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1990, No. 26

An Act to provide for the guaranteed retirement income and the veteran's pension and various other matters

[30 March 1990

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title and commencement—(1) This Act may be cited as the Social Welfare (Transitional Provisions) Act 1990.

(2) This Act shall come into force on the 1st day of April 1990.

2. Interpretation—In this Act, unless the context otherwise requires, “Minister” means the Minister of Social Welfare and expressions defined in section 3 (1) of the Social Security Act 1964 and in section 2 of the War Pensions Act 1954 shall have the meanings so defined.

PART I

MONETARY BENEFITS

Guaranteed Retirement Income

3. Guaranteed retirement income—Subject to the provisions of this Part of this Act and of the Social Security Act 1964, every person shall be entitled to receive guaranteed retirement income who has attained the age of—

- (a) Sixty years, on or before the 31st day of December 2006;
- (b) Sixty years and 6 months, during the period commencing on the 1st day of January 2007 and ending with the 31st day of December 2008;
- (c) Sixty-one years, during the period commencing on the 1st day of January 2009 and ending with the 31st day of December 2010;
- (d) Sixty-one years and 6 months, during the period commencing on the 1st day of January 2011 and ending with the 31st day of December 2012:

- (e) Sixty-two years, during the period commencing on the 1st day of January 2013 and ending with the 31st day of December 2014:
- (f) Sixty-two years and 6 months, during the period commencing on the 1st day of January 2015 and ending with the 31st day of December 2016:
- (g) Sixty-three years, during the period commencing on the 1st day of January 2017 and ending with the 31st day of December 2018:
- (h) Sixty-three years and 6 months, during the period commencing on the 1st day of January 2019 and ending with the 31st day of December 2020:
- (i) Sixty-four years, during the period commencing on the 1st day of January 2021 and ending with the 31st day of December 2022:
- (j) Sixty-four years and 6 months, during the period commencing on the 1st day of January 2023 and ending with the 31st day of December 2024:
- (k) Sixty-five years, on or after the 1st day of January 2025.

4. Residential qualification for guaranteed retirement income—(1) No person shall be entitled to guaranteed retirement income unless the person is ordinarily resident in New Zealand on the date of application for guaranteed retirement income and has been both resident and present in New Zealand for a period or periods aggregating not less than 10 years since attaining the age of 20 years, and has also been both resident and present in New Zealand for a period or periods aggregating not less than 5 years since attaining the age of 50 years.

(2) In determining, for the purposes of subsection (1) of this section, the period an applicant has been present in New Zealand, no account shall be taken of—

- (a) In the case of any applicant, any period of absence for the purpose of obtaining any special medical or surgical treatment or vocational training, if the Director-General is satisfied that there were good and sufficient reasons for the person leaving New Zealand to obtain that special treatment or training;
- (b) In the case of a mariner, any period of absence while serving on board any ship registered or owned in New Zealand, and engaged in trading to and from New Zealand;
- (c) In the case of any applicant, any period of absence while serving in any capacity as a member of any naval,

military, or air force of any Commonwealth country or serving in connection with any war in which New Zealand forces were involved as a member of any organisation attached to any such force:

- (d) In the case of any applicant, any period of absence while serving in any capacity as an accredited volunteer appointed by Volunteer Service Abroad Incorporated:
- (e) In the case of any applicant, any period of absence while engaged in missionary work outside New Zealand as a member of, or on behalf of, any religious body, or, as the case may be, during any period that the applicant was absent from New Zealand with her or his spouse while he or she was engaged in such missionary work—

if the Director-General is satisfied—

- (f) In each case referred to in paragraphs (a) to (d) of this subsection, that during the absence of the applicant he or she remained ordinarily resident in New Zealand:
- (g) In the case referred to in paragraph (e) of this subsection, that the applicant was either born in New Zealand or was ordinarily resident in New Zealand immediately before leaving New Zealand to engage in such missionary work or, as the case may be, to accompany or join her or his spouse.

(3) Unless otherwise expressly provided in the agreement, the provisions of subsection (2) (e) of this section shall not be deemed to be modified by the provisions of any agreement entered into by the Government of New Zealand with the Government of any other country, whether before or after the commencement of this section, providing for reciprocity in social security benefits between their respective countries or the provisions of any Act or Order in Council giving effect to any such agreement.

(4) In this section “missionary work” includes the advancement of religion or education and the maintenance, care, or relief of orphans, or the aged, infirm, sick, or needy.

5. Commencement of guaranteed retirement income—

(1) If an application for guaranteed retirement income is received by the Director-General within 6 months after the date on which the applicant became entitled to receive it in accordance with sections 3 and 4 of this Act, guaranteed retirement income shall commence on the date of such entitlement.

(2) If an application for guaranteed retirement income is received by the Director-General on a date which is more than 6 months after the date on which the applicant became entitled to receive it in accordance with sections 3 and 4 of this Act, guaranteed retirement income shall commence on the day which is 6 months before the date of receipt of the application.

6. Rates of guaranteed retirement income—(1) The rate of guaranteed retirement income payable to any person shall be the appropriate rate specified in the First Schedule to this Act.

(2) A married person whose spouse is not entitled to receive guaranteed retirement income may elect to receive the appropriate rate specified in either clause 1 or clause 2 of the First Schedule to this Act.

(3) A person who has made an election under subsection (2) of this section may at any time change that election.

7. Persons receiving national superannuation entitled to guaranteed retirement income—Every person who, immediately before the commencement of this section, was entitled to receive national superannuation under Part I of the Social Security Act 1964 shall be entitled to receive guaranteed retirement income under this Part of this Act.

Veterans' Pensions

8. Entitlement to veteran's pension—(1) Subject to the provisions of this Part of this Act and of the Social Security Act 1964, a person shall be entitled to receive a veteran's pension if—

(a) In any war or emergency in which New Zealand forces have served that person either—

(i) Served as a member of the forces, a member of the Mercantile Marine, or a member of the Emergency Reserve Corps; or

(ii) Served as a member of the forces or a member of the Mercantile Marine of any Commonwealth country (other than New Zealand) outside that Commonwealth country and was ordinarily resident in New Zealand at the commencement of that war or emergency; and

(b) That person either—

(i) Has attained the age at which he or she would be entitled to receive guaranteed retirement income if otherwise qualified to receive it and is qualified to

receive a pension under Part II, Part IV, or Part V of the War Pensions Act 1954 at a rate of not less than 70 percent of the maximum rate of pension that would be payable in respect of total disablement; or

(ii) Because of any mental or physical infirmity is, in the Director-General's opinion, prevented from undertaking employment and is likely to be so prevented permanently or for a substantial period.

(2) Where a person is entitled to receive a veteran's pension on account of his or her own service, the spouse of that person shall be entitled to receive a veteran's pension in the spouse's own right if the spouse has attained the age at which he or she would be entitled to receive guaranteed retirement income if otherwise qualified to receive it.

(3) A person shall not be entitled to receive a veteran's pension if he or she—

(a) Has at any time been in receipt of guaranteed retirement income; or

(b) Was at any time before the 1st day of April 1990 in receipt of national superannuation.

9. Medical examination of applicant for veteran's pension—The Director-General, in his or her discretion, may require any applicant for a veteran's pension or any person in receipt of a veteran's pension to submit himself or herself for examination by a medical practitioner nominated by the Director-General for the purpose; and that medical practitioner shall certify whether, in his or her opinion, the applicant or beneficiary is or is not prevented from undertaking employment because of any mental or physical infirmity specified by the medical practitioner and the estimated duration of that condition, and shall also state the grounds upon which his or her opinion is founded.

10. Commencement of veteran's pensions—(1) If an application for a veteran's pension is received by the Director-General within 6 months after the date on which the applicant became entitled to receive it in accordance with section 8 of this Act, the pension shall commence on the date of such entitlement.

(2) If an application for a veteran's pension is received by the Director-General on a date which is more than 6 months after the date on which the applicant became entitled to receive it in accordance with section 8 of this Act, the pension shall

commence on the day 6 months before the date of receipt of the application.

11. Rates of veterans' pensions—(1) The rate of a veteran's pension shall be the appropriate rate specified in the First Schedule to this Act.

(2) A married person whose spouse is not entitled to receive a veteran's pension may elect to receive the appropriate rate specified in either clause 1 or clause 2 of the First Schedule to this Act.

(3) A person who has made an election under subsection (2) of this section may at any time change that election.

12. Lump sum payments on death—On the death of any person who is ordinarily resident in New Zealand on the date of death and who is in receipt of a veteran's pension on that date, or on the death of the spouse of such a person, there shall be payable to the surviving spouse or dependent child of the person who died the appropriate amount specified in the Second Schedule to this Act.

13. Persons receiving certain pensions or allowance entitled to veteran's pension—Notwithstanding the provisions of section 8 (1) of this Act but subject to the provisions of section 8 (3) of this Act, every person who, immediately before the commencement of this section, was entitled to receive an economic pension or a wife's pension or a war veteran's allowance or a war service pension under the War Pensions Act 1954 shall be entitled to receive a veteran's pension under this Part of this Act.

Consequential Amendments to Other Acts

14. Amending Social Security Act 1964—(1) Section 3 (1) of the Social Security Act 1964 is hereby amended by revoking paragraph (b) (i) of the definition of the term "benefit" (as substituted by section 2 (1) of the Social Security Amendment Act 1986), and substituting the following subparagraph:

"(i) Guaranteed retirement income and veteran's pension payable under Part I of the Social Welfare (Transitional Provisions) Act 1990:".

(2) The said section 3 (1) is hereby amended—

(a) By inserting in paragraph (d) (i) of the definition of the term "income" (as substituted by section 3 (1) of the Social Security Amendment Act 1984), after the

words “under this Act”, the words “or the Social Welfare (Transitional Provisions) Act 1990”:

(b) By omitting from paragraph (d) (ii) of the said definition (as so substituted) the words “(not being an economic pension or a war veteran’s allowance or a war service pension)”.

(3) The said section 3 (1) is hereby amended by inserting, in their appropriate alphabetical order, the following definitions:

“‘Guaranteed retirement income’ means guaranteed retirement income payable under Part I of the Social Welfare (Transitional Provisions) Act 1990:

“‘Veteran’s pension’ means a veteran’s pension payable under Part I of the Social Welfare (Transitional Provisions) Act 1990.”.

(4) Section 12J (1) of the Social Security Act 1964 (as inserted by section 4 of the Social Security Amendment Act 1973) is hereby amended by inserting, after paragraph (b), the following paragraph:

“(ba) Part I of the Social Welfare (Transitional Provisions) Act 1990.”.

(5) Section 61DC of the Social Security Act 1964 (as enacted by section 9 (1) of the Social Security Amendment Act 1982) is hereby amended—

(a) By inserting in subsection (1), after the words “Accident Compensation Act 1972”, the words “or section 12 of the Social Welfare (Transitional Provisions) Act 1990”:

(b) By omitting from subsection (1) the words “, subject to subsection (2) of this section,”:

(c) By repealing subsection (2).

(6) Section 61E (1) of the Social Security Act 1964 (as substituted by section 24 (1) of the Social Security Amendment Act 1987) is hereby amended by repealing paragraph (c) of the definition of the term “beneficiary”, and substituting the following paragraph:

“(c) A veteran’s pension.”.

(7) Section 61H (1) of the Social Security Act 1964 (as substituted by section 3 (1) of the Social Security Amendment Act 1990) is hereby amended—

(a) By inserting, after paragraph (a), the following paragraph:
“(aa) Amend the First and Second Schedules to the Social Welfare (Transitional Provisions) Act 1990; and”:

(b) By omitting from paragraph (b) the expression “Twenty-fourth,”.

(8) Section 69A (1) of the Social Security Act 1964 (as substituted by section 34 of the Finance Act 1989) is hereby amended—

(a) By omitting from paragraph (d) the word “; or”:

(b) By repealing paragraphs (e) and (f).

(9) Section 69c (1) (b) of the Social Security Act 1964 (as substituted by section 15 of the Social Security Amendment Act (No. 2) 1985, is hereby repealed.

(10) Section 69c (5) of the Social Security Act 1964 (as added by section 11 (2) of the Social Security Amendment Act 1982) is hereby amended—

(a) By repealing paragraph (a), and substituting the following paragraph:

“(a) A married person is in receipt of guaranteed retirement income or a veteran’s pension, or of an invalid’s, miner’s, sickness, unemployment, or related emergency benefit; and”.

(b) By repealing paragraph (c), and substituting the following paragraph:

“(c) That spouse is in receipt of a reduced benefit under section 75 (3) or (4) of this Act—”.

(11) Section 72 of the Social Security Act 1964 is hereby amended—

(a) By omitting from paragraph (b) (i) the words “(not being an economic pension or a war service pension or a war veteran’s allowance)”:

(b) By repealing the first proviso to paragraph (b):

(c) By repealing paragraph (c), and substituting the following paragraph:

“(c) Where any part of a benefit is payable in respect of the spouse of an applicant, that part shall not be paid for any period when a personal benefit is payable in respect of the spouse.”

(12) The following enactments are hereby consequentially repealed:

(a) Section 16 of the War Pensions Amendment Act (No. 2) 1970:

(b) Section 22 of the Social Security Amendment Act 1976:

(c) Section 14 of the Social Security Amendment Act (No. 2) 1977.

(13) Section 73 (1) of the Social Security Act 1964 is hereby amended by inserting, after the words “national superannuation,”, the words “or a veteran’s pension”.

(14) Section 75 (3) of the Social Security Act 1964 (as substituted by section 17 (1) of the Social Security Amendment Act (No. 2) 1985) is hereby amended by inserting, after the word “applies”, the words “(other than a person in receipt of, or entitled to receive, a veteran’s pension)”.

(15) Section 76 (2) of the Social Security Act 1964 (as substituted by section 13 (1) of the Social Security Amendment Act 1982) is hereby amended by inserting, after the words “national superannuation” in both places where they occur, the words “or a veteran’s pension”.

(16) Section 82 (7) of the Social Security Act 1964 (as substituted by section 21 (1) of the Social Security Amendment Act (No. 2) 1988) is hereby amended by omitting the words “It shall be a condition of every benefit payable under this Part of this Act that the applicant or beneficiary shall—”, and substituting the words “Unless the Director-General in any particular case otherwise determines, it shall be a condition of every benefit that the applicant or beneficiary shall—”.

(17) The Social Security Act 1964 is hereby amended—

(a) By omitting from paragraphs (e) and (f) of clause 1 of the Sixth, Eighth, and Ninth Schedules and clauses 5 and 6 of the Seventeenth Schedule (as substituted by section 36 (1) of the Finance Act 1989) the words “a benefit (other than national superannuation) under Part I of this Act, or an economic pension, war veteran’s allowance, or war service pension under the War Pensions Act 1954”, and substituting in each case the words “a benefit (other than guaranteed retirement income or a veteran’s pension)”:

(b) By omitting from paragraphs (g) and (h) of clause 1 of the Sixth, Eighth, and Ninth Schedules and clauses 7 and 8 of the Seventeenth Schedule (as so substituted) the words “, in his or her own right, a benefit under Part I of this Act, or an economic pension, war veteran’s allowance, or war service pension under the War Pensions Act 1954”, and substituting in each case the words “a benefit in his or her own right”:

(c) By omitting from paragraphs (i) and (j) of clause 1 of the Sixth, Eighth, and Ninth Schedules and clauses 9 and 10 of the Seventeenth Schedule (as so substituted) the words “national superannuation under Part I of this Act”, and substituting in each case the words “guaranteed retirement income or a veteran’s pension”.

(18) Sections 13 to 15, 17, and 19 of, and the Twenty-fourth Schedule to, the Social Security Act 1964 are hereby repealed.

(19) Every reference in the Social Security Act 1964 or in any other enactment, regulations, or Order in Council to the term national superannuation shall be read as a reference to the term guaranteed retirement income.

(20) The following enactments are hereby consequentially repealed:

- (a) Section 4 of the Social Security Amendment Act 1976:
- (b) Section 4 of the Social Security Amendment Act 1982:
- (c) Section 7 (1) of the Social Security Amendment Act (No. 2) 1982:
- (d) Section 8 of the Social Security Amendment Act 1987:
- (e) Section 29 of, and the Sixth Schedule to, the Finance Act 1989.

15. Amending War Pensions Act 1954—(1) Section 1A of the War Pensions Act 1954 (as inserted by section 2 (1) of the War Pensions Amendment Act 1973) is hereby amended by omitting the words “, or section 66B,”.

(2) Section 2 (1) of the War Pensions Act 1954 is hereby amended by repealing the definition of the term “war service pension”.

(3) Section 3 of the War Pensions Act 1954 is hereby amended by omitting the words “Part III—Economic Pensions. (Sections 57 to 61.)”, the words “Part VA—War Service Pensions. (Sections 66A to 66L.)”, and the words “Part VI—War Veterans’ Allowances. (Sections 67 to 75.)”.

(4) Sections 30, 31, 31A, Part III (sections 57 to 61 and 61A), Part VA (sections 66A to 66M), Part VI (sections 67 to 75), and sections 75A, 78B, 78C, 82, and 86 (2A) to (2C) of, and the Third, Sixth, Seventh, and Twelfth Schedules to, the War Pensions Act 1954 are hereby repealed.

(5) Section 75c (1) of the War Pensions Act 1954 (as substituted by section 2 (1) of the War Pensions Amendment Act 1990) is hereby amended by omitting the words “First to Seventh and Twelfth”, and substituting the words “First, Second, Fourth, and Fifth”.

(6) The War Pensions Amendment Act 1988 is hereby amended—

- (a) By omitting from section 5 (2) (g) the expression “30 (2), 31 (3),”, the expression “66A (2) and (3), 66B (1) (b) and (c), 66C (1), 66D (2) (a), 66E (3), 66G (1) and (4), 66H, 67 (1) (a) and (c), 67 (2), 68 (1) (a) and (3), 69 (3), 71 (1)

- and (4), 72, 73, 74 (2), 75A (2), (3), (5), and (6),”, the expression “78C,” and the expression “(2A), (2C),”:
- (b) By omitting from section 5 (2) (i) the expression “31A,” the expression “61A,” the expression “66J (1), 66K (1),” and the expression “75A (1), 78B,”:
- (c) By omitting from section 5 (2) (j) the expression “sections 25 (2), 74 (3), and 75”, and substituting the expression “section 25 (2)”:
- (d) By omitting from section 5 (2) (k) the expression “31 (3),” and the expression “59 (2), 61 (1) and (3), 66G (1) and (2), 66H, 66J (1) and (2), 66K (1) and (2),”:
- (e) By omitting from section 5 (2) (m) the expression “66C (2), 66G (2),”:
- (f) By omitting from section 5 (2) (o) the expression “59 (1), 61 (1), 73,”:
- (g) By repealing section 5 (4):
- (h) By repealing sections 13 and 14 (2).
- (7) The following enactments are hereby consequentially repealed:
- (a) Section 6 of the War Pensions Amendment Act 1960:
- (b) Sections 4 and 9 of the War Pensions Amendment Act 1963:
- (c) Section 4 of the War Pensions Amendment Act 1964:
- (d) Sections 2 and 3 of the War Pensions Amendment Act 1965:
- (e) Sections 2, 3 (b), 6, and 10 to 15 of the War Pensions Amendment Act (No. 2) 1970:
- (f) Sections 2 to 6 of the War Pensions Amendment Act 1972:
- (g) Sections 8 to 12 and 26 of the War Pensions Amendment Act 1973:
- (h) The War Pensions Amendment Act 1974:
- (i) Sections 4, 5, and 12 of the War Pensions Amendment Act 1975:
- (j) Section 4 of the War Pensions Amendment Act 1976:
- (k) Section 4 of the War Pensions Amendment Act 1986:
- (l) So much of the First Schedule to the War Pensions Amendment Act (No. 3) 1986 as relates to sections 31A, 61A, 66J, 66K, and 75 of the War Pensions Act 1954:
- (m) So much of the Second Schedule to the War Pensions Amendment Act (No. 3) 1986 as relates to the Third, Sixth, Seventh, and Twelfth Schedules to the War Pensions Act 1954.
- (8) The War Pensions (Rates of Pensions and Allowances) Order 1989 (S.R. 1989/108) is hereby amended by revoking so

much of the Second Schedule as relates to the Third, Sixth, Seventh, and Twelfth Schedules to the War Pensions Act 1954.

16. Amending Income Tax Act 1976—(1) Section 2 of the Income Tax Act 1976 is hereby amended—

(a) By repealing the definitions of the terms “national superannuation” (as inserted by section 3 (1) of the Income Tax Amendment Act 1979) and “specified war pension” (as inserted by section 2 (2) of the Income Tax Amendment Act (No. 2) 1986):

(b) By inserting, in their appropriate alphabetical order, the following definitions:

“‘Guaranteed retirement income’ means guaranteed retirement income paid or payable under Part I of the Social Welfare (Transitional Provisions) Act 1990; but does not include portable guaranteed retirement income or any supplement or benefit paid or payable under any of sections 61DC, 61DD, 61DE, 61E, 61G, and 69c of the Social Security Act 1964:

“‘Portable guaranteed retirement income’ means guaranteed retirement income paid or payable overseas under section 17 of the Social Welfare (Transitional Provisions) Act 1990:

“‘Portable veteran’s pension’ means a veteran’s pension paid or payable overseas under section 17 of the Social Welfare (Transitional Provisions) Act 1990:

“‘Veteran’s pension’ means a veteran’s pension paid or payable under Part I of the Social Welfare (Transitional Provisions) Act 1990, other than a portable veteran’s pension.”

(2) Section 61 (10) of the Income Tax Act 1976 (as amended by section 7 of the Income Tax Amendment Act (No. 2) 1986) is hereby amended by omitting the words “specified war”, and substituting the word “veteran’s”.

(3) Section 61 of the Income Tax Act 1976 is hereby amended by adding the following paragraph:

“(63) Any portable guaranteed retirement income or portable veteran’s pension.”

(4) Section 65 (2) of the Income Tax Act 1976 is hereby amended by repealing paragraph (d), and substituting the following paragraph:

“(d) All payments of guaranteed retirement income, income-tested benefits, and veteran’s pension:”.

(5) Section 336A of the Income Tax Act 1976 (as amended by section 38 of the Finance Act 1989) is hereby amended by omitting from the definition of the term “national superannuitant” the words “clause 2 of the Twenty-fourth Schedule to the Social Security Act 1964”, and substituting the words “clause 2 of the First Schedule to the Social Welfare (Transitional Provisions) Act 1990”.

(6) Section 343 (1) of the Income Tax Act 1976 is hereby amended by repealing the 4th proviso, and substituting the following proviso:

“Provided further that, notwithstanding anything in the foregoing provisos to this subsection, where a source deduction payment is a payment of an income-tested benefit, the amount of the tax deduction from that source deduction payment shall be of such amount as the Commissioner determines in consultation with the Director-General of Social Welfare.”

(7) Section 344 (1) of the Income Tax Act 1976 (as substituted by section 10 (1) of the Income Tax Amendment Act (No. 2) 1986) is hereby amended—

(a) By omitting the words “or a payment of a specified war pension”:

(b) By omitting from the proviso—

(i) The words “or payments of specified war pensions”; and

(ii) The words “nor payments of specified war pensions” in both places where they occur.

(8) Section 374I (3) of the Income Tax Act 1976 (as inserted by section 17 (1) of the Income Tax Amendment Act (No. 2) 1986) is hereby repealed.

(9) Section 374I of the Income Tax Act 1976 (as so inserted and as amended by section 71 (1) of the Income Tax Amendment Act (No. 5) 1988) is hereby amended by repealing subsection (3A), and substituting the following subsection:

“(3A) Notwithstanding subsection (2) of this section, any person entitled to payment of a credit of tax under subsection (2) of this section may notify the Director-General of Social Welfare not to pay the credit of tax to that person and the Director-General shall as soon as practicable cease to pay the credit of tax accordingly.”

(10) The said section 374I (as so inserted and amended) is hereby amended—

(a) By omitting from subsection (3B) the words “or the Secretary, as the case may be,”:

- (b) By omitting from subsection (4)—
- (i) The words “, the Social Security Commission, or a War Pensions Board, as the case may be,”;
 - (ii) The words “, the Commission, or the Board, as the case may be,” wherever they occur;
 - (iii) The words “or, as the case may be, the Secretary for War Pensions”.
- (11) The Income Tax Act 1976 is hereby amended—
- (a) By omitting the words “national superannuation” wherever they occur, and substituting in each case the words “guaranteed retirement income”;
 - (b) By omitting the words “national superannuitant” wherever they occur, and substituting in each case the words “guaranteed retirement income earner”.
- (12) The following enactments are hereby consequentially repealed:
- (a) Section 3 (1) of the Income Tax Amendment Act 1979;
 - (b) Section 3 (3) of the Income Tax Amendment Act 1984;
 - (c) Sections 2 (1) (b), 8, and 9 of the Income Tax Amendment Act (No. 2) 1986;
 - (d) Section 16 of the War Pensions Amendment Act 1988.

*Payment Overseas of Guaranteed Retirement Income
and Veterans’ Pensions*

17. Payment overseas of guaranteed retirement income and veteran’s pension—(1) Notwithstanding sections 74 (a) and 77 of the Social Security Act 1964, but subject to the provisions of this section, where a person entitled to receive guaranteed retirement income or a veteran’s pension leaves New Zealand to reside in a country with which New Zealand has no agreement relating to reciprocity of social security monetary benefits, that person, while residing in any such country, shall be entitled to be paid 50 percent of the gross rate of guaranteed retirement income or veteran’s pension, as the case may be, which he or she would be entitled to receive if he or she resided in New Zealand:

Provided that, where a married person whose spouse is not entitled to receive guaranteed retirement income or a veteran’s pension has made or is entitled to make an election under section 6 (2) or section 11 (2) of this Act, that married person shall only be entitled to be paid under this section 50 percent of the gross rate payable under clause 1 of the First Schedule to this Act.

(2) A person shall not be entitled to receive payment overseas in accordance with subsection (1) of this section unless—

- (a) On the date of application of such payment he or she is ordinarily resident and present in New Zealand and is on that date entitled to receive guaranteed retirement income or a veteran's pension or will be so entitled before leaving New Zealand; and
- (b) The applicant intends to reside for more than 26 weeks in the overseas country to which the application relates, being a country with which New Zealand has no agreement relating to reciprocity of social security monetary benefits.
- (3) Where a person has not made an application under this section because he or she left New Zealand intending to be absent for 26 weeks or less, the Director-General may accept an application by that person for payment in accordance with this section if the Director-General is satisfied that absence for more than 26 weeks is or was due to circumstances beyond the applicant's control which could not reasonably have been foreseen before leaving New Zealand.
- (4) The date of commencement of payment overseas of guaranteed retirement income or a veteran's pension under this section shall be the first pay day after the date of the applicant's departure from New Zealand, but in the case of an application under subsection (3) of this section, the date of commencement shall be the first pay day after the date on which the application was received by the Department.
- (5) Where the Director-General has accepted an application under subsection (3) of this section and, after the applicant left New Zealand, the applicant has been paid any instalment of guaranteed retirement income or a veteran's pension in accordance with section 77 of the Social Security Act 1964, no liability to repay any such instalment shall arise merely because the applicant fails to return to New Zealand within the period allowed for by the said section 77.
- (6) Where guaranteed retirement income or a veteran's pension payable overseas in accordance with this section is directly reduced under section 70 of the Social Security Act 1964, the amount payable shall be 50 percent of the reduced gross rate that would be payable in New Zealand.
- (7) A person who is receiving guaranteed retirement income or a veteran's pension overseas under this section shall not be entitled to receive any supplementary or special benefit, lump sum payment, or other assistance whatsoever under the Social Security Act 1964 or under any welfare programme approved by the Minister under section 124 (1) (d) of that Act.

(8) Notwithstanding the provisions of section 80 of the Social Security Act 1964, on the death of a person in receipt of guaranteed retirement income or a veteran's pension overseas under this section, the benefit shall terminate on a date to be determined by the Director-General, being a date not more than 4 weeks after the date of death.

(9) Except as otherwise provided in this section, the provisions of the Social Security Act 1964 (other than sections 75, 75A, and 76) shall apply in respect of guaranteed retirement income and veterans' pensions being paid overseas under this section.

18. Certain existing economic pensioners may be paid up to full rate of veteran's pension overseas— Notwithstanding sections 74 (a) and 77 of the Social Security Act 1964 and section 17 of this Act, if, immediately before the commencement of this section, a person residing outside New Zealand was being paid an economic pension pursuant to the War Pensions Act 1954, the Director-General may pay the full rate, or any lesser percentage of the full rate (being not less than 50 percent), of a veteran's pension to that person while he or she remains resident outside New Zealand.

Reciprocity Agreements With Other Countries

19. Adoption of reciprocity agreement with other countries—(1) For the purpose of giving effect to any agreement or Convention with the government of another country providing for reciprocity in respect of matters relating to social security monetary benefits, or to any alteration thereto, the Governor-General may, by Order in Council,—

- (a) Declare that the provisions contained in any agreement or Convention or alteration thereto set out in a Schedule to the Order in Council shall have force and effect so far as they relate to New Zealand;
- (b) Declare that the provisions of this Act and of the Social Security Act 1964 and of the regulations and orders in force under those Acts shall have effect subject to such modifications as may be required for the purpose of giving effect to the agreement or Convention or alteration thereto;
- (c) Revoke any previous Order in Council which applied in respect of any such agreement or Convention which is no longer in force or which is intended to be no longer in force on the commencement of the Order in Council.

(2) The Governor-General may, by the same or a subsequent Order in Council, specify the date on which any Order in Council made under subsection (1) of this section is to come into force, which may be a date before or on or after the date on which the Order in Council is so made.

(3) The following enactments are hereby repealed:

(a) The Social Security (Reciprocity with the United Kingdom) Act 1983:

(b) The Social Security (Reciprocity with Australia) Act 1989.

(4) The Social Security (Reciprocity with the United Kingdom) Act Commencement Order 1984 (S.R. 1984/141) is hereby revoked.

PART II

OTHER MATTERS

Social Welfare Commission, District Executive Committees, Area Welfare Executive Committees, and Repeal of Department of Social Welfare Act 1971, Etc.

20. Social Welfare Commission—(1) In this section and in sections 21 to 27 and 29 of this Act, “Commission” means the Social Welfare Commission established under this section.

(2) There is hereby established a Commission to be called the Social Welfare Commission.

(3) The Commission shall consist of—

(a) The Minister of Social Welfare:

(b) One person appointed by that Minister on the nomination of the Minister of Maori Affairs:

(c) Six persons appointed by that Minister after having regard to the need for the Commission to represent women, the elderly, Maori, Pacific Islanders, and persons with disabilities and after seeking nominations from community organisations which, in that Minister’s opinion, represent the interests of those groups.

(4) Nothing in subsection (3) (c) of this section shall be construed as requiring the Minister to appoint any nominee or as preventing the Minister from appointing any person not nominated.

21. Term of office of members—(1) Subject to subsection (2) of this section, the appointed members of the Commission shall hold office during the Minister’s pleasure, but shall not hold office for more than 3 years, and may from time to time be reappointed.

(2) Every appointed member of the Commission, unless sooner vacating office under section 22 of this Act, shall continue in office until the member's successor comes into office.

22. Extraordinary vacancies—(1) Any appointed member of the Commission may at any time be removed from office by the Minister for disability, bankruptcy, neglect of duty, or misconduct, proved to the satisfaction of the Minister, or may at any time resign by written notice to the Minister.

(2) When the office of any member of the Commission becomes vacant, the vacancy shall as soon as practicable be filled in the manner in which the appointment to the vacant office was originally made. Every person so appointed shall hold office for the residue of the term for which that person's predecessor would have held office if the vacancy had not occurred.

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

23. Presiding member—(1) The presiding member of the Commission shall be the Minister of Social Welfare, who shall preside at all meetings of the Commission at which he or she is present.

(2) The Minister may appoint any person to attend any meeting of the Commission in the Minister's place and to act as the presiding member. Every person so appointed shall be deemed to be a member of the Commission, and the fact that any such person attends a meeting shall be sufficient evidence of his or her authority to do so.

(3) In the absence from any meeting of the Minister and of any person appointed under subsection (2) of this section, the members present shall appoint one of their number to be the presiding member for that meeting.

24. Meetings of Commission—(1) Meetings of the Commission shall be held at such times and places as the Commission or the presiding member may from time to time appoint.

(2) At any meeting of the Commission the quorum shall be 4 members.

(3) Every question before any meeting of the Commission shall be determined by a majority of the votes of the members present and voting on it.

(4) At any meeting of the Commission the person for the time being acting as presiding member shall have a deliberative vote and, if the voting is equal, shall also have a casting vote.

(5) Subject to this Act, the Commission may regulate its own procedure.

25. Administrative services—All secretarial and administrative services required for the purposes of the Commission shall be supplied by the Department.

26. Fees and travelling allowances—(1) The Commission is hereby declared to be a statutory Board within the meaning of the Fees and Travelling Allowances Act 1951.

(2) There may be paid to the members of the Commission appointed under section 20 (3) (b) and (c) of this Act, out of the Department's Bank Account from money appropriated by Parliament for the purpose, remuneration by way of fees, salary, or allowances, and travelling allowances and expenses, in accordance with the Fees and Travelling Allowances Act 1951; and that Act shall apply accordingly.

27. Functions of Commission—The Commission shall have the following functions:

- (a) To advise the Minister on such policy matters relating to social welfare as the Commission thinks fit, or on any matter referred to it by the Minister:
- (b) To monitor, and from time to time to review, the functions of the Department of Social Welfare under this Act or any other Act:
- (c) To co-ordinate and monitor the functions of District Executive Committees and Area Welfare Executive Committees established under section 28 of this Act, and of residence management committees established under section 364A of the Children, Young Persons, and Their Families Act 1989:
- (d) To give directions to District Executive Committees and Area Welfare Executive Committees established under section 28 of this Act in regard to the way they carry out their functions under section 29 (c) of this Act, and to residence management committees in regard to the way they carry out their functions under section 364B of the Children, Young Persons, and Their Families Act 1989:
- (e) To receive and comment upon submissions made to it by members of the public:

- (f) Such other functions as may from time to time be conferred upon the Commission by written direction of the Minister.

28. District Executive Committees and Area Welfare Executive Committees—(1) There shall be such number of District Executive Committees and Area Welfare Executive Committees as the Minister may from time to time determine.

(2) Each Committee shall consist of—

- (a) The Director for the district of the Department served by the Committee;
- (b) A member of the tangata whenua of that district appointed by the Minister on the nomination of the General Manager of the Iwi Transition Agency;
- (c) Not less than 3 nor more than 7 members, who shall be resident in or closely connected with the social welfare district, appointed by the Minister after having regard to the need for the Committee to represent women, the elderly, Maori, Pacific Islanders, and persons with disabilities and after seeking nominations from community organisations which, in the Minister's opinion, represent the interests of those groups.

(3) Nothing in subsection (2) (c) of this section shall be construed as requiring the Minister to appoint any nominee or as preventing the Minister from appointing any person not nominated.

(4) The provisions of sections 21, 22, 24, 25, and 26 of this Act, with the necessary modifications, shall apply to and in respect of every District Executive Committee and Area Welfare Executive Committee and its members:

Provided that at any meeting of a District Executive Committee or an Area Welfare Executive Committee the quorum shall be half the members if the total membership is even and a majority of the members if the total membership is odd.

(5) Each District Executive Committee and Area Welfare Executive Committee shall from time to time appoint one of its appointed members to be the presiding member of the Committee, who shall hold office during the pleasure of the Committee.

(6) In the absence from any meeting of the presiding member, the members present shall appoint one of their number to be the presiding member for that meeting.

29. Functions of District Executive Committees and Area Welfare Executive Committees—Each District Executive Committee and Area Welfare Executive Committee, in respect of the district or area it serves, shall have the following functions:

- (a) To recommend to the Department the most appropriate means for achieving the aims of the Department in the district or area, including the nature, scope, and priorities of social welfare services the Department is required by Statute or otherwise to provide:
- (b) To monitor, and from time to time review, the effectiveness and appropriateness of the Department's services in the district or area, and to make recommendations to the Director-General about those services:
- (c) To provide to the Department an assessment of and advice on family and community welfare services, including gaps in services, areas of duplication, effectiveness of services, opportunities for improved co-ordination, and effective use of resources, and such matters as will enable the Department to support the community in carrying out its own welfare activities:
- (d) To assess specific family and community welfare projects and, in consultation with iwi and other relevant community organisations, recommend to the Department whether such projects should be funded, or partly funded, and in what order of priority:
- (e) From time to time to provide the Commission with such information as may be appropriate on the state of welfare services in the district or area.

30. Committees—(1) The Minister may from time to time appoint such committees as the Minister thinks fit to advise or otherwise assist the Minister or the Director-General on such aspects of social welfare as the Minister may specify.

(2) The members of any such committee shall hold office at the pleasure of the Minister.

(3) Every such committee may regulate its own procedure.

(4) Every such committee is hereby declared to be a statutory Board within the meaning of the Fees and Travelling Allowances Act 1951.

(5) There may, if the Minister so directs, be paid to the members of any such committee, out of the Department's Bank Account from money appropriated by Parliament for the purpose, remuneration by way of fees, salary, or allowances,

and travelling allowances and expenses, in accordance with the Fees and Travelling Allowances Act 1951; and that Act shall apply accordingly.

31. Members of Commission, etc., not deemed to be in service of Crown—No person, by reason only that he or she is a member of the Social Welfare Commission or of a District Executive Committee or of an Area Welfare Executive Committee or of a committee appointed under section 30 of this Act, shall be deemed to be employed in the service of the Crown for the purposes of the State Sector Act 1988 or the Government Superannuation Fund Act 1956.

32. Members of existing Commission and committees—(1) Every person who held office as a member of the Social Welfare Commission as established under the former section 7A of the Department of Social Welfare Act 1971 (as repealed by section 33 of this Act) shall be deemed to be appointed a member of the Social Welfare Commission established under section 20 of this Act, except that—

- (a) The Director-General of Social Welfare; and
 - (b) The 3 officers of the Department of Social Welfare appointed under the said section 7A—
- shall not be deemed to be so appointed.

(2) No deputy of any member of the Social Welfare Commission (as so formerly established) appointed under section 7E of the Department of Social Welfare Act 1971 shall continue to hold that office.

(3) Every person who held office as a member of a District Executive Committee or an Area Welfare Executive Committee as established under the former section 7K of the Department of Social Welfare Act 1971 (as repealed by section 33 of this Act) shall be deemed to be appointed members of those committees established under section 28 of this Act without further appointment.

33. Repeal of Part I of Department of Social Welfare Act 1971—(1) Section 2 of and Part I of the Department of Social Welfare Act 1971 are hereby repealed.

(2) The following enactments are hereby consequentially repealed:

- (a) The Department of Social Welfare Amendment Act 1981;
- (b) Section 28 of the Social Security Amendment Act (No. 2) 1985;

(c) Sections 30 and 31 of the Social Security Amendment Act 1987:

(d) The Department of Social Welfare Amendment Act 1988:

(e) Section 451 of the Children, Young Persons, and Their Families Act 1989.

(3) The Department of Social Welfare Act Commencement Order 1972 (S.R. 1972/37) is hereby revoked.

34. Amending Social Security Act 1964—(1) Section 3 (1) of the Social Security Act 1964 is hereby amended by repealing the definitions of the terms “Department” and “Director-General”, and substituting the following definitions:

“‘Department’ means the Department of Social Welfare:

“‘Director-General’ means the Director-General of Social Welfare, being the chief executive of the Department of Social Welfare appointed under section 35 of the State Sector Act 1988:”.

(2) The Social Security Act 1964 is hereby amended by inserting, after section 3, the following section:

“3A. Delegation of powers by Minister—(1) The Minister may from time to time, either generally or particularly, delegate to the Director-General all or any of the powers conferred on him or her as Minister by any enactment, including powers delegated to him or her under any enactment, but not including the power to delegate under this section, or the power to consent to a delegation under section 10 of the Social Security Act 1964.

“(2) Subject to any general or special directions given or conditions attached by the Minister, the Director-General may exercise any powers delegated to him or her under this section in the same manner and with the same effect as if they had been conferred on him or her directly by this section and not by delegation.

“(3) Until any such delegation is revoked, it shall continue in force according to its tenor; and in the event of the Minister by whom any such delegation has been made ceasing to hold office, it shall continue to have effect as if made by the person for the time being holding office as Minister.

“(4) In the event of the Director-General to whom any such delegation has been made ceasing to hold office, it shall continue to have effect as if made to the person who is for the time being Director-General or acting in that office.

“(5) Where the Director-General purports to act pursuant to any delegation under this section, he or she shall be presumed

to be acting in accordance with the terms of the delegation in the absence of proof to the contrary.

“(6) Every such delegation shall be revocable at will, and no such delegation shall prevent the exercise of any power by the Minister.”

(3) The following enactments are hereby consequentially repealed:

- (a) Section 15 (3) of the Department of Social Welfare Act 1971:
- (b) Section 2 (1) (b) of the Social Security Amendment Act 1987.

35. Amending Children, Young Persons, and Their Families Act 1989—(1) Section 2 (1) of the Children, Young Persons, and Their Families Act 1989 is hereby amended—

- (a) By omitting from the definition of the term “Department” the words “established by the Department of Social Welfare Act 1971”:
- (b) By repealing the definition of the term “Director-General”, and substituting the following definition:

“‘Director-General’ means the Director-General of Social Welfare, being the chief executive of the Department of Social Welfare appointed under section 35 of the State Sector Act 1988:”
- (c) By omitting from the definition of the term “Social Welfare District” the words “section 10 (1) of the Department of Social Welfare Act 1971”, and substituting the words “Part V of the State Sector Act 1988”:
- (d) By repealing the definition of the term “Social Worker”, and substituting the following definition:

“‘Social Worker’ means a person employed under Part V of the State Sector Act 1988 in the Department of Social Welfare as a social worker:”

(2) Section 283 of the Children, Young Persons, and Their Families Act 1989 is hereby amended by repealing paragraph (i), and substituting the following paragraph:

“(i) Make an order under section 293A of this Act:”

(3) The Children, Young Persons, and Their Families Act 1989 is hereby amended by inserting, after section 293, the following section:

“293A. Disqualification from driving—(1) Where a charge against a young person is proved before a Youth Court, and the offence or the circumstances in which it was committed are such that a District Court would, on entering a conviction for that offence,—

“(a) Be empowered under section 83 of the Criminal Justice Act 1985 to make an order disqualifying the offender from holding or obtaining a driver’s licence; or

“(b) Be required or empowered under section 30 or section 30AA or section 30AB of the Transport Act 1962 to make an order disqualifying the offender from holding or obtaining a driver’s licence; or

“(c) Be required to make an order under section 30A of the Transport Act 1962 requiring the offender to attend an Assessment Centre and disqualifying the person from holding or obtaining a driver’s licence,—

then the Youth Court may make such order (being an order of any of the kinds referred to in any of paragraphs (a) to (c) of this subsection) as would have been obligatory or could have been ordered under any of those sections if the young person were an adult and had been convicted of the offence in a Court other than a Youth Court.

“(2) Where a Youth Court makes an order pursuant to subsection (1) (a) of this section, the provisions of section 83 of the Criminal Justice Act 1985 shall apply accordingly.

“(3) Subject to subsection (5) of this section, where a Youth Court makes an order pursuant to subsection (1) (b) or (c) of this section, sections 30B to 30D and 33 to 41 of the Transport Act 1962 shall apply, so far as applicable and with any necessary modifications, as if the order had been made under Part IV of that Act.

“(4) In determining, for the purposes of paragraph (b) or paragraph (c) of subsection (1) of this section, whether any order would have been obligatory or could have been ordered under any of the sections referred to in either of those paragraphs, a finding (whether made before or after the commencement of this section), by a Children and Young Persons Court or a Youth Court, that a young person is proved to have committed an offence referred to in section 30AA (4) or section 30A (1) (a) of the Transport Act 1962 (not being an offence in respect of which an order has been made under section 282 of this Act or section 35 of the Children and Young Persons Act 1974) shall be deemed to be a conviction for that offence.

“(5) Where a Youth Court makes an order pursuant to subsection (1) (c) of this section in respect of a young person, that young person shall not be required to pay the Assessment Centre fee payable under section 30B (1) of the Transport Act 1962 in respect of that order unless the Youth Court, being satisfied that the young person has the capacity to pay that fee within a period of 12 months from the date on which the fee is payable, so orders.”

(4) The Children, Young Persons, and Their Families Act 1989 is hereby amended by inserting, after section 364, the following sections:

“364A. **Residence management committees**—(1) There shall be a management committee for every residence established by the Director-General pursuant to section 364 of this Act (being a residence established for any of the purposes specified in paragraph (a) or paragraph (b) or paragraph (d) of subsection (2) of that section) consisting of—

“(a) A member appointed by the Minister on the recommendation of the Director-General:

“(b) A member appointed by the Minister on the recommendation of the General Manager of the Iwi Transition Agency:

“(c) Not less than 3 nor more than 7 members appointed by the Minister after consultation with—

“(i) The Minister of Maori Affairs and iwi; and

“(ii) Relevant community organisations designated for the purpose by the Minister.

“(2) The Director of the residence served by the committee or, as the case may be, the Directors of the residences served by the same committee, shall be ex officio members of the committee and may take part in its deliberations but shall not have a vote on any matter decided by resolution of the committee.

“(3) The Minister shall determine the number of residence management committees and may determine that one committee serve 2 or more residences.

“(4) The provisions of sections 21, 22, 24, 25, and 26 of the Social Welfare (Transitional Provisions) Act 1990, with the necessary modifications, shall apply to and in respect of every residence management committee and its members:

“Provided that at any meeting of a residence management committee the quorum shall be half of the members if the total membership is even and a majority of the members if the total membership is odd.

“(5) Each residence management committee shall from time to time appoint one of its members, not being a public servant, to be the presiding member of the committee, who shall hold office during the pleasure of the committee.

“(6) In the absence from any meeting of the presiding member, the members present shall appoint one of their number to be the presiding member for that meeting.

“364B. Functions of residence management committees—Each residence management committee, in respect of the residence or residences it serves, shall have the following functions:

“(a) To monitor the practices followed by the Department and make recommendations to the Director-General on the administration of the residence or residences:

“(b) To assess and make recommendations to the Director-General on the programmes used by the residence or residences to ensure that they meet the social and cultural needs of the children and young persons in the residence or residences:

“(c) To propose measures which may be used by the Department to divert children and young persons from residences into appropriate care and control in the community:

“(d) To contribute to the Department’s process for selection and appointment of staff for the residence or residences:

“(e) To advise the Department on priorities for the preparation of budgets and plans for the allocation of resources:

“(f) From time to time to provide the Commission with such information as may be appropriate on the practices and programmes followed in respect of the residence or residences:

“(g) Such other functions as may be lawfully conferred upon it.”

(5) Every institution management committee established under the former section 7M of the Department of Social Welfare Act 1971 (as repealed by section 33 of this Act) and in being immediately before the commencement of this section shall be deemed to have been established under section 364A of the Children, Young Persons, and Their Families Act 1989 (as inserted by subsection (4) of this section), and every person who, immediately before the commencement of this section, held office as a member of any such committee, shall be

deemed to have been appointed under the said section 364A (as so inserted).

36. Amendments to other Acts—(1) Section 2 of the Adoption Act 1955 is hereby amended—

(a) By repealing the definition of the term “Director-General”, and substituting the following definition:

“ ‘Director-General’ means the Director-General of Social Welfare, being the chief executive of the Department of Social Welfare appointed under section 35 of the State Sector Act 1988:”;

(b) By omitting from paragraph (b) of the definition of the term “Social Worker” (as inserted by section 23 (1) of the Department of Social Welfare Act 1971) the words “under the Department of Social Welfare Act 1971”, and substituting the words “employed as such under Part V of the State Sector Act 1988 in the Department of Social Welfare”.

(2) Section 2 of the Adult Adoption Information Act 1985 is hereby amended by omitting from the definition of the term “social worker” the words “appointed or deemed to be appointed in accordance with section 8 of the Department of Social Welfare Act 1971”, and substituting the words “employed as such under Part V of the State Sector Act 1988 in the Department of Social Welfare”.

(3) Section 2 of the Family Proceedings Act 1980 is hereby amended by repealing paragraph (a) of the definition of the term “Social Worker”, and substituting the following paragraph:

“(a) A Social Worker employed as such under Part V of the State Sector Act 1988 in the Department of Social Welfare; or”.

(4) Section 2 (1) of the Guardianship Act 1968 (as substituted by section 3 (1) of the Guardianship Amendment Act 1979) is hereby amended—

(a) By repealing the definition of the term “Director-General”, and substituting the following definition:

“ ‘Director-General’ means the Director-General of Social Welfare, being the chief executive of the Department of Social Welfare appointed under section 35 of the State Sector Act 1988:”;

(b) By repealing the definition of the term “Social Worker”, and substituting the following definition:

“ ‘Social Worker’ means a person employed under Part V of the State Sector Act 1988 in the Department of Social Welfare as a social worker:”.

(5) Section 2 of the Protection of Personal and Property Rights Act 1988 is hereby amended by repealing the definition of the term “social worker”, and substituting the following definition:

“ ‘Social worker’ means a person employed under Part V of the State Sector Act 1988 in the Department of Social Welfare as a social worker:”.

(6) Section 23 (2) of the Department of Social Welfare Act 1971 is hereby consequentially repealed.

Amendments to Social Security Act 1964 to Facilitate Introduction of New Computer System

37. Amending Social Security Act 1964—(1) Section 3 (1) of the Social Security Act 1964 is hereby amended—

(a) By repealing the definition of the term “pay day”, and substituting the following definition:

“ ‘Pay day’ means the day from time to time fixed by the Director-General as the date on which an instalment of a benefit falls due for payment:”:

(b) By repealing the definition of the term “pay period”.

(2) Sections 17, 21 (5), 27, 27E, 27G (5), 30, 60 (8), 61DA, and 61DB of the Social Security Act 1964 are hereby repealed.

(3) Section 28 (1) of the Social Security Act 1964 is hereby amended by omitting from the proviso (as substituted by section 2 of the Social Security Amendment Act 1989) the words “last day of the pay period that occurs nearest to”, and substituting the words “pay day immediately after”.

(4) Section 32 (1) of the Social Security Act 1964 is hereby amended by omitting from the proviso (as substituted by section 3 (1) of the Social Security Amendment Act 1989) the words “last day of the pay period that occurs nearest to”, and substituting the words “pay day immediately after”.

(5) Section 35 of the Social Security Act 1964 (as substituted by section 7 (1) of the Social Security Amendment Act 1983) is hereby amended by repealing subsections (3) and (4).

(6) Section 61DC (1) of the Social Security Act 1964 (as enacted by section 9 (1) of the Social Security Amendment Act 1982) is hereby amended—

- (a) By omitting from paragraph (a) the expression “section 61DB”, and substituting the words “paragraph (a) of the proviso to section 80 (2)”:
- (b) By omitting from paragraph (b) (i) the expression “section 61DB”, and substituting the words “paragraph (a) of the proviso to section 80 (2)”:
- (c) By omitting from paragraph (d) the expression “section 61DB”, and substituting the words “paragraph (a) of the proviso to section 80 (2)”.

(7) The Social Security Act 1964 is hereby amended by repealing section 80, and substituting the following section:

“80. Commencement and payment of benefits—

(1) Except as otherwise provided in this Act or in the Social Security Act 1964, every benefit shall commence—

“(a) On the day on which the applicant became entitled to receive it, if the application for it is received by the Department within 6 months after the date of entitlement:

“(b) On the day which is 6 months before the day on which the application for it is received by the Department, if it is so received 6 months or more after the date of entitlement.

“(2) Every benefit shall continue to be payable while the beneficiary remains entitled to receive it and shall cease on such date as the Director-General determines (being not earlier than the pay day before the date on which entitlement ceased nor later than the pay day after that date):

“Provided that—

“(a) Where a beneficiary in receipt of guaranteed retirement income or of a veteran’s pension or of a widow’s, domestic purposes, invalid’s, miner’s, sickness, or unemployment benefit, or a related emergency benefit, dies leaving a spouse or child not entitled to a lump sum payment under section 82 of the Accident Compensation Act 1982, the Director-General shall continue to pay instalments of the benefit covering the period of 4 weeks following the date of death:

“(b) Where a person in receipt of a veteran’s pension or guaranteed retirement income (to whom paragraph (a) of this proviso does not apply) dies, the benefit shall cease on the day following the pay day immediately preceding the date of death:

“(c) In any other case where a beneficiary dies, the benefit shall cease on the date of death of the beneficiary or such later date as the Director-General determines, being not later than 4 weeks following the date of death:

“(d) Where a beneficiary in receipt of a domestic purposes benefit or a widow’s benefit no longer qualifies for that benefit because—

“(i) There ceases to be a child in respect of whom the benefit is payable; or

“(ii) In the case of a benefit under section 27C of this Act the patient has died or been admitted to hospital—

the Director-General shall continue to pay instalments of the benefit covering the period of 8 weeks following the date on which the beneficiary ceased to qualify:

“(e) If a child in respect of whom a family benefit or an orphan’s benefit is payable ceases to be entitled to the benefit, the benefit shall cease on such date as the Director-General determines, being a date not earlier than the date on which entitlement ceased and not later than 4 weeks after that date.”

(8) The Social Security Act 1964 is hereby amended by repealing section 81, and substituting the following section:

“81. **Review of benefits**—(1) The Director-General may from time to time review any benefit in order to ascertain whether the beneficiary remains entitled to receive it; and for that purpose may require the beneficiary or his or her spouse to provide any information or to answer any relevant question. If the beneficiary or his or her spouse fails to comply with any such requirement within such reasonable period as the Director-General specifies, the Director-General may suspend, terminate, or vary the rate of benefit from such date as the Director-General determines.

“(2) If, after reviewing a benefit under subsection (1) of this section, the Director-General is satisfied that, owing to a change of circumstances, the beneficiary is no longer entitled to receive the benefit or is entitled to receive the benefit at a different rate, the Director-General may suspend, terminate, or vary the rate of benefit from such date as the Director-General determines, being a date on or after the date on which that change may reasonably be held to have occurred.”

(9) The Twenty-third Schedule to the Social Security Act 1964 (as set out in the Second Schedule to the Social Security Amendment Act 1986) is hereby amended by omitting from paragraph (a) the words “pay period”, and substituting the words “period of 4 weeks”.

(10) The following enactments are hereby consequentially repealed:

- (a) Section 26 of the Social Security Amendment Act 1972:
- (b) Sections 2 (3) and 27 of the Social Security Amendment Act 1976:
- (c) Section 2 of the Social Security Amendment Act 1983:
- (d) Sections 4 and 5 of the Social Security Amendment Act 1984:
- (e) Section 5 of the Social Security Amendment Act 1986:
- (f) Section 13 of the Social Security Amendment Act (No. 2) 1988.

Miscellaneous Amendments to Social Security Act 1964 and War Pensions Act 1954

38. Amendments to Social Security Act 1964—

(1) Section 12J of the Social Security Act 1964 (as inserted by section 4 of the Social Security Amendment Act 1973) is hereby amended—

- (a) By omitting from subsection (1) the words “an appeal shall lie”, and substituting the words “any applicant or beneficiary affected may appeal”:
- (b) By omitting from subsection (1)(a) (as substituted by section 4 of the Social Security Amendment Act 1980) the expression “27ZF and sections 27ZH and”:
- (c) By inserting, after subsection (1), the following subsection:

“(1A) A liable parent (as defined in section 27I of this Act) may appeal to the Appeal Authority against any decision of the Director-General under section 27ZG of this Act.”

(2) Section 27H(1A) of the Social Security Act 1964 (as enacted by section 12 (1) of the Social Security Amendment Act 1987) is hereby amended by inserting, after paragraph (a), the following paragraph:

“(aa) The beneficiary is taking active steps to identify who is in law the other parent; or”.

(3) Section 101 (1) of the Social Security Act 1964 is hereby amended by adding the following proviso:

“Provided that this subsection shall not apply to any payments made by the Department of Social Welfare to any

area health board in respect of long-term hospital treatment provided by the board for any intellectually handicapped person or physically handicapped person.”

(4) Section 125 (1) of the principal Act (as substituted by section 26 (1) of the Social Security Amendment Act 1975) is hereby amended by omitting the expression “(b)”, and substituting the expression “(d)”.

39. Amendment to War Pensions Act 1954—Section 15b of the War Pensions Act 1954 (as enacted by section 7 (1) of the War Pensions Amendment Act 1988) is hereby amended by omitting the figure “3”, and substituting the figure “6”.

40. Amending Ombudsmen Act 1975—Part II of the First Schedule to the Ombudsmen Act 1975 is hereby amended—

- (a) By omitting the item relating to the Social Security Commission:
- (b) By inserting, in their appropriate alphabetical order, the following items:
 - “The New Zealand Artificial Limb Board.
 - “The Social Welfare Commission.”

41. Validation of exercise of Director-General’s powers pursuant to a purported delegation—If any officer of the Department has, at any time before the commencement of this section, purported to exercise any power, function, or discretion of the Director-General under the Social Security Act 1964, and the exercise of that power, function, or discretion would have been valid if it had been carried out pursuant to a valid delegation by the Director-General (with the written consent of the Minister of Social Welfare) pursuant to section 10 of the Social Security Act 1964, the exercise of that power, function, or discretion shall be deemed to have been valid.

PART III

NEW ZEALAND ARTIFICIAL LIMB BOARD

42. Interpretation—In this Part of this Act and in the Third Schedule to this Act, unless the context otherwise requires,—

“Board” means the New Zealand Artificial Limb Board constituted by section 43 of this Act:

“Existing body” means the body known as the Artificial Limb Board (also known as the New Zealand Artificial Limbs Board), being the body that the Rehabilitation Board, purporting to act pursuant to section 13 of the Rehabilitation Act 1941, purported to establish

pursuant to an instrument of delegation made pursuant to a resolution of the Rehabilitation Board dated the 5th day of March 1970:

“Undertaking” means all property, contracts, engagements, rights, authorities, and liabilities that purport to be property, contracts, engagements, rights, authorities, and liabilities of the existing body, including any grants, subsidies, donations, and gifts.

43. New Zealand Artificial Limb Board—(1) There is hereby established a Board called the New Zealand Artificial Limb Board.

(2) The Board shall be a body corporate with perpetual succession and a common seal, and shall have and may exercise all the rights, powers, and privileges, and may incur all the liabilities and obligations, of a natural person of full age and capacity.

(3) The Board shall be a Crown agency for the purposes of the Public Finance Act 1989.

44. Functions—The functions of the Board are—

- (a) To manufacture, import, export, market, distribute, supply, fit, repair, and maintain artificial limbs:
- (b) To provide rehabilitative and other services to persons with artificial limbs:
- (c) To carry out research and development in relation to artificial limbs:
- (d) To advise the Minister on matters relating to artificial limbs.

45. Powers of Board—The Board shall have all such powers as are reasonably necessary or expedient to enable it to carry out its functions.

46. Membership of Board—(1) The Board shall consist of—

- (a) The Director-General of Social Welfare:
- (b) One member to be appointed by the Minister on the nomination of the New Zealand War Amputees Association Incorporated:
- (c) One member to be appointed by the Minister on the nomination of the Amputees Federation of New Zealand:

- (d) One member to be appointed by the Minister on the nomination of the New Zealand Orthopaedic Association:
 - (e) One member to be appointed by the Minister to represent Area Health Boards, which member shall be appointed on the nomination of the Minister of Health:
 - (f) One member to be appointed by the Minister on the nomination of the Board.
- (2) Any person appointed as a member of the Board may hold that office concurrently with any other office.

47. Board to comply with Government policy—(1) In the exercise of its functions, duties, powers, rights, and authorities under this Part of this Act, the Board shall comply with any directions relating to the policy of the Government that are given by the Minister to the Board by notice in writing.

(2) Where a notice is given to the Board under subsection (1) of this section, the Minister shall, as soon as practicable after the giving of the notice,—

- (a) Publish a copy of it in the *Gazette*; and
- (b) Lay a copy of it before the House of Representatives.

48. Review of operation of Board—As soon as practicable after the expiry of the period of 3 years beginning on the date of commencement of this Act, and then at intervals of not more than 5 years, the Board shall—

- (a) Review the operation of the Board since—
 - (i) The date of the commencement of this Act (in the case of the first review carried out under this paragraph); or
 - (ii) The date of the last review carried out under this paragraph (in the case of every subsequent review); and
- (b) Consider—
 - (i) Whether the Board should be retained or abolished; and
 - (ii) Whether any amendments to this Part of this Act are necessary or desirable; and
- (c) Report its findings to the Minister.

49. Further provisions applying to Board—The provisions set out in the Third Schedule to this Act shall apply in respect of the Board.

50. Contracts of Board—Part II of the First Schedule to the Public Bodies Contracts Act 1959 is hereby amended by inserting, in its appropriate alphabetical order, the following item:

“The New Zealand Artificial Limb Board | 1990, No. 26—The Social Welfare (Transitional Provisions) Act 1990.”

51. Transitional provisions applying to Board—(1) On the commencement of this Act,—

- (a) The undertaking of the existing body shall vest in the Board; and
- (b) All money that is purportedly payable to the existing body shall become payable to the Board.

(2) On the commencement of this Act, every person who purports to be an employee of the existing body shall become an employee of the Board but, for the purposes of every enactment, award, determination, contract, and agreement relating to the employment of each such employee, the contract of employment which that employee purports to have with the existing body shall be deemed to have been unbroken and the period of service with the existing body shall be deemed to have been a period of service with the Board.

(3) The terms and conditions of employment of each employee to whom subsection (2) of this section applies shall, until varied, be identical with the terms and conditions that purport to be the terms and conditions of that employee's purported employment with the existing body immediately before the commencement of this Act.

(4) No such employee shall be entitled to receive any payment or other benefit by reason only of that employee ceasing by virtue of this Act to be an employee of the existing body.

(5) Any person who, immediately before the commencement of this Act, purported to hold office as a member of the existing body shall, on the commencement of this Act, be deemed to have been appointed under section 46 of this Act as a member of the Board for a term of 5 years, and the provisions of this Act shall apply accordingly.

(6) Every agreement, contract, deed, instrument, undertaking, or notice entered into, executed, or given by the existing body, and every action taken by the existing body, before the commencement of this Act, to the extent that it would have been valid if entered into, executed, given, or taken by the Board after the commencement of this Act, is hereby

validated and declared to have been lawfully entered into, executed, given, or taken.

SCHEDULES

Sections 6, 11

FIRST SCHEDULE

RATES OF GUARANTEED RETIREMENT INCOME AND VETERANS' PENSIONS

(The following rates are before deduction of tax)

- | | |
|---|--|
| 1. (a) To an unmarried person | \$10,767.64 a year (\$207.07 a week). |
| (b) To a married person | \$8,811.40 a year (\$169.45 a week). |
| (c) Rate of guaranteed retirement income payable to a married person who was entitled to receive national superannuation on the 10th day of October 1988 and whose spouse, on that date, was not entitled to receive national superannuation and is not entitled to either receive guaranteed retirement income or a benefit in his or her own right under Part I of the Social Security Act 1964 or Part I of this Act | \$9,562.28 a year (\$183.89 a week) or the rate for the time being specified in paragraph (b) of this clause, whichever is greater. |
| 2. Alternative rate for a married person whose spouse is not entitled to receive guaranteed retirement income or a veteran's pension— | |
| (a) To a married person with 1 or more dependent children | \$17,622.80 a year (\$338.90 a week) diminished by 30c for every complete \$1 of the total annual income of that person and his or her spouse in excess of \$3,120 a year but not in excess of \$4,160 a year, and by 70c for every complete \$1 of such income in excess of \$4,160 a year. |
| (b) To a married person without dependent children | \$17,622.80 a year (\$338.90 a week) diminished by 30c for every complete \$1 of the total annual income of that person and his or her spouse in excess of \$2,600 a year but not in excess of \$4,160 a year, and by 70c for every complete \$1 of such income in excess of \$4,160 a year. |
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Section 12

SECOND SCHEDULE

PAYMENTS ON DEATH OF VETERAN OR VETERAN'S SPOUSE

1. (a) On the death of a person who—
- (i) On the date of his or her death was in receipt of a veteran's pension on account of his or her own service; and
- (ii) Before the 1st day of April 1990 was in receipt of a war veteran's allowance under the War Pensions Act 1954
- (b) On the death of any person who, on the date of his or her death, was in receipt of a veteran's pension on account of his or her own service
- (c) On the death of the spouse of any person where that person is receiving a veteran's pension on account of his or her own service and where the spouse was in receipt of a veteran's pension
2. There shall be deducted from any amount payable under clause 1 of this Schedule any amount payable under paragraph (a) of the proviso to section 80 (2) of the Social Security Act 1964.

\$9,157.47 to the surviving spouse of that person or, where there is no surviving spouse, to be apportioned equally between any dependent children of that person.

\$3,631.88 to the surviving spouse of that person or, where there is no surviving spouse, to be apportioned equally between any dependent children of that person.

\$2,769.39 to that person.

THIRD SCHEDULE

Section 49

PROVISIONS APPLYING IN RESPECT OF NEW ZEALAND ARTIFICIAL LIMB
BOARD**1. Term of office**—(1) Every appointed member of the Board—

- (a) Shall be appointed by notice published in the *Gazette*;
- (b) Shall be appointed for a term not exceeding 5 years;
- (c) Shall take office from the date of the notice of appointment or such later date as may be specified in the notice;
- (d) Shall be eligible for reappointment from time to time.

2. Continuation in office after term expires—Notwithstanding clause 1 of this Schedule, every appointed member of the Board whose term of office has expired shall, unless sooner vacating office under clause 3 of this Schedule, continue to hold office by virtue of the appointment for the term that has expired, until—

- (a) That member is reappointed; or
- (b) A successor to that member is appointed; or
- (c) That member is informed in writing by the Minister that the member is not to be reappointed and that a successor to that member is not to be appointed.

3. Extraordinary vacancies—(1) Any appointed member of the Board may at any time be removed from office by the Minister for disability, bankruptcy, neglect of duty, or misconduct, proved to the satisfaction of the Minister.

(2) Any appointed member of the Board may at any time resign his or her office by giving written notice to that effect to the Minister.

(3) If any appointed member of the Board dies, or resigns, or is removed from office, the vacancy so created shall be filled in the manner in which the appointment to the vacant office was originally made.

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

4. Presiding member and deputy presiding member—(1) The Board, at its first meeting after the commencement of this Act and after that from time to time, shall appoint from its members a presiding member of the Board and a deputy presiding member of the Board.

(2) Both the presiding member and the deputy presiding member shall be appointed to those offices for a period not exceeding 1 year but, subject to subclause (3) of this clause, shall continue to hold office until a successor is appointed, and shall be eligible for reappointment.

(3) If any person who holds office as the presiding member or deputy presiding member of the Board ceases to be a member of the Board, that person shall cease to hold the office of presiding member or, as the case requires, deputy presiding member.

(4) During any vacancy in the office of presiding member or whenever the presiding member is for any reason unable to act, the deputy presiding member shall have and may exercise all the powers and functions of the presiding member.

5. Meetings—(1) Meetings of the Board shall be held at such times and places as the Board or its presiding member from time to time appoints.

(2) A special meeting of the Board may at any time be convened by the presiding member, and the presiding member shall call a special meeting

THIRD SCHEDULE—*continued*PROVISIONS APPLYING IN RESPECT OF NEW ZEALAND ARTIFICIAL LIMB
BOARD—*continued*

whenever requested to do so in writing by not less than 2 members of the Board.

(3) At any meeting of the Board the quorum necessary for the transaction of business shall be 3 members.

6. Presiding member to preside at meetings—(1) At every meeting of the Board the presiding member shall preside if he or she is present.

(2) If the presiding member is not present at any such meeting, or if there is no presiding member, the deputy presiding member, if present, shall preside.

(3) If neither the presiding member nor the deputy presiding member is present at any such meeting, or if there is no presiding member and no deputy presiding member, the members present shall elect some member present to preside at that meeting, and the person so elected shall have and may exercise in such case all the powers and functions of the presiding member for the purposes of that meeting.

7. Appointment of deputies—(1) The Minister may appoint any person to be the deputy of any appointed member of the Board.

(2) No person shall be appointed under subclause (1) of this clause as the deputy of any appointed member of the Board unless that person is eligible to be appointed as an appointed member of the Board.

(3) The Director-General of Social Welfare may appoint any employee of the Department of Social Welfare to be that person's deputy for the purposes of attending any meeting of the Board.

(4) Any person who is appointed under this clause as the deputy of any member of the Board may attend any meeting of the Board in the place of the person whose deputy that person is.

(5) Where any person attends any meeting of the Board as the deputy of any member of the Board, that person shall be deemed to be a member of the Board, and the fact that any such person so attends shall be sufficient evidence of that person's authority to do so.

8. Voting at meetings—(1) All questions arising at any meeting of the Board shall be decided by a majority of the votes cast by the members present.

(2) The member presiding at any such meeting shall have a deliberative vote, and, in the case of an equality of votes, shall also have a casting vote.

(3) A resolution in writing signed, or assented to by letter or telegram or facsimile transmission or telex, by all members of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted.

9. Procedure—Subject to this Act, the Board may regulate its procedure in such manner as it thinks fit.

10. Board may appoint committees—(1) The Board may from time to time appoint committees, consisting of 2 or more members of the Board and such other persons (if any) as the Board thinks fit, to inquire into and report to the Board on such matters within the scope of its functions as are referred to them by the Board, or to exercise on behalf of the Board any of

THIRD SCHEDULE—*continued*PROVISIONS APPLYING IN RESPECT OF NEW ZEALAND ARTIFICIAL LIMB BOARD—*continued*

its functions or powers, and may from time to time delegate to any such committee any such function or power.

(2) Every committee appointed under this clause shall be subject in all things to the control of the Board, and may at any time be discharged, altered, or reconstituted by the Board.

(3) Subject to any general or special directions given or conditions imposed by the Board, any committee to which any function or power is delegated under this clause may exercise that function or power in the same manner and with the same effect as if it had been conferred directly by this Act and not by delegation.

(4) Every committee purporting to act pursuant to any delegation under this clause shall, until the contrary is proved, be presumed to be acting in accordance with the delegation.

(5) No delegation under this clause shall prevent the exercise of any function or power by the Board.

11. Fees and travelling allowances—(1) There may be paid to the members of the Board and to the members of any committee appointed by the Board, out of the funds of the Board, 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.

(2) For the purposes of this clause, the Board and every committee appointed by the Board is hereby declared to be a statutory Board within the meaning of the Fees and Travelling Allowances Act 1951.

12. Employees—(1) The Board may appoint such officers and employees, including officers and employees on secondment from other organisations, as it thinks necessary for the efficient performance of its functions.

(2) Subject to the terms and conditions of employment, the Board may at any time terminate or suspend the employment of any of its officers and employees.

(3) Officers and employees appointed under subclause (1) of this clause shall be employed on such terms and conditions of employment and shall be paid such salaries and allowances as the Board from time to time determines.

(4) Any determination under subclause (3) of this clause shall take effect on such date (whether the date of the determination or any earlier or later date) as may be specified in the determination.

(5) If no date is so specified, the determination shall take effect on the date of the determination.

13. Personnel policy—(1) The Board shall operate a personnel policy that complies with the principle of being a good employer.

(2) For the purposes of this clause, a “good employer” is an employer who operates a personnel policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment, including provisions requiring—

(a) Good and safe working conditions; and

THIRD SCHEDULE—*continued*PROVISIONS APPLYING IN RESPECT OF NEW ZEALAND ARTIFICIAL LIMB
BOARD—*continued*

- (b) An equal employment opportunities programme; and
- (c) The impartial selection of suitably qualified persons for appointment; and
- (d) Recognition of—
 - (i) The aims and aspirations of Maori; and
 - (ii) The employment requirements of Maori; and
 - (iii) The need for greater involvement of Maori as employees of the employer operating the personnel policy; and
- (e) Opportunities for the enhancement of the abilities of individual employees; and
- (f) Recognition of the aims and aspirations, and the cultural differences, of ethnic or minority groups; and
- (g) Recognition of the employment requirements of women; and
- (h) Recognition of the employment requirements of persons with disabilities.

14. Equal employment opportunities programme—(1) The Board—

- (a) Shall develop and publish in each year an equal employment opportunities programme:
 - (b) Shall ensure in each year that the equal employment opportunities programme for that year is complied with.
- (2) For the purposes of this clause and clause 13 of this Schedule, an equal employment opportunities programme means a programme that is aimed at the identification and elimination of all aspects of policies, procedures, and other institutional barriers that cause or perpetuate, or tend to cause or perpetuate, inequality in respect of the employment of any persons or group of persons.

15. Choice of procedure—Where the circumstances giving rise to a personal grievance by a person employed by the Board are also such that that person would be entitled to make a complaint under the Human Rights Commission Act 1977 or the Race Relations Act 1971 or to exercise a right of review or appeal, that person may take one, but not more than one, of the following steps:

- (a) The person may invoke, in relation to those circumstances, the procedures applicable in relation to personal grievances under the Labour Relations Act 1987 or the relevant award or agreement:
- (b) The person may make, in relation to those circumstances, a complaint under the Human Rights Commission Act 1977 or the Race Relations Act 1971:
- (c) The person may exercise the right of review or appeal.

16. Superannuation or retiring allowances—For the purpose of providing a superannuation fund or retiring allowance for any of the officers or employees of the Board, sums by way of subsidy may from time to time be paid into any scheme under the National Provident Fund Act 1950 containing provision for employer subsidy or into any other employer-subsidised scheme approved by the Minister of Finance for the purposes of this clause.

THIRD SCHEDULE—*continued*PROVISIONS APPLYING IN RESPECT OF NEW ZEALAND ARTIFICIAL LIMB
BOARD—*continued*

17. Application of certain Acts to members and employees—No person shall be deemed to be employed in the service of the Crown for the purposes of the State Sector Act 1988 or the Government Superannuation Fund Act 1956 by reason of that person's appointment as a member of the Board or by reason only of that person's employment under clause 12 of this Schedule.

18. Funds of Board—The funds of the Board shall consist of—

- (a) Any money appropriated by Parliament for the purposes of the Board and paid to the Board for the purposes of the Board;
- (b) All other money lawfully received by the Board for the purposes of the Board;
- (c) All accumulations of income derived from any such money.

19. Bank accounts—(1) The Board shall open at any bank or banks such accounts as are necessary for the exercise of its functions and powers.

(2) All money received by the Board, or by any employee of the Board, shall, as soon as practicable after it has been received, be paid into such bank accounts of the Board as the Board from time to time determines.

(3) The withdrawal or payment of money from any such account shall be authorised in such manner as the Board thinks fit.

20. Investment of money—Any money that belongs to the Board and that is not immediately required for expenditure by the Board may be invested pursuant to section 25 of the Public Finance Act 1989.

21. Seal—The common seal of the Board shall be judicially noticed in all Courts and for all purposes.

22. Exemption from income tax—The income of the Board shall be exempt from income tax.

23. Annual report—(1) The Board shall in each year furnish to the Minister a report with respect to the operations of the Board.

(2) A copy of every annual report of the Board shall be laid before the House of Representatives not later than the 16th sitting day of the House of Representatives after the day on which it is furnished to the Minister.

24. Statement of Board's goals—The Board shall in each year include in its report of its operations for that year—

- (a) A statement of its goals for the next 3 years and of the steps that it proposes to take for the purpose of meeting those goals; and
- (b) A statement of the extent to which it met its goals in the year to which the report relates.

25. Members not personally liable—No member of the Board shall be personally liable for any act or default done or made by the Board or by any member of the Board in good faith in the course of the operations of the Board.