



ANALYSIS

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1971, No. 1

An Act to make provision with respect to the stabilisation of remuneration for employment, and for matters incidental thereto

[25 March 1971]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

1. Short Title, commencement, and expiration—(1) This Act may be cited as the *Stabilisation of Remuneration Act 1971*.

(2) Part III of this Act shall come into force on a date to be fixed by Order in Council made on the advice of the Minister after consultation by him with the New Zealand Federation of Labour Incorporated and the New Zealand Employers' Federation Incorporated.

(3) Except as provided in subsection (2) of this section, this Act shall come into force on the date of its passing.

(4) This Act shall expire with the 30th day of June 1972, or on such earlier date as may be fixed by the Governor-General by Order in Council.

2. Interpretation—(1) In this Act, unless the context otherwise requires,—

“Base rate”, in relation to any remuneration payable to any worker or group of workers, means the rate of that remuneration payable to that worker or, as the case may be, to workers of that group as at the 1st day of January 1971:

Provided that—

(a) Where under section 13 of this Act the provisions of any instrument relating to rates of remuneration have been amended, the term “base rate”, in relation to any remuneration fixed by that instrument, means the rate of that remuneration as at the date on which the amended provisions come into force:

(b) Where under section 13 of this Act an alteration has been made in the date of the expiration of the currency of any instrument, the term “base rate” means the rate of any remuneration fixed in the new instrument that supersedes the expired instrument:

(c) In the case of any remuneration fixed by an agreement made after the 1st day of January 1971 and before the date of the passing of this Act (not being an instrument that is in substitution for an expired instrument or is an amendment of another instrument), the term "base rate", in relation to that remuneration, means the rate determined by the Remuneration Authority. Where the rate determined by the Authority is less than the rate fixed by the instrument, the difference shall for the purposes of sections 16 and 17 of this Act be deemed to be an increase in remuneration having effect on the date on which the remuneration fixed by the instrument came into force:

"Employers' union" means an industrial union or association of employers under the Industrial Conciliation and Arbitration Act 1954, or a branch of any such union:

"Existing instrument" means an instrument that is not a new instrument:

"Instrument" means—

(a) Any award or industrial agreement:

(b) Any agreement under section 8 of the Labour Disputes Investigation Act 1913:

(c) Any collective or ruling rates agreement, whether in writing or not, made between a workers' union and an employer or an employers' union or a society or body of employers:

(d) Any agreement, whether in writing or not, made between a worker and an employer or between a group of workers and an employer or an employers' union or a society or body of employers:

(e) Any order or determination fixing rates of remuneration made by any tribunal constituted under any enactment:

(f) Any Order in Council fixing rates of remuneration of any workers made under the Agricultural Workers Act 1962,—

being in each case the instrument by which any rate of remuneration actually payable is for the time being fixed:

Provided that, subject to the provisions of Part IV of this Act, nothing in Part II or Part III of this Act shall apply with respect to any instrument to which Part IV of this Act applies:

“Minister” means the Minister of Labour:

“New instrument” means—

(a) For the purposes of Part II of this Act, an instrument made after the commencement of this section. Where under section 13 of this Act the date of the expiration of the currency of any instrument has been amended, any new instrument that supersedes the expired instrument shall for the purposes of this definition, be deemed to have been made before the commencement of this section:

(b) For the purposes of Part III of this Act, an instrument made after the commencement of that Part;—

and includes in each case an instrument (not being an amendment of an instrument made under section 13 of this Act) made after the commencement of this section, or, as the case may be, the commencement of Part III of this Act, varying any rate of remuneration fixed under any existing instrument:

“Remuneration” means the actual rate of salary or wages payable to any worker; and includes—

(a) Time and piece wages and overtime and bonus and other special payments:

(b) Allowances, fees, commission, and every other emolument, whether in one sum or several sums, and whether paid in money or not:

(c) The remuneration of directors of companies, who for the purposes of this Act shall be deemed to be employed by the companies of which they are directors;—

but does not include any payment by way of expenses, refunds, or allowances to meet expenditure already incurred:

“Remuneration Authority” or “Authority” means the Remuneration Authority established by section 3 of this Act:

“Worker” has the same meaning as in the Industrial Conciliation and Arbitration Act 1954; but, except for the purposes of the definition of the term “base rate” in this subsection, does not include a person to whom Part IV of this Act applies:

“Workers’ union”, or “union”, means an industrial association or union of workers under the Industrial Conciliation and Arbitration Act 1954, or a branch of any such union, or a society of workers that is subject to the Labour Disputes Investigation Act 1913:

“Award”, “employer”, and “industrial agreement” have the same meanings as in the Industrial Conciliation and Arbitration Act 1954.

(2) Without limiting the circumstances in which any rate of remuneration shall be treated as having been increased, any rate of remuneration shall for the purposes of this Act be deemed to have been increased proportionately in the following cases:

- (a) Where there has been any reduction in the hours or other period of work on which that remuneration is based without a corresponding reduction in the rate of remuneration:
- (b) Where there has been any increase in holiday entitlement.

PART I

THE REMUNERATION AUTHORITY

3. Remuneration Authority—(1) There is hereby established an authority to be called the Remuneration Authority.

(2) The Authority shall consist of not more than 5 members, who shall be appointed by the Governor-General on the recommendation of the Minister. One of the members shall be appointed as the Chairman of the Authority.

(3) No member of the Authority shall be appointed to represent, or be deemed to represent, any sectional interest.

(4) Before recommending the appointment of any member of the Authority, the Minister shall have regard to any representations with respect thereto received by him from the New Zealand Federation of Labour Incorporated, the New Zealand Employers’ Federation Incorporated, or the Combined State Service Organisations.

(5) The powers of the Authority shall not be affected by any vacancy in its membership.

(6) Except as otherwise provided in this Act, every member of the Authority shall hold office for the duration of this Act.

4. Extraordinary vacancies—(1) Any member of the Authority may at any time be removed from office by the Governor-General for disability, bankruptcy, neglect of duty, or misconduct proved to the satisfaction of the Governor-General, or may at any time resign his office by written notice given to the Minister.

(2) If any member dies or resigns or is removed from office, the vacancy thereby created shall be deemed to be an extraordinary vacancy.

(3) An extraordinary vacancy shall be filled by the appointment of a person in the same manner as the appointment of the person vacating the office.

5. Meetings of Authority—(1) At any meeting of the Authority, 3 members shall form a quorum.

(2) The Chairman shall preside at every meeting of the Authority at which he is present.

(3) In the absence of the Chairman from any meeting, the members present shall elect one of their number to preside at that meeting.

(4) A decision of a majority of the members present at any meeting shall be the decision of the Authority, and, in the event of an equality of votes, the member presiding shall have a casting vote as well as a deliberative vote.

(5) Subject to the provisions of this Act, the Authority may regulate its procedure in such manner as it thinks fit.

6. Members and officers to maintain secrecy—Every member of the Remuneration Authority and every person engaged or employed in connection with the work of the Authority shall maintain and aid in maintaining the secrecy of all matters which come to his knowledge when carrying out his functions or duties under this Act, and shall not communicate any such matters to any person except in the discharge of his duties under this Act.

7. Remuneration and travelling allowances—(1) The Remuneration Authority is hereby declared to be a statutory board within the meaning of the Fees and Travelling Allowances Act 1951.

(2) There shall be paid out of money appropriated by Parliament for the purpose to the members of the Authority remuneration by way of fees, salary, or allowances and travelling allowances and expenses in accordance with the Fees and Travelling Allowances Act 1951, and the provisions of that Act shall apply accordingly.

8. Functions and powers of Authority—(1) The functions of the Remuneration Authority shall be—

- (a) To receive and determine applications under subsection (3) of section 13 of this Act for its consent to an amendment of an instrument or the making of a new instrument fixing any rate of remuneration in excess of the rate specified in that subsection:
- (b) To receive and determine applications under section 15 of this Act for its consent to any variation of an existing instrument or to any new instrument providing that any rate of remuneration fixed by that instrument shall continue in force for less than 12 months:
- (c) To receive and determine applications under section 18 of this Act for its consent to a rate of remuneration fixed by a proposed new instrument:
- (d) To receive and determine applications under paragraph (a) of subsection (1) of section 20 of this Act for its consent to any increase in remuneration agreed upon pursuant to a disputes clause inserted or deemed to be inserted in any instrument:
- (e) To receive and determine applications under section 22 of this Act for its consent to any instrument or any variation of any instrument fixing any rate of remuneration that exceeds the base rate by more than the specified percentage:
- (f) To receive and determine applications under section 24 of this Act for its consent to the issuing of a determination or the making of an order fixing any rate of remuneration for State employees prescribing any rate of remuneration that exceeds the base rate:
- (g) To receive and determine applications under section 25 of this Act for its recommendation to the making of Orders in Council fixing any rate of remuneration for State employees that exceeds the base rate:
- (h) To receive and determine applications under section 28 of this Act for its consent to a regrading or adjustment taking effect before the 1st day of January 1972:
- (i) To make cost of living orders under section 16 of this Act.

(2) Any consent given by the Authority under any provision of this Act may relate to any particular case or to any class or description of cases.

(3) For the purpose of carrying out its functions under this Act, the Authority shall be deemed to be a Commission of Inquiry under the Commissions of Inquiry Act 1908, and the provisions of that Act, except sections 2, 4A, 11, and 12, shall apply accordingly.

(4) The Authority may receive in evidence any statement, document, information, or matter that may in its opinion assist it to deal effectually with the matter before it, whether or not the same would otherwise be admissible in a Court of law.

9. Delegation of functions and powers—(1) The Remuneration Authority may from time to time, with the approval of the Minister, delegate to any of its members, or to any officer in the employment of the Crown who is attached for the time being to the Authority, or to any Conciliation Commissioner appointed under the Industrial Conciliation and Arbitration Act 1954 such of its functions or powers as the Authority thinks fit, but not including this power of delegation.

(2) Subject to any general or special directions given or conditions attached by the Authority, every person to whom any functions or powers are delegated under this section may exercise those functions or powers in the same manner as if they had been conferred on him directly by this section and not by delegation.

(3) Every person purporting to act pursuant to any delegation under this section shall be presumed to be acting in accordance with the terms of the delegation in the absence of proof to the contrary.

(4) Any delegation under this section to an officer in the employment of the Crown may be made to a specified officer, or may be made to the holder for the time being of a specified office.

(5) Any delegation under this section shall be revocable at will, and no such delegation shall prevent the exercise of any function or power by the Authority.

(6) Where any person, pursuant to any delegation made to him under this section, does not grant any application for the consent of the Authority, he shall notify the applicant in writing of his decision, and the applicant may within 14 days after that notification require, by notice in writing to the Authority, that his application shall be determined by the Authority. In that case, the decision pursuant to the delegation shall cease to have effect, and the application shall be determined by the Authority.

10. Services for Authority—The Department of Labour shall furnish such secretarial, recording, clerical, and other services as may be necessary to enable the Remuneration Authority to exercise its functions and powers.

11. Decision of Authority to be final—Proceedings before the Remuneration Authority shall not be held bad for want of form. No appeal shall lie from any decision of the Authority, and, except on the ground of lack of jurisdiction, no proceeding or order of the Authority shall be liable to be challenged, reviewed, quashed, or called in question in any Court.

12. Principles to be observed by Authority in exercise of functions and powers—(1) In carrying out its functions and powers, the Remuneration Authority shall place paramount importance on the need to achieve and maintain stability in the levels of remuneration.

(2) Subject to the provisions of subsection (1) of this section, the Remuneration Authority may, if it is satisfied that it is warranted by the special circumstances of any particular case,—

- (a) Have regard to the public interest where this is a relevant consideration, in addition to the interests of the parties:
- (b) Make minimum adjustments to remove or relieve serious anomalies:
- (c) Approve genuine productivity agreements where it is satisfied that any increase in remuneration which may become payable above the specified percentage can be shown to be specifically related to and justified by positive worker contribution, increased production, and lower unit costs:

Provided that the Authority shall in all cases take into account the consequences of approving rates of remuneration which might tend to disturb established relationships between rates of remuneration in other occupations:

Provided also that, in considering any application under section 13 of this Act for its consent to an increase in remuneration that exceeds by more than 15 percent the rate of remuneration payable as at the 1st day of January 1970, the Authority may have

regard to the extent to which the rate of remuneration fixed by the existing instrument should be adjusted in relation to other comparable rates of remuneration in related occupations.

PART II

DURATION OF PROVISIONS FIXING RATES OF REMUNERATION

13. Rates of remuneration under existing instruments to continue in force—(1) Every rate of remuneration fixed by any instrument in force at the commencement of this section shall continue in force for the period fixed by the instrument.

(2) Notwithstanding anything in subsection (1) of this section but subject to subsections (3) and (4) of this section, any existing instrument may be amended by altering the date of the expiration of its currency or any rate of remuneration fixed by the instrument.

(3) Except with the consent of the Remuneration Authority,—

(a) An instrument may not be amended pursuant to this section so as to increase any remuneration fixed by the instrument as at the 1st day of January 1970 by more than 15 percent:

(b) Any new instrument superseding an instrument the expiry date of which is altered pursuant to this section shall not fix any rate of remuneration that exceeds by more than 15 percent the rate of remuneration fixed by the superseded instrument as at the 1st day of January 1970.

(4) No instrument may be amended pursuant to this section, unless negotiations for the amendment had bona fide commenced before the 15th day of February 1971, or unless, in any other case, the Authority is satisfied that a serious anomaly would result if the instrument is not amended.

(5) Where any instrument is amended pursuant to this section by altering the date of its expiration, any new instrument that supersedes the amended instrument shall expire on the date on which the last-mentioned instrument would have expired if it had not been amended.

(6) Except for the purpose of amending any award under this section, section 162 of the Industrial Conciliation and Arbitration Act 1954 (so far as it confers power on the Court to amend an award by altering the date of the expiration of

its currency or by altering any rate of remuneration) and section 6 of the Industrial Conciliation and Arbitration Amendment Act 1970 shall be deemed to be suspended while this section remains in force.

14. Rates of remuneration to be fixed for at least 12 months—Subject to sections 13, 15, 16, and 17 of this Act, no person shall become a party to any new instrument fixing any rate of remuneration unless the provisions thereof relating to rates of remuneration are to continue in force for a period of at least 12 months from the date of the making of the instrument, or, where the duration of the employment of every worker whose rate of remuneration fixed by the instrument is less than 12 months, for the duration of that employment.

15. Authority may consent to rate of remuneration being fixed for shorter periods—Where all the parties to a proposed new instrument or their representatives have agreed that any provision in the instrument fixing a rate of remuneration shall continue in force for a period of less than 12 months from the date of the making of the instrument, the Remuneration Authority, on the application of any party, may consent to that provision if the Authority is satisfied that in all the circumstances there are special reasons that justify a period of less than 12 months.

16. Cost of living orders—(1) The Remuneration Authority shall make cost of living orders based on the movement of prices as shown by the Consumers' Price Index issued by the Government Statistician.

(2) As soon as possible after the preparation of the Consumers' Price Index for the quarters ending with the 30th day of June 1971 and the 31st day of December 1971, the Government Statistician shall forward a copy thereof to the Authority, and the Authority shall as soon as possible make a cost of living order under this section, which shall take effect on a date fixed by the Authority, being not later than 21 days after the date on which a copy of that index was received by the Authority.

(3) With the copy of the Consumers' Price Index for the quarter ending with the 30th day of June 1971, the Government Statistician shall forward to the Authority a copy of the Consumers' Price Index for the quarter that ended with the 31st day of December 1970.

(4) Subject to subsection (6) of this section, a cost of living order shall increase every rate of remuneration in every award, or industrial agreement, or agreement under section 8 of the Labour Disputes Investigation Act 1913 for the time being in force by an amount equal to the percentage of the base rate of remuneration specified in the order, being the same percentage as the percentage by which the Consumers' Price Index as forwarded by the Government Statistician pursuant to this section has increased in the period commencing on the 1st day of January 1971 and ending with the 30th day of June 1971 or, as the case may be, the 31st day of December 1971; and all such awards, industrial agreements, and agreements under the said Act shall be deemed to have been amended accordingly:

Provided that where at any time after the 1st day of January 1971 any rate of remuneration fixed by any award, industrial agreement, or agreement under the said Act has been increased (whether once or more than once), then,—

- (a) If that rate of remuneration has been increased before the effective date of the cost of living order by an amount not less than the amount of the percentage of the base rate specified in the order, that rate of remuneration shall not be further increased under this subsection:
- (b) If that rate of remuneration has been increased before the effective date of the cost of living order by an amount less than the amount of the percentage of the base rate specified in the order, the amount by which that rate of remuneration shall be further increased under this subsection shall be reduced by the amount of the percentage of the base rate by which that rate of remuneration has already been increased before the effective date of the order.

(5) If any question arises as to whether any rate of remuneration has been increased under subsection (4) of this section or as to the extent to which it has been increased under that subsection, any party to the award or industrial agreement or other agreement may refer the question to the Authority for determination, and the determination of the Authority shall be binding on all the parties to the award or industrial agreement or other agreement.

(6) The provisions of section 6 (relating to exclusions from general orders) and section 7 (relating to exclusions from general orders by agreement) of the General Wage Orders

Act 1969 shall, with the necessary modifications, apply to the making by the Authority of cost of living orders and to every such order, as if—

(a) Every reference in section 6 to the Court were a reference to the Authority; and

(b) Every reference in those sections to a general order were a reference to a cost of living order.

(7) In this section the term “remuneration” means salary or wages; and includes time and piece wages, and allowances the rates of which are a specified proportion of the rate of salary or wages.

(8) Subject to subsection (6) of this section, while this section continues in force the General Wage Orders Act 1969 shall be deemed to be suspended.

(9) While this section continues in force, paragraph (d) of section 12 of the Waterfront Industry Act 1953 shall have effect as if a cost of living order made under this section were a general order made by the Court of Arbitration.

17. Increase in rates of remuneration under agreements not subject to cost of living orders—(1) Notwithstanding anything in section 14 of this Act, any rate of remuneration fixed by any instrument (other than an award or industrial agreement or an agreement under section 8 of the Labour Disputes Investigation Act 1913) may be increased by the percentage specified in a cost of living order issued under section 16 of this Act:

Provided that in any such case the proviso to subsection (4) of section 16 of this Act shall, with the necessary modifications, apply as if the instrument were an instrument to which that subsection applied.

(2) In this section the term “remuneration” has the same meaning as in section 16 of this Act.

18. Rates of remuneration not fixed by existing instruments—Where all the parties to any proposed new instrument (not being an instrument that is in substitution for any expired instrument or is an amendment of another instrument) or their representatives have agreed on any rate of remuneration to be provided therein, the following provisions shall apply:

(a) That rate of remuneration shall not have any effect unless it is consented to by the Remuneration Authority:

- (b) On application to the Authority for its consent to that rate of remuneration, the Authority may consent to that rate or any lower rate:
- (c) In determining any such application, the Authority shall have regard to the rate for the time being fixed for any positions carrying corresponding duties and responsibilities in the employer's undertaking or, where there is no such position, in similar undertakings:
- (d) Where the Authority consents to any rate of remuneration under this section, the Authority shall also determine the amount of the base rate in relation to that remuneration:
- (e) If the base rate so determined is less than the rate of remuneration consented to by the Authority, then, for the purposes of sections 16 and 17 of this Act, the difference between that base rate and the rate of remuneration so consented to shall be deemed to be an increase in remuneration having effect on the date on which the rate of remuneration consented to came into force.

19. Notice of instrument fixing rate of remuneration in excess of specified percentage—(1) Where all the parties to any proposed new instrument or their representatives have agreed on a rate of remuneration to be provided therein which exceeds the base rate by a percentage greater than the specified percentage (as defined in section 21 of this Act), a copy of the proposed instrument together with a memorandum in writing specifying the reasons why a rate of remuneration that exceeds the base rate by more than the specified percentage is to be fixed shall be forwarded to the Remuneration Authority at its office in Wellington, and the Authority shall in writing acknowledge to the person from whom that copy and memorandum were received the receipt of that copy and memorandum specifying the date on which they were received. The rate of remuneration to be provided shall not have effect until the expiration of 21 days after that copy and memorandum were received by the Authority:

Provided that if Part III of this Act does not come into force before the expiration of the said period of 21 days, the rate of remuneration fixed by the instrument shall have effect in accordance with the provisions of the instrument.

(2) If the Authority considers that any rate of remuneration proposed to be fixed in the instrument is not justified, it shall report that fact to the Minister, together with the reasons for its opinion.

(3) The Authority shall from time to time supply to the Minister such information as the Minister requires with respect to proposed instruments received by the Authority under this section.

(4) Nothing in this section shall apply with respect to any increase in the rate of remuneration of an individual worker in any of the following cases:

(a) Where the increase is to be granted as a result of the promotion of the worker from one established position to another established position:

(b) Where the increase is to be granted in accordance with an existing salary scale or arrangement providing for the increase on the grounds of age, service, or qualifications:

(c) Where the increase is to be granted on the grounds that the duties or responsibilities of the worker have been substantially increased or the conditions of employment have substantially deteriorated.

(5) This section shall expire on the date of the commencement of Part III of this Act.

20. Increase in rate of remuneration pursuant to disputes clause in instrument—(1) Where, pursuant to sections 177 and 178 of the Industrial Conciliation and Arbitration Act 1954 (as substituted by section 3 of the Industrial Conciliation and Arbitration Amendment Act 1970), a disputes clause is inserted or deemed to be inserted in any instrument, any increase in any rate of remuneration, being a matter related to matters dealt with in the instrument and not specifically and clearly disposed of by the terms of the instrument, shall take effect—

(a) With the consent of the Remuneration Authority, where the parties or their representatives have agreed to that increase pursuant to that disputes clause; or

(b) If that increase is properly decided or settled by a disputes committee or the Court of Arbitration or other tribunal pursuant to that disputes clause.

(2) The provisions of this section shall have effect notwithstanding anything in section 13 or section 14 or section 19 or section 21 or section 29 of this Act.

PART III

RESTRICTIONS ON INCREASING RATES OF REMUNERATION

21. Restricting increase in rates of remuneration beyond base rate—(1) Except with the consent of the Remuneration Authority given under section 22 of this Act, but subject to sections 16 and 17 of this Act, no new instrument shall fix any rate of remuneration that exceeds the base rate by a percentage greater than the specified percentage.

(2) Except with the consent of the Remuneration Authority given under section 22 of this Act or as provided in section 16 or section 17 of this Act, no employer shall pay to any worker employed by him remuneration at a rate fixed by any new instrument that exceeds the base rate by a percentage greater than the specified percentage:

Provided that nothing in subsection (1) of this section or in the foregoing provisions of this subsection shall apply with respect to any such payment made to an individual worker in any of the following cases:

- (a) Where the increased payment is made as a result of the promotion of the worker from one established position to another established position:
- (b) Where the increased payment is made in accordance with an existing salary scale or arrangement providing for the increase on the grounds of age, service, or qualifications:
- (c) Where the increased payment is made on the ground that the duties or responsibilities of the worker have been substantially increased or the conditions of employment have substantially deteriorated.

(3) Except with the consent of the Remuneration Authority given under section 22 of this Act, no employer shall pay to any worker employed by him and appointed to a new position established in the employer's undertaking remuneration at a rate that exceeds by a percentage greater than the specified percentage the base rate for the time being fixed for positions carrying corresponding duties and responsibilities in the employer's undertaking or, where there is no such position, in other similar undertakings in the same locality.

(4) Every person commits an offence who becomes a party to any instrument made in breach of the provisions of subsection (1) of this section.

(5) No order of any tribunal constituted under any enactment, so far as it fixes any remuneration to which subsection (1) of this section applies at a rate that exceeds the base rate by a percentage that exceeds the specified percentage, shall have effect except with the consent of the Remuneration Authority given under section 22 of this Act.

(6) In this section and in section 22 of this Act the term "specified percentage" means 7 percent:

Provided that the Governor-General may from time to time, by Order in Council, alter that percentage.

(7) Where pursuant to an Order in Council made under subsection (6) of this section the specified percentage is at any time reduced, then, notwithstanding anything in this section, it shall be lawful to continue to pay to any worker remuneration at the rate that was lawfully being paid immediately before the order came into force.

(8) Every Order in Council made under subsection (6) of this section shall be deemed to be a regulation for the purposes of the Regulations Act 1936.

22. Authority may consent to increase in remuneration—

(1) Where all the parties to a proposed new instrument or their representatives have agreed on any rate of remuneration to be provided therein which exceeds the base rate by a percentage greater than the specified percentage, the Remuneration Authority, on the application of any party, may—

(a) Consent to the proposed rate of remuneration or to any rate that is lower than the proposed rate but exceeds the base rate by a percentage not less than the specified percentage:

Provided that the Authority may grant that consent subject to a condition that the whole or any specified part of so much of the rate of remuneration consented to as exceeds the base rate by a percentage not less than the specified percentage shall come into force on a later date fixed by the Authority; or

(b) Consent to a rate of remuneration that is lower than the proposed rate but exceeds the base rate by a percentage not less than the specified percentage, and defer until a date fixed by the Authority (being not more than 6 months after the date of the decision of the Authority) further consideration of the application in relation to the balance of the proposed rate of remuneration; or

(c) Defer consideration of the application until a date fixed by the Authority (being not more than 6 months after the date of the decision of the Authority).

(2) Where under subsection (1) of this section the Authority defers consideration or further consideration of an application, it may, on the application of any party to the proposed instrument, consider or, as the case may be, further consider the application before the date fixed.

(3) Whenever under paragraph (b) or paragraph (c) of subsection (1) of this section the Authority considers or further considers any application, the Authority may make any order in relation to the application specified in paragraph (a) or paragraph (b) or paragraph (c) of that subsection.

PART IV

REMUNERATION OF STATE EMPLOYEES AND EMPLOYEES OF CERTAIN PUBLIC BODIES

23. Interpretation—In this Part of this Act—
“Employing authority”—

(a) In relation to any person whose rate of remuneration is determined by an employing authority or tribunal under the State Services Remuneration and Conditions of Employment Act 1969 or by an Order in Council under that Act, means the employing authority as defined in that Act:

(b) In relation to any person whose rate of remuneration is determined under section 52 of the Hospitals Act 1957 (as substituted by section 58 (1) of the State Services Remuneration and Conditions of Employment Act 1969), means the Minister of Health:

(c) In relation to any person whose rate of remuneration is determined under subsection (3) of section 6 or section 219 of the Post Office Act 1959 (as substituted by sections 59 (1) and 59 (8), respectively, of the State Services Remuneration and Conditions of Employment Act 1969), means the Director-General of the Post Office:

(d) In relation to any person whose rate of remuneration is determined under any of the provisions of sections 66A to 66G of the Police Act 1958 (as inserted by section 2 (1) of the Police Amendment Act 1969), means the Commissioner of Police:

(e) In relation to any person whose rate of remuneration is determined pursuant to regulations made under section 22 of the Education Act 1964 or under section 60A of that Act (as inserted by section 3 of the Education Amendment Act 1969), means the person having jurisdiction under those regulations to determine that rate of remuneration:

“State employee” means—

(a) Every person whose rate of remuneration is determined by an employing authority or a tribunal under the provisions of the State Services Remuneration and Conditions of Employment Act 1969 or by an Order in Council under that Act:

(b) Every member of the State Services Commission:

(c) The Commissioner of Police:

(d) Every person whose rate of remuneration is determined under the said section 52 of the Hospitals Act 1957:

(e) Every person whose rate of remuneration is determined under the said subsection (3) of section 6 or section 219 of the Post Office Act 1959:

(f) Every person whose rate of remuneration is determined under any of the provisions of the said sections 66A to 66G of the Police Act 1958:

(g) Every person whose rate of remuneration is fixed pursuant to regulations made under the said section 22 or section 60A of the Education Act 1964.

24. Restricting increases in rates of remuneration for State employees—(1) Subject to the provisions of this Part of this Act, no determination issued by any employing authority and no order made by any tribunal having jurisdiction under any enactment to determine rates of remuneration of State employees, so far as the determination or order fixes any rate of remuneration of State employees that exceeds the base rate, shall take effect except with the consent of the Remuneration Authority.

(2) The provisions of section 22 of this Act shall, with the necessary modifications, apply with respect to any application to the Authority for its consent made under this section.

(3) Nothing in subsection (1) of this section shall apply with respect to any determination by an employing authority where the authority has approved the rate of remuneration

before the 15th day of February 1971, but a formal determination has not been issued before that date.

(4) Nothing in subsection (1) of this section shall apply with respect to any increase in remuneration granted to any individual State employee in any of the following cases:

- (a) Where the increase is granted as a result of the promotion of the employee from one established position to another established position:
- (b) Where the increase is granted in accordance with an existing salary scale or arrangement providing for the increase on the grounds of age, service, or qualifications:
- (c) Where the increase is granted on the ground that the duties or responsibilities of the employee have been substantially increased or the conditions of employment have substantially deteriorated.

25. Employees whose rate of remuneration fixed by Order in Council—Where pursuant to any enactment the rates of remuneration of any State employees are to be fixed by Order in Council, no such order shall be made fixing any rate of remuneration which exceeds the base rate, except on the recommendation of the Remuneration Authority made to the appropriate Minister.

26. Half-yearly reviews of remuneration—(1) Nothing in subsection (1) of section 24 or in section 25 of this Act shall apply with respect to—

- (a) Any adjustment of pay scales in the State services that is required to be made following the half-yearly survey conducted by the Department of Labour under section 24 of the State Services Remuneration and Conditions of Employment Act 1969 as at April of 1971:
 - (b) Any adjustment of pay scales in the State services that is made following the ruling rate surveys of remuneration conducted by the Department of Labour as at February of 1971 and April of 1971.
- (2) Notwithstanding anything in the State Services Remuneration and Conditions of Employment Act 1969 or in any other enactment,—
- (a) No adjustment of pay scales in the State services shall be made following the half-yearly survey conducted by the Department of Labour under section

24 of the State Services Remuneration and Conditions of Employment Act 1969 as at October of 1971:

- (b) Subject to the provisions of section 27 of this Act, the review of pay scales in the State services that by section 24 of the State Services Remuneration and Conditions of Employment Act 1969 is required to be made as at April of 1972 shall, after making such deductions as are necessary on account of the application to the State services of cost of living orders made before April of 1972, make such adjustments in those pay scales as are necessary to reflect the movement in pay scales outside the State Services since April of 1971, and shall come into force on the 15th day of October 1971.

27. Application of cost of living orders to State employees—Where under section 16 of this Act the Remuneration Authority issues a cost of living order—

- (a) Every employing authority shall issue an amending determination increasing the pay scales of the State employees of whom he is the employing authority, on and from the effective date of the cost of living order, by the amount by which they would be increased under the said section 16 if those pay scales were an award:
- (b) An Order in Council may be made under the State Services Remuneration and Conditions of Employment Act 1969 increasing, on and from the effective date of the cost of living order, the rates of remuneration of the State employees whose rates of remuneration are fixed by such an order by the amount by which they would be increased under the said section 16 if the Order in Council fixing those rates of remuneration were an award.

28. Regradings and specific reviews of remuneration—Where after the commencement of this section any regrading of any group of positions in any of the State services or any adjustment arising from a review of the remuneration of any occupational class or group in any of the State services is made under the provisions of any enactment, that regrading or adjustment shall not be made so as to take effect before the 1st day of January 1972:

Provided that—

- (a) Where the Remuneration Authority is satisfied that negotiations for any such regrading or adjustment had progressed to a substantial degree before the 15th day of February 1971, the Authority may consent to that regrading or adjustment having effect (in whole or in part) on such date or dates earlier than the 1st day of January 1972 as is agreed on by the parties:
- (b) The Authority may consent to any such regrading or adjustment taking effect (in whole or in part) on any date or dates earlier than the 1st day of January 1972 fixed by the Authority.

29. Workers whose rates of remuneration fixed in relation to rates of State employees—(1) This section applies to—

- (a) Any instrument which contains a provision that the rates of remuneration of workers affected by the instrument shall be adjusted in relation to movements in the rates of remuneration of State employees:
- (b) Any instrument fixing rates of remuneration pursuant to any enactment which provides that those rates shall be fixed in agreement with the State Services Commission.

(2) Subject to the provisions of this Part of this Act, no new instrument to which this section applies shall, so far as it fixes any rate of remuneration that exceeds the base rate, take effect except with the consent of the Remuneration Authority.

(3) Subsections (2) and (4) of section 24 and sections 26 and 27 of this Act, as far as they are applicable and with the necessary modifications, shall apply with respect to the rates of remuneration of workers affected by an instrument to which this section applies as if—

- (a) Those workers were State employees and their employers were employing authorities; and
- (b) For the words “subsection (1) of section 24” in subsection (1) of the said section 26 there were substituted the words “subsection (2) of section 29”; and
- (c) The references in the said section 26 to pay scales in the State services were references to the rates of remuneration fixed by the instrument.

(4) Except with the consent of the Remuneration Authority, no employer who is a party to any instrument to which this section applies shall pay to any worker employed by him and appointed to a new position established in the employer's undertaking remuneration at a rate that exceeds the base rate of remuneration for positions carrying corresponding duties and responsibilities in the employer's undertaking or, where there is no such position, in other similar undertakings in the same locality.

(5) Where a rate of remuneration cannot be determined pursuant to the provisions of subsection (4) of this section, no rate of remuneration fixed for that new position shall have effect unless it is consented to by the Remuneration Authority. The provisions of section 18 of this Act shall apply, with the necessary modifications, with respect to every application to the Authority made under this subsection.

(6) The provisions of section 18 of this Act shall apply with respect to every proposed new instrument (not being an instrument that is in substitution for an expired instrument or is an amendment of another instrument) to which when it comes into force this section will apply.

PART V

MISCELLANEOUS PROVISIONS

30. Regulations—The Governor-General may from time to time, by Order in Council, make regulations providing for such matters as are necessary or expedient for giving full effect to the provisions of this Act and for its due administration.

31. Offences and penalties—(1) Every person commits an offence who—

- (a) Does any act in contravention of or fails to comply with any provision of this Act or of any regulations made under this Act; or
- (b) Either alone or in combination with any other person or group or body of persons, does any act with the intention of defeating any provision of this Act or of any regulations under this Act.

(2) Every person who commits an offence against this Act is liable on summary conviction—

- (a) In the case of an offence committed by an individual, to a fine not exceeding \$100:

(b) In the case of an offence committed by a body corporate, to a fine not exceeding \$1,000.

(3) Every payment made by an employer to a worker in breach of any provision of this Act shall be deemed to be a separate offence, whether there are several such payments to the same worker or to different workers.

(4) Any information for an offence against this Act may include 2 or more offences alleged to have been committed by the defendant.

32. This Act to prevail over other Acts—In the event of any conflict between any provisions of this Act and the provisions of any other Act, the provisions of this Act shall prevail.

This Act is administered in the Department of Labour.