thinks fit, make an order under this section.

(2) Subject to the following provisions of this section, an order under this section may do either or both of the following, that is to say—

- (a) prohibit a person named in the order from engaging in any anti-competitive practice which was specified in the report or from pursuing any other course of conduct which is similar in form and effect to that practice; and
- (b) for the purpose of remedying or preventing any adverse effects which are specified in the report as mentioned in section S(2)(d) above, exercise one or more of the powers specified in Part I of Schedule 8 to the Fair Trading Act 1973 to such extent and in such manner as the Secretary of State considers necessary for that purpose.

(3) No order may be made by virtue of paragraph (a) of subsection (2) above in respect of any person unless he is a person specified in the Commission's report and either—

- (a) he has not given an undertaking which the Director sought to obtain from him in pursuance of a request under section 9(1) above ; or
- (b) the Director was not requested under section 9(1) above to seek to obtain an undertaking from him; or
- (c) the Director has informed the Secretary of State that an undertaking given by him and accepted by the Director under section 9 above has not been or is not being fulfilled.

(4) In the Fair Trading Act 1973—

- (a) section 90 (general provisions as to orders under section 56 etc.) except subsection (2),
- (b) section 91(2) (publication of proposals to make an order),
- (c) . section 93 (enforcement of certain orders), and
- (d) Part I of Schedule 8 (powers exercisable by orders under section 56 etc.),

shall have effect as if any reference in those provisions to an order under section 56 of that Act included a reference to an order under this section.

*Further references and investigations*

**11 References of public bodies and certain other persons to the Commission**

- (1) The Secretary of State may at any time refer to the Commission any question relating to—
- (a) the efficiency and costs of,
  - (b) the service provided by, or
  - (c) possible abuse of a monopoly situation by,
- a person falling within subsection (3) below and specified in the reference, including any question whether, in relation to a matter falling within paragraph (a), (b) or (c) above, the person is pursuing a course of conduct which operates against the public interest.
- (2) For the purposes of subsection (1)(c) above "monopoly situation " includes a monopoly situation which is limited to a part of the United Kingdom and, accordingly, for those purposes references to the United Kingdom in sections 6 and 7 of the Fair Trading Act 1973 shall be taken to include references to a part of the United Kingdom.
- (3) The persons referred to in subsection (1) above are—
- (a) any body corporate—
    - (i) which supplies goods or services by way of business,
    - (ii) the affairs of which are managed by its members, and
    - (iii) the members of which hold office as such by virtue of their appointment to that or another office by a Minister under any enactment; or
  - (b) any person (not falling within paragraph (a) above) who provides a bus service, within the meaning of the Transport Act 1968 or the Finance Act (Northern Ireland) 1966, or a London bus service, within the meaning of the Transport (London) Act 1969 ; or
  - (c) any statutory water undertaker, within the meaning of the Water Act 1973 ; or
  - (d) any board administering a scheme under the Agricultural Marketing Act 1958 or the Agricultural Marketing Act (Northern Ireland) 1964 ; or
  - (e) any body corporate with a statutory duty to promote and assist the maintenance and development of the efficient supply of any goods or services by a body falling within paragraphs (a) to (d) above ; or
  - (f) any subsidiary, within the meaning of the Companies Act 1948, of a body falling within paragraphs (a) to (e) above.
- (4) The Secretary of State may by order exclude from subsection (3)(b) above persons of such descriptions as may be specified in the order.
- (5) No question concerning a person falling within subsection (3)(b) above or a subsidiary of a body falling within that subsection may be referred to the Commission under this section unless it relates to the carriage of passengers by the person or, as the case may be, the subsidiary.

- (6) The Secretary of State may at any time by notice given to the Commission vary a reference under this section.
- (7) On making a reference under this section or on varying such a reference under subsection (6) above the Secretary of State shall arrange for the reference or, as the case may be, the variation to be published in such manner as he considers most suitable for bringing it to the attention of persons who in his opinion would be affected by it or be likely to have an interest in it.
- (8) On a reference under this section the Commission shall investigate and report on any question referred to them but shall exclude from their investigation and report consideration of—
  - (a) any question relating to the appropriateness of any financial obligations or guidance as to financial objectives (however expressed) imposed on or given to the person in question by or under any enactment, or otherwise by a Minister; and
  - (b) the question whether any course of conduct required or envisaged as mentioned in section 2(2) above operates against the public interest.
- (9) Sections 70 (time limit for report on merger reference), 84 (public interest) and 85 (attendance of witnesses and production of documents) of the Fair Trading Act 1973 and Part II of Schedule 3 to that Act (performance of functions of Commission) shall apply in relation to a reference under this section as if—
  - (a) the functions of the Commission under this section were functions under that Act;
  - (b) the expression "merger reference" included a reference to the Commission under this section ;
  - (c) in paragraph 11 of that Schedule, the reference to section 71 of that Act were a reference to subsection (6) above; and
  - (d) in paragraph 16(2) of that Schedule, the reference to section 56 of that Act were a reference to section 12 below.
- (10) A report of the Commission on a reference under this section shall be made to the Secretary of State and shall state, with reasons, the conclusions of the Commission with respect to any question referred to them and, where the Commission conclude that the person specified in the reference is pursuing a course of conduct which operates against the public interest, the report may include recommendations as to what action (if any) should be taken by the person for the purpose of remedying or preventing what the Commission consider are the adverse effects of that course of conduct.
- (11) In this section "Minister" includes a Northern Ireland department and the head of such a department.

## **12 Orders following report under section 11**

- (1) This section applies where a report of the Commission on a reference under section 11 above concludes that the person specified in the reference is pursuing a course of conduct which operates against the public interest.
- (2) If it appears to the Secretary of State that any other Minister has functions directly relating to the person specified in the reference or, in the case of a reference only concerning the activities of the person in a part of the United Kingdom, functions directly relating to the person in respect of his activities in that part, he shall send a copy

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of the report of the Commission on the reference to that Minister; and in subsection (3) below " the relevant Minister " means—

- (a) in a case where it appears to the Secretary of State that any Minister (including himself) has such functions, that Minister, and
- (b) in a case where it appears to the Secretary of State that no Minister has such functions, the Secretary of State.

(3) If—

- (a) the relevant Minister considers it appropriate for the purpose of remedying or preventing what he considers are the adverse effects of the course of conduct specified in the report of the Commission as operating against the public interest, and
- (b) the person specified in the reference does not fall within paragraph (d) of section 11(3) above and is not a subsidiary of a body falling within that paragraph,

he may by order direct the person to prepare within such time, if any, as may be specified in the order a plan for remedying or preventing such of those effects as are so specified; but where there is more than one relevant Minister no such order shall be made except by all the relevant Ministers acting jointly and where none of the relevant Ministers is the Secretary of State no such order shall be made except after consultation with him.

- (4) It shall be the duty of a person to whom a direction is given under subsection (3) above to prepare such a plan as is mentioned in that subsection and to send a copy of that plan to the Minister or Ministers by whom the order containing the direction was made who shall lay it before Parliament; and, in a case where the plan involves the use by a body of its powers in relation to any subsidiary within the meaning of the Companies Act 1948, the plan shall specify the manner in which the body proposes using those powers.
- (5) Whether or not an order has been or may be made under subsection (3) above, the Secretary of State may, if he considers it appropriate for the purpose of remedying or preventing what he considers are the adverse effects of the course of conduct specified in the report of the Commission as operating against the public interest, by order exercise one or more of the powers specified in Part I, excluding paragraph 10, of Schedule 8 to the Fair Trading Act 1973, to such extent and in such manner as he considers appropriate.
- (6) In the Fair Trading Act 1973—
  - (a) section 90 (general provisions as to orders under section 56 etc.) except subsections (2) and (3),
  - (b) section 91(2) (publication of proposals to make an order),
  - (c) section 93 (enforcement of certain orders), and
  - (d) Part I (except paragraph 10) of Schedule 8 (powers exercisable by orders under section 56 etc.),
 shall have effect as if any reference in those provisions to an order under section 56 of that Act included a reference to an order under subsection (5) above.

### **13 Investigations of prices directed by Secretary of State**

- (1) If so directed by the Secretary of State, the Director shall carry out an investigation into any price specified in the direction with a view to providing the Secretary of State

with information of a description so specified relating to that price: but the giving of a direction under this section shall not affect the power of the Director to initiate an investigation under section 3 above (subject to subsection (5) of that section) into a course of conduct pursued by any person by or to whom the price specified in the direction is charged.

- (2) The Secretary of State shall not give a direction under this section unless he is satisfied that the price in question is one of major public concern and, in this connection, he shall have regard to whether—
  - (a) the provision or acquisition of the goods or services in question is of general economic importance; or
  - (b) consumers are significantly affected, whether directly or indirectly, by the price.
- (3) The Secretary of State may at any time vary or revoke a direction given under this section, but he shall not exercise his power to vary such a direction unless he is satisfied that the direction as proposed to be varied would be such as he could have given, having regard to subsection (2) above.
- (4) On giving a direction under this section or on varying or revoking such a direction, the Secretary of State shall arrange for the direction, variation or revocation to be published in such manner as he considers most suitable for bringing it to the attention of persons who, in his opinion, would be affected by, or be likely to have an interest in, the investigation to which the direction, variation or revocation relates.
- (5) A direction under this section shall specify a period within which the Director is to report on his investigation to the Secretary of State, and, before the expiry of the period specified in the direction (whether as originally given or as varied under subsection (3) above), the Director shall make a report on the investigation to the Secretary of State—
  - (a) stating his findings of fact which are material to the information which he is required to provide in accordance with the direction ; and
  - (b) containing such additional observations (if any) as the Director considers should be brought to the attention of the Secretary of State as a result of the investigation.
- (6) Subsections (7) and (8) of section 3 above shall have effect in relation to an investigation under this section as they have effect in relation to an investigation under that section.

### *Patents and agricultural schemes*

## **14 Applications by Crown concerning patents**

- (1) After subsection (2) of section 51 of the Patents Act 1977 (application by Crown in cases of monopoly or merger) there shall be inserted the following subsection: —

“(2A) Where—

  - (a) on a reference under section 5 of the Competition Act 1980, a report of the Commission, as laid before Parliament, contains conclusions to the effect that—
    - (i) any person was engaged in an anti-competitive practice in relation to a description of goods which consist of or include

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- patented products or in relation to a description of services in which a patented product or process is used, and
- (ii) that practice operated or might be expected to operate against the public interest; or
- (b) on a reference under section 11 of that Act, such a report contains conclusions to the effect that—
- (i) any person is pursuing a course of conduct in relation to such a description of goods or services, and
- (ii) that course of conduct operates against the public interest,
- the appropriate Minister or Ministers may, subject to subsection (3) below, apply to the comptroller for relief under subsection (5A) below in respect of the patent.”.
- (2) In subsection (3) of that section (publication of details of proposed applications under subsection (1) or (2) of that section) for the words " subsection (1) or (2)" there shall be substituted the words " subsection (1). (2) or (2A) ".
- (3) After subsection (5) of that section there shall be inserted the following subsection: —
- “(5A) If on an application under subsection (2A) above it appears to the comptroller that the practice or course of conduct in question involved or involves the imposition of any such condition as is mentioned in paragraph (a) of subsection (4) above or such a refusal as is mentioned in paragraph (b) of that subsection, the comptroller may by order cancel or modify any such condition or may, instead or in addition, make an entry in the register to the effect that licences under the patent are to be available as of right”.

## **15 Agricultural schemes: special provisions**

- (1) In subsection (1) of section 19A of the Agricultural Marketing Act 1958 (power of Minister to make orders under section 19 of that Act where report of Commission on monopoly reference contains certain conclusions) after the words " Fair Trading Act 1973 " there shall be inserted the words " or section 8 or 11 of the Competition Act 1980 ".
- (2) The Secretary of State shall not—
- (a) give a direction under subsection (5) of section 3 above or a consent under subsection (9) of that section in relation to an investigation under that section, or
- (b) give a direction under section 7(2) or (3) above in relation to a competition reference, or
- (c) make or vary a reference under section 11 above,
- in a case where the person to whom or to whose conduct or activities the investigation or reference relates falls within section 11(3)(d) above unless he has first consulted the relevant Minister.
- (3) Where the report of the Commission on a competition reference concludes that a board administering a scheme under the said Act of 1958 or the Agricultural Marketing Act (Northern Ireland) 1964 was engaging in an anti-competitive practice which operated or might be expected to operate against the public interest, the Secretary of State shall not exercise any function under section 9 above except acting jointly with the relevant Minister and, in its application in such a case, section 9 above shall have effect as if the



references in it to the Secretary of State (except the second reference in subsection (6)) were references to both the Secretary of State and the relevant Minister.

- (4) Before carrying out an investigation under section 3 above into any course of conduct being pursued by a person falling within section 11(3)(d) above the Director shall give notice as required by section 3 (2) (a) above also to the relevant Minister and on making any competition reference arising from that investigation or varying such a reference under section 6(6) above the Director shall send a copy of the reference or, as the case may be, the variation to the relevant Minister.
- (5) In this section " the relevant Minister " means—
  - (a) in the case of a board administering a scheme under the said Act of 1958, the Minister who would have power to make an order under section 19 of that Act in relation to that board or the board administering that scheme, and
  - (b) in the case of a board administering a scheme under the said Act of 1964, the Department of Agriculture for Northern Ireland.

*General provisions about references and investigations*

## **16 General provisions as to reports**

- (1) In making any report under this Act the Commission or the Director shall have regard to the need for excluding, so far as that is practicable—
  - (a) any matter which relates to the private affairs of an individual, where the publication of that matter would or might, in the opinion of the Commission or the Director, as the case may be, seriously and prejudicially affect the interests of that individual, and
  - (b) any matter which relates specifically to the affairs of a body of persons, whether corporate or unincorporate, where publication of that matter would or might, in the opinion of the Commission or the Director, as the case may be, seriously and prejudicially affect the interests of that body, unless in the opinion of the Commission or the Director, as the case may be, the inclusion of that matter relating specifically to that body is necessary for the purposes of the report.
- (2) For the purposes of the law relating to defamation, absolute privilege shall attach to any report of the Commission or of the Director under this Act.

## **17 Laying before Parliament and publication of reports**

- (1) Subject to subsection (2) below, the Secretary of State shall lay a copy of any report made to him under section 8(1), 11(10) or 13(5) above before each House of Parliament and shall arrange for the report to be published in such manner as appears to him appropriate.
- (2) The Secretary of State shall not lay a copy of a report made to him under section 8(1) or 11(10) above before either House of Parliament unless at least twenty-four hours before doing so he has transmitted to every person specified in the reference a copy of the report in the form in which it is laid (or by virtue of subsection (3) below is treated as being laid) before each House of Parliament.
- (3) If a report made to him under section 8(1), 11(10) or 13(5) above is presented by command of Her Majesty to either House of Parliament otherwise than at or during the

time of a sitting of that House, the presentation of the report shall for the purposes of this section be treated as the laying of a copy of it before that House by the Secretary of State.

- (4) If it appears to the Secretary of State that the publication of any matter in a report made to him under section 8(1), 11(10) or 13(5) above would be against the public interest, he shall exclude that matter from the copies of the report as laid before Parliament and from the report as published under this section.
- (5) Without prejudice to subsection (4) above, if the Secretary of State considers that it would not be in the public interest to disclose—
  - (a) any matter contained in a report made to him under section 8(1), 11(10) or 13(5) above relating to the private affairs of an individual whose interests would, in the opinion of the Secretary of State, be seriously and prejudicially affected by the publication of that matter, or
  - (b) any matter contained in such a report relating specifically to the affairs of a particular person whose interests would, in the opinion of the Secretary of State, be seriously and prejudicially affected by the publication of that matter,
 the Secretary of State shall exclude that matter from the copies of the report as laid before Parliament and from the report as published by virtue of subsection (1) above.
- (6) Any reference in sections 9, 10 or 12 above to a report of the Commission shall be construed as a reference to the report in the form in which copies of it are laid (or by virtue of subsection (3) of this section are treated as having been laid) before each House of Parliament under this section.

## **18 Information and advice about operation of Act**

The Director shall arrange for the dissemination in such form and manner as he considers appropriate of such information and advice as it may appear to him expedient to give the public in the United Kingdom about the operation of this Act.

## **19 Restriction on disclosure of information**

- (1) Subject to subsection (2) below, no information obtained under or by virtue of the preceding provisions of this Act about any business shall, so long as the business continues to be carried on, be disclosed without the consent of the person for the time being carrying it on.
- (2) Subsection (1) above does not apply to any disclosure of information made—
  - (a) for the purpose of facilitating the performance of any functions under this Act or any of the enactments specified in subsection (3) below of any Minister, any Northern Ireland department, the head of any such department, the Director, the Commission or a local weights and measures authority in Great Britain; or
  - (b) in connection with the investigation of any criminal offence or for the purposes of any criminal proceedings ; or
  - (c) for the purposes of any civil proceedings brought under or by virtue of this Act or any of the enactments specified in subsection (3) below ; or
  - (d) in pursuance of a Community obligation.
- (3) The enactments referred to in subsection (2) above are—
  - (a) the Trade Descriptions Act 1968 ;
  - (b) the Fair Trading Act 1973 ;

- (c) the Consumer Credit Act 1974 ;
  - (d) the Restrictive Trade Practices Act 1976 ;
  - (e) the Resale Prices Act 1976 ; and
  - (f) the Estate Agents Act 1979.
- (4) For the purpose of enabling information obtained under certain other enactments to be used for facilitating the performance of functions under this Act, the following amendments shall be made in provisions respecting disclosure of information, namely—
- (a) at the end of paragraph (aa) of the proviso to section 47(2) of the Agricultural Marketing Act 1958 there shall be added the words " or the Competition Act 1980 ";
  - (b) at the end of paragraph (aaa) of section 23(2) of the Agricultural Marketing Act (Northern Ireland) 1964 there shall be added the words " or the Competition Act 1980 ";
  - (c) at the end of paragraph (a) of subsection (2) of section 133 of the Fair Trading Act 1973 there shall be added the words " the Competition Act 1980, or ";
  - (d) in paragraph (d) of subsection (3) of section 174 of the Consumer Credit Act 1974 after the words "Estate Agents Act 1979 " there shall be added the words " or the Competition Act 1980 ";
  - (e) at the end of paragraph (a) of subsection (1) of section 41 of the Restrictive Trade Practices Act 1976 there shall be added the words " or the Competition Act 1980 ";
  - (f) in paragraph (a) of subsection (3) of section 10 of the Estate Agents Act 1979 after the words " Restrictive Trade Practices Act 1976" there shall be added the words " or the Competition Act 1980 ".
- (5) Nothing in subsection (1) above shall be construed—
- (a) as limiting the matters which may be included in any report of the Director or of the Commission made under this Act; or
  - (b) as applying to any information which has been made public as part of such a report or as part of the register kept for the purposes of the Act of 1976.
- (6) Any person who discloses information in contravention of this section shall be liable on summary conviction to a fine not exceeding the statutory maximum and, on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or both.
- (7) In subsection (6) above " the statutory maximum", in relation to a fine on summary conviction, means—
- (a) in England and Wales and Northern Ireland, the prescribed sum within the meaning of section 28 of the Criminal Law Act 1977 (at the passing of this Act £1,000); and
  - (b) in Scotland, the prescribed sum within the meaning of section 289B of the Criminal Procedure (Scotland) Act 1975 (at the passing of this Act £1,000);
- and for the purposes of the application of this definition in Northern Ireland, the provisions of the Criminal Law Act 1977 which relate to the sum mentioned in paragraph (a) above shall extend to Northern Ireland.

*Grants***20 Power to make grants to certain bodies**

If the Secretary of State is satisfied that—

- (a) the general advice of any body on matters of interest to users of goods and services would be useful to him in the formulation of policy concerning those matters and
  - (b) the body disseminates information of such interest,
- he may make a grant to the body on such terms as he thinks fit.

*Amendments of Fair Trading Act 1973***21 Monopoly references by Secretary of State alone**

It is hereby declared that where it appears to the Secretary of State that—

- (a) a monopoly situation exists or may exist as mentioned in subsection (1) of section 51 of the Fair Trading Act 1973 (monopoly references by Ministers), and
- (b) the goods or services in question are of a description mentioned in subsection (2) of that section, and
- (c) none of the Ministers mentioned in subsection (3) of that section has such functions as are mentioned in subsection (2) of that section in relation to goods or services of that description,

the Secretary of State may make a monopoly reference with respect to the existence or possible existence of that situation acting alone; and accordingly any reference which has been made in such circumstances by the Secretary of State acting alone has been made in compliance with that section.

**22 Disclosure of reports on monopoly references to persons named**

In section 83 of the Fair Trading Act 1973 (laying before Parliament of reports under that Act)—

- (a) at the beginning of subsection (1) there shall be inserted the words " Subject to subsection (1 A) below "; and
- (b) after subsection (1) there shall be inserted the following subsection: —

“(1A) The Minister or Ministers to whom a report of the Commission on a monopoly reference is made shall not lay a copy of the report before either House of Parliament unless at least twenty-four hours before doing so he transmits or they transmit to every person named in the report as a person in whose favour a monopoly situation exists a copy of the report in the form in which it is laid (or by virtue of subsection (2) below is treated as being laid) before each House of Parliament.”.

**23 Amendment of s. 137(3) of Fair Trading Act 1973**

In section 137(3) of the Fair Trading Act 1973 (definition of " the supply of services ") there shall be inserted after paragraph (b) the following words: —

“and

- (c) includes the making of arrangements for a person to put or keep on land a caravan (within the meaning of Part I of the Caravan Sites and Control of Development Act 1960) other than arrangements by virtue of which the person may occupy the caravan as his only or main residence”.

#### **24 Modification of provisions about performance of Commission's functions**

- (1) The Secretary of State may by order make such modifications in Part II of Schedule 3 to the Fair Trading Act 1973 (performance of functions of Commission) as appear to him to be appropriate for improving the performance by the Commission of their functions.
- (2) An order under this section may contain such transitional, incidental or supplementary provisions as the Secretary of State thinks fit.

#### *Amendments of Restrictive Trade Practices Act 1976*

#### **25 Suspension of declarations under section 1(3) of Restrictive Trade Practices Act 1976 pending appeals**

Where on an application under section 1(3) of the Restrictive Trade Practices Act 1976 the Court declares at any time after the coming into force of this section that any restrictions or information provisions are contrary to the public interest, that declaration shall not have effect—

- (a) until the expiration of the period of 21 days beginning with the expiration of the period within which any party to that application may appeal against the declaration, and
- (b) in a case where such an appeal is brought, until the expiration of the period of 21 days after the date on which the appeal has been finally determined or withdrawn.

#### **26 Suspension of declarations under section 1(3) of Restrictive Trade Practices Act 1976 pending revision of agreements**

- (1) Where the Court has declared under section 1(3) of the Restrictive Trade Practices Act 1976 that any restrictions or information provisions in an agreement are contrary to the public interest, any party to the agreement or to the proceedings in which the declaration was made may, at any time before the declaration comes into effect, submit a revised agreement or a draft of a revised agreement to the Court and the Court may declare that any restrictions or information provisions contained in the revised agreement by virtue of which the said Act of 1976 applies or would apply to that agreement are not contrary to the public interest.
- (2) Variations of the agreement in relation to which the declaration under section 1(3) of the said Act of 1976 was made may not be submitted to the Court under subsection (1) above unless particulars of them have been furnished to the Director under section 24(2) of that Act and a new agreement may not be so submitted unless it has been registered under that Act and particulars of any variation of it have been so furnished.

- (3) The duty of taking proceedings before the Court imposed on the Director by section 1(2)(c) of the said Act of 1976 shall not apply in respect of an agreement if the Court has declared under subsection (1) above that all the restrictions or information provisions by virtue of which that Act applies to the agreement are not contrary to the public interest.
- (4) Where any person who may make an application under subsection (1) above in relation to a declaration applies to the Court at any time before the declaration comes into effect for an extension of the period after which it will come into effect to enable an application to be made to the Court under subsection (1) above and it appears to the Court reasonable to do so, it may extend that period by such period (not exceeding six months on a first application under this subsection or three months on a second such application) as it thinks fit, but no more than two extensions may be made in respect of any declaration.
- (5) Where, following a declaration under section 1(3) of the said Act of 1976, an application is made under subsection (1) or (4), above, the declaration shall not come into effect until the application has been determined.
- (6) The Court may, if it thinks fit, grant an extension under subsection (4) above in relation to some but not all of the restrictions and information provisions in question and in that event—
  - (a) the period within which an application under subsection (1) above or a second application under subsection (4) above may be made shall not expire until the declaration has come into effect in relation to all the restrictions or information provisions, and
  - (b) subsection (5) above shall not prevent a declaration coming into effect in relation to any restriction or information provision in relation to which no extension was granted.
- (7) Notice of an application made under subsection (1) or (4) above shall be served on the Director in accordance with rules of court and the Director shall be entitled in accordance with such rules to appear and to be heard on the application.
- (8) Where a declaration is made under subsection (1) above the Director shall cause notice of it to be entered in the register kept by him under section 23 of the said Act of 1976—
  - (a) in the case of a declaration in relation to restrictions or information provisions contained in an agreement registered under the Act, on the making of the declaration, and
  - (b) in the case of a declaration in relation to restrictions or information provisions contained in a draft agreement, on the registration of an agreement in the form of the draft.
- (9) Sections 10 and 19 of the said Act of 1976 (public interest) shall apply to proceedings under this section as they apply to proceedings under Part I of that Act.

## **27 Recommendations by services supply associations**

- (1) An order under section 11 of the Restrictive Trade Practices Act 1976 (restrictive agreements as to services) may provide that section 16(3) of that Act (recommendations by services supply associations to members about services) shall not apply to recommendations of such descriptions as may be specified in the order and an order under section 12 of that Act (information agreements as to services) may

make similar provision in relation to section 16(5) of that Act (recommendations by services supply associations to members about furnishing information).

(2) Where—

- (a) section 16 of that Act would (apart from this subsection) apply in relation to a recommendation by a services supply association, and
- (b) if the sole term of the agreement for the constitution of the association were a term by which each member of it agreed to comply with that recommendation, the agreement would be excluded by the terms of the order from the operation of an order made, or having effect as if made, under section 11 of that Act which came into force after 21st March 1976 and before the coming into force of this section

subsection (3) of the said section 16 shall not apply and shall be deemed never to have applied in relation to that recommendation during the continuance in force of the order.

(3) Subsection (2) above shall have effect in relation to a recommendation made before the repeal of section 112(3) of the Fair Trading Act 1973 as if each reference to section 16(3) of the 1976 Act included a reference to that section.

(4) In the Table in paragraph 5 of Schedule 2 to the said Act of 1976 (time within which particulars of agreements and variations to be furnished under that Act)—

- (a) there shall be added at the end of the first column of paragraph (f) the words " not being a variation which becomes subject to registration by virtue of an order under section 11 or 12 above "; and
- (b) there shall be added at the end of the first column of paragraph (i) the words " other than a variation to which (ii) below applies "; and
- (c) after paragraph (i) there shall be added the following paragraph:—

“(ii) Variation of an agreement being a variation which extends or adds to the restrictions accepted or information provisions made under the agreement and which becomes subject to registration by virtue of the revocation or variation of an order made under section 11 or 12 above.

Within 1 month from the day on which the variation becomes so subject.”

## 28 Amendments to s. 19 of Restrictive Trade Practices Act 1976

(1) In section 19(1) of the Restrictive Trade Practices Act 1976 (which provides amongst other things that there is a presumption that a restriction or information provision is against the public interest unless the Court is satisfied the removal of it would deny benefits to the public as purchasers, consumers or users of any goods)—

- (a) the word " vendors " shall be inserted before the word " purchasers " in both places where it occurs, and
- (b) the words " or other property " shall be inserted—
  - (i) after the words " users of any goods " in paragraph (b), and
  - (ii) after the words " users of goods " in the words following paragraph (h).

(2) In subsection (2) of that section (" purchasers", " consumers " and " users " to include persons purchasing, consuming and using for trade, business and public purposes) the

word " ' vendors' " shall be inserted before the word " ' purchasers' " and the word " selling" shall be inserted before the word " purchasing ".

## **29 Exemption of certain undertakings from Restrictive Trade Practices Acts**

- (1) The Restrictive Trade Practices Act 1976 shall not apply in relation to any agreement by virtue only of restrictions being accepted or information provisions being made under it which are comprised in undertakings which have been—
- (a) given pursuant to section 88 of the Fair Trading Act 1973, or
  - (b) certified by the Secretary of State under paragraph 9 of Schedule 11 to the said Act of 1973, or
  - (c) accepted under section 4 or 9 above.
- (2) The said Act of 1976 and Part I of the Restrictive Trade Practices Act 1956 shall be deemed never to have applied in relation to any agreement by virtue only of restrictions being accepted or information provisions being made under it which are comprised in undertakings falling within paragraph (a) or (b) of subsection (1) above.

## **30 Exemption of copyright agreements from Restrictive Trade Practices Acts**

- (1) The following paragraph shall be inserted in Schedule 3 of the Restrictive Trade Practices Act 1976 (excepted agreements) after paragraph 5: —

### *“Copyrights*

- 5A (1) This Act does not apply to—
- (a) a licence granted by the owner or a licensee of any copyright;
  - (b) an assignment of any copyright; or
  - (c) an agreement for such a licence or assignment;
- being a licence, assignment or agreement such as is described in sub-paragraph (2) or sub-paragraph (3) below.
- (2) The licence, assignment or agreement referred to in sub-paragraph (1) above is in relation to Part II of this Act one under which no such restrictions as are described in section 6(1) above are accepted or no such information provisions as are described in section 7(1) above are made except in respect of the work or other subject-matter in which the copyright subsists or will subsist.
- (3) The licence, assignment or agreement referred to in sub-paragraph (1) above is in relation to Part III of this Act one under which—
- (a) in the case of an order under section 11 above, no restrictions in respect of matters specified in the order for the purposes of subsection (1)(b) of that section are accepted except in respect of the work or other subject-matter in which the copyright subsists or will subsist; or
  - (b) in the case of an order under section 12 above, no information provision with respect to matters specified in the order for the purposes of subsection (1)(b) of that section is made except in respect of that work or other subject-matter.



- (4) In relation to Scotland references in this paragraph to an assignment mean an assignment.”
- (2) The said Act of 1976 and Part I of the Restrictive Trade Practices Act 1956 shall be deemed never to have applied in relation to—
- (a) a licence granted by the owner or a licensee of any copy right,
  - (b) an assignment or assignation of any copyright, or
  - (c) an agreement for such a licence, assignment or assignation,
- by virtue only of restrictions being accepted or information provisions being made under it in respect of the work or other subject-matter in which the copyright subsists or will subsist.

### *Supplementary*

## **31 Orders and regulations**

- (1) Any power of the Secretary of State to make orders or regulations under this Act shall be exercisable by statutory instrument.
- (2) An order under section 2(3) above shall be laid before Parliament and shall cease to have effect (but without prejudice to the making of a new statutory instrument) unless, within forty days of the making of the order, it is approved by a resolution of each House of Parliament; and in reckoning any period of forty days for the purposes of this subsection, no account shall be taken of any period during which Parliament is dissolved or prorogued or during which both Houses are adjourned for more than four days.
- (3) Any statutory instrument containing regulations under this Act or an order under section 10, 11(4) or 12(3) or (5) above shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (4) No order shall be made under section 24(1) above unless a draft of the order has been laid before, and approved by a resolution of, each House of Parliament.

## **32 Financial provisions**

- (1) There shall be defrayed out of moneys provided by Parliament—
- (a) any expenses incurred by the Secretary of State in consequence of the provisions of this Act; and
  - (b) any increase attributable to this Act in the sums payable out of moneys so provided under any other Act.
- (2) In section 135(2)(c) of the Fair Trading Act 1973 (which provides for any expenses duly incurred by the Director or his staff in consequence of the provisions of that Act to be defrayed out of moneys provided by Parliament) for the words " of this Act" there shall be substituted the words " of this or any other Act ".

## **33 Short title, interpretation, repeals, commencement and' extent**

- (1) This Act may be cited as the Competition Act 1980.

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- (2) Except in so far as any provision of this Act otherwise provides, section 137 of the Fair Trading Act 1973 (general interpretation provisions) shall have effect in relation to sections 2 to 24 above as if those sections were contained in that Act; and for ease of reference the expressions which are used in those sections and have meanings assigned to them by the said section 137 are—
- " the Act of 1976 "
  - " agreement "
  - " business "
  - " the Commission "
  - " consumer "
  - " the Director "
  - " enactment "
  - " goods "
  - " group "
  - " group of inter-connected bodies corporate "
  - " inter-connected bodies corporate "
  - " Minister "
  - " monopoly situation "
  - " practice "
  - " price "
  - " services "
  - " supply "
  - " the supply of services ".
- (3) Section 43 of the Restrictive Trade Practices Act 1976 (interpretation and construction) shall have effect in relation to sections 25 to 30 above as if those sections were contained in that Act; and for ease of reference the expressions which are used in those sections and have meanings assigned to them by the said section 43 are—
- " agreement "
  - " the Court "
  - " the Director "
  - " goods "
  - " information provision "
  - " restriction "
  - " services supply association "
  - " supply ".
- (4) So much of the Counter-Inflation Act 1973 as remains in force immediately before the passing of this Act shall cease to have effect and, in consequence of that and of the preceding provisions of this Act, the enactments specified in Schedule 2 to this Act are hereby repealed to the extent specified in the third column of that Schedule.
- (5) This Act shall come into operation on such day as the Secretary of State may by order appoint, and different days may be so appointed for different provisions and for different purposes.
- (6) An order under this section appointing a day for the coming into operation of any provision of Schedule 2 to this Act may contain such savings with respect to the

operation of that provision and such incidental and transitional provisions as appear to the Secretary of State to be appropriate.

- (7) Any reference in any provision of this Act to the appointed day shall be construed as a reference to the day appointed or, as the case may require, first appointed under this section for the coming into operation of that provision.
- (8) This Act extends to Northern Ireland.

## SCHEDULES

### SCHEDULE 1

Section 1(3).

#### SUPPLEMENTARY PROVISIONS IN CONNECTION WITH DISSOLUTION OF PRICE COMMISSION

- 1 Any liability in respect of pensions, allowances or gratuities which after the end of the winding-up period would, but for the dissolution of the Price Commission, have arisen or existed as a liability of the Commission to any of their officers or servants, or former officers or servants, shall instead be a liability of the Paymaster General.
- 2 Any legal proceedings to which the Price Commission are a party may be continued after the end of the winding-up period by or in relation to the Secretary of State.
- 3 A certificate signed by or on behalf of the Secretary of State that any instrument purporting to be made or issued by or on behalf of the Price Commission was so made or issued shall be conclusive evidence of that fact; and any document purporting to be such a certificate shall be deemed to be such a certificate unless the contrary is shown.
- 4 Every contract, agreement, licence and authority, whether written or not, and every deed, bond, instrument and document made before the expiry of the winding-up period and still in effect at that time which relates to property, rights or obligations of the Price Commission which are vested in the Secretary of State by section 1(3) of this Act shall continue in effect but subject to the following modifications, so far as they are applicable—
  - (a) if the Price Commission are a party thereto, the Secretary of State shall be substituted as that party ;
  - (b) for a reference (however worded and whether express or implied) to the Price Commission there shall, as respects anything falling to be done or occurring after the expiry of the winding-up period, be substituted a reference to the Secretary of State ;
  - (c) for a reference (however worded and whether express or implied) to the members or any member, or to any officer or officers of the Price Commission there shall be substituted, as respects anything done or falling to be done or occurring after the expiry of the winding-up period, a reference to such officer or officers as the Secretary of State shall appoint for the purpose ; and
  - (d) for a reference to the office or place of business of the Price Commission there shall be substituted a reference to the principal offices of the Department of Trade.

*Status: This is the original version (as it was originally enacted).*

SCHEDULE 2

Section 33(4).

ENACTMENTS REPEALED

Chapter	Short Title	Extent of Repeal
1973 c. 9.	The Counter-Inflation Act 1973.	Parts I, II and V, so far as unrepealed.
1974 c. 24.	The Prices Act 1974.	In the Schedule, in paragraph 11, the words " or of the Price Commission ".
1975 c. 24.	The House of Commons Disqualification Act 1975.	In Part II of Schedule 1, the words " The Price Commission ".
1975 c. 25.	The Northern Ireland Assembly Disqualification Act 1975.	In Part II of Schedule 1, the words "The Price Commission ".
1975 c. 57.	The Remuneration, Charges and Grants Act 1975.	In section 2, subsection (4), in subsection (5) paragraph (b) and the word " or" immediately preceding it. Section 3.
1977 c. 33.	The Price Commission Act 1977.	The whole Act, except sections 16 and 17.
1978 c. 54.	The Dividends Act 1978.	The whole Act.
1979 c. 1.	The Price Commission (Amendment) Act 1979.	The whole Act.