

[AS REPORTED FROM THE COMMITTEE OF THE WHOLE]

*House of Representatives, 30 November 1977*

Words struck out are shown in italics within bold round brackets, or with black rule at beginning and after last line; words inserted are shown in roman underlined with a double rule, or with double rule before first line and after last line.

*Hon. Mr Gordon*

## HIGHER SALARIES COMMISSION

### ANALYSIS

Title	16. Publication of determinations fixing Parliamentary pay and allowances
1. Short Title and commencement	17. Criteria for Commission
2. Interpretation	18. Frequency of adjustments
3. Act to bind the Crown	19. Interim adjustments
4. Establishment of Higher Salaries Commission	20. Submissions to Commission
5. Membership of Commission	21. Recommendations to Commission
6. Term of office	22. Application of general orders
7. Extraordinary vacancies	23. Salary of existing holder not to be reduced
8. Meetings	24. Powers of Commission
9. Members and officers to maintain secrecy	25. Annual report
10. Remuneration and travelling allowances	26. Money to be appropriated by Parliament for purposes of this Act
11. Staff of Commission	27. Members not personally liable
12. Functions of Commission	28. Other enactments not to prevail
13. Amendment of First, Second, and Third Schedules	29. Determinations of Commission to prevail over contracts of service in case of conflict
14. Implementation of determinations of Commission	30. Consultation with Commission
15. Release of determinations	31. Consequential amendments
	32. Repeal
	33. Revocations and amendments
	34. Savings and validation Schedules

### A BILL INTITULED

#### An Act to establish a Higher Salaries Commission

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

**1. Short Title and commencement**—(1) This Act may be cited as the Higher Salaries Commission Act 1977.

(2) This Act shall come into force on a date to be appointed by the Governor-General by Order in Council.

No. 135—2

Price 40c

**2. Interpretation**—In this Act, unless the context otherwise requires,—

“Commission” means the Higher Salaries Commission established by section 4 (1) of this Act:

“Minister” means the Minister of Labour. 5

**3. Act to bind the Crown**—This Act shall bind the Crown.

**4. Establishment of Higher Salaries Commission**—(1) There is hereby established a commission to be called the Higher Salaries Commission. 10

(2) The Commission established by subsection (1) of this section is hereby declared to be the same Commission as the Higher Salaries Commission established by the Wage Adjustment Regulations 1974 and in existence immediately before the commencement of this Act. 10

Cf. S.R. 1974/143, reg. 17 (1) 15

**5. Membership of Commission**—(1) The Commission shall consist of 3 members, to be appointed by the Governor-General by Order in Council.

(2) One member of the Commission shall be so appointed as the Chairman of the Commission. 20

(3) The Commission may from time to time appoint one of the other members of the Commission to be the Deputy Chairman of the Commission.

(4) No member of the Commission shall be deemed to be employed in the service of Her Majesty for the purposes of the State Services Act 1962 or the Government Superannuation Fund Act 1956 by reason of his being a member of the Commission. 25

Cf. S.R. 1974/143, reg. 17 (2), (3), (6)

**6. Term of office**—(1) Except as otherwise provided in this Act, every member of the Commission shall be appointed for a term of 3 years, but may from time to time be reappointed. 30

(2) Unless he sooner vacates his office under section 7 of this Act, every member of the Commission shall continue in office until his successor comes into office, notwithstanding that the term for which he was appointed may have expired. 35

(3) With respect to the members of the Commission in office at the commencement of this Act the following provisions shall apply:

- (a) The Chairman shall be deemed to have been appointed for a term expiring with the 31st day of December 1978:
- 5 (b) The Deputy Chairman shall be deemed to have been appointed for a term expiring with the 31st day of December 1979:
- (c) The other member shall be deemed to have been appointed for a term expiring with the 31st day of December 1980.
- 10 Cf. S.R. 1974/143, reg. 17 (4)–(5)

**7. Extraordinary vacancies**—(1) Any member of the Commission may at any time be removed from office by the Governor-General for disability, bankruptcy, neglect of duty, or misconduct, proved to the satisfaction of the Governor-General.

15 General.

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

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

20

(4) An extraordinary vacancy shall be filled by the appointment of a member by the Governor-General by Order in Council.

(5) Every person appointed to fill an extraordinary vacancy shall be appointed for the residue of the term for which the vacating member was appointed.

25

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

Cf. S.R. 1974/143, regs. 17 (4), 18

**8. Meetings**—(1) Meetings of the Commission shall be held at such times and places as the Commission or its Chairman from time to time appoints.

30

(2) At any meeting of the Commission, 2 members shall form a quorum.

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

35

(4) In the absence of the Chairman from any meeting, the Deputy Chairman shall preside at that meeting.

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

40

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

(7) No decision or determination of the Commission, and no proceeding before the Commission, shall be held bad for want of form, or be void or in any way vitiated by reason of any informality or error of form.

Cf. S.R. 1974/143, reg. 19

5

**9. Members and officers to maintain secrecy—**(1) Every member of the Commission and every person engaged or employed in connection with the work of the Commission shall maintain and aid in maintaining the secrecy of all matters which come to his knowledge when carrying out his functions or duties under this Act, and shall not communicate any such matters to any person except in the discharge of his functions and duties under this Act.

10

(2) Every person commits an offence and shall be liable on summary conviction to imprisonment for a term not exceeding 3 months or to a fine not exceeding \$1,000 or to both who wilfully acts in contravention of subsection (1) of this section.

15

Cf. S.R. 1976/143, reg. 20

**10. Remuneration 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.

20

(2) There shall be paid out of money appropriated by Parliament for the purpose to the members of the Commission 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.

25

Cf. S.R. 1974/143, reg. 21

**11. Staff of Commission—**There shall from time to time be appointed under the State Services Act 1962 such officers and employees as may be necessary to enable the Commission to exercise its functions and powers.

30

Cf. S.R. 1974/143, reg. 22

**12. Functions of Commission—**(1) The functions of the Commission shall be—

35

(a) To consider and determine the following matters:

(i) The salaries and allowances of members of the House of Representatives, being the salaries and allowances required to be fixed by the Commission pursuant to the Civil List Act 1950;

40

5 (ii) The salary of the highest paid executive officer of each of the corporations and bodies specified (either by name or by class) in Part I or Part II of the First Schedule to this Act and the salaries of such other officers of those corporations and bodies as the Commission from time to time specifies:

10 (iii) The salaries of the persons holding the offices specified in (Part III of the First Schedule) Schedule 1A to this Act and the salaries of such other persons employed by any university within the meaning of the Universities Act 1961 or by the University Grants Committee as the Commission from time to time specifies:

15 (iv) The salaries of the highest paid administrative officer and the highest paid professional or technical officer of each of the local authorities of the classes specified in Part I of the Second Schedule to this Act and of each of the local authorities specified in Part II of that Schedule, and, where there are 2 or more such officers receiving the highest salary, the salary of each of them, and the salaries of such other officers of the local authorities to which the Second Schedule to this Act applies as the Commission from time to time specifies:

20 (v) The salaries of those persons whose salaries are for the time being subject to section 20 (2) of the State Services Conditions of Employment Act 1977:

25 (vi) The salaries of the statutory officers specified in the Third Schedule to this Act:

30 (vii) The salaries of persons employed by Hospital Boards (being either medical practitioners employed as medical officers or persons studying to qualify as medical practitioners):

35 (viii) The salaries of teachers in any university within the meaning of the Universities Act 1961:

*Struck Out*

40 (b) To consider and make recommendations to the Prime Minister with respect to matters to which Part VI of the Government Superannuation Fund Act 1956 (relating to parliamentary superannuation) applies:

## New

(b) To consider and make determinations with respect to the superannuation rights of members of the House of Representatives, being rights fixed at the commencement of this Act by Part VI and other provisions of the Government Superannuation Fund Act 1956: 5

(c) To consider and make recommendations to—

(i) The Minister of Justice with respect to the salaries and allowances of Judges of the Court of Appeal, Judges of the Supreme Court, and Magistrates; and 10

(ii) The Minister of Labour and the Minister of Justice with respect to the salaries and allowances of the Judges of the Arbitration Court and the Judge of the Compensation Court; and 15

(iii) The Minister of Maori Affairs and the Minister of Justice with respect to the salaries and allowances of the Judges of the Maori Land Court; and

(iv) The Ministers mentioned in subparagraphs (i) to (iii) of this paragraph and the Minister of Finance with respect to matters to which Part IV or Part V of the Government Superannuation Fund Act 1956 applies: 20

(d) To carry out such other functions as may be conferred or imposed on it by this Act or any other enactment. 25

(2) In carrying out its functions under subsection (1) (a) of this section, the Commission may fix scales of salaries and prescribe rules governing the application of scales of salaries fixed by it. 30

(3) Except as provided in this Act, where the salary or allowance payable to any person is fixed under this Act, no amount in excess of the salary or allowance so fixed for the time being shall be paid to any person on account of that salary or allowance. 35

Cf. S.R. 1974/143, reg. 23 (1) (a)–(d), (f)–(h), (2), (3); S.R. 1974/252, reg. 7 (1)

### 13. Amendment of First, Second, and Third Schedules—

(1) The Governor-General may from time to time, by Order in Council,— 40

(a) Add to or omit from the First Schedule to this Act, or any Part thereof, the name of any class of corpora-

tion or public body or the name of any specified corporation or public body:

*New*

5 (ab) Add to or omit from Schedule 1A to this Act the name of any university position:

(b) Add to or omit from the Second Schedule to this Act, or any Part thereof, the name of any class of local authority or the name of any specified local authority:

10 (c) Add to or omit from the Third Schedule to this Act the name of any specified statutory officer:

(d) Otherwise amend the First Schedule, Schedule 1A, the Second Schedule, or the Third Schedule to this Act, or revoke any such Schedule or any Part of any such Schedule, and substitute a new Schedule or a new Part, as the case may require.

15 (2) Every Order in Council made under subsection (1) of this section shall have effect according to its tenor.

Cf. S.R. 1974/143, reg. 23 (5)

20 **14. Implementation of determinations of Commission—**  
Every determination of the Commission fixing the rates of any salaries or allowances shall have effect according to its tenor, and, notwithstanding anything in any other enactment, an Order in Council shall not be required to fix the  
25 rate of any such salary or allowance.

Cf. S.R. 1976/143, reg. 24

**15. Release of determinations—**(1) The Commission shall ensure that every determination made by it in respect of the remuneration of any person is, subject to section 16 of this  
30 Act, made known to that person and to the person responsible for the payment of the remuneration and to such other persons as have, in the opinion of the Commission, a direct interest in the subject-matter of the determination.

(2) The Commission shall deliver to the Minister copies of  
35 all determinations made by it under any of the provisions of section 12 (1) (a) of this Act (other than determinations fixing the salaries of officers of the corporations and bodies specified in Part II of the First Schedule to this Act or determinations made under subparagraph (iv) of section 12 (1) (a) of  
40 this Act).

(3) Subject to subsection (4) of this section, the Commission shall publish (in such manner as it shall determine after consultation with the Minister) particulars of *(all salaries determined by it as a result of a)* each general review made by it under section 18 (3) of this Act. 5

(4) Where the Commission considers, in relation to any particular corporation or body specified in Part I or Part II of the First Schedule to this Act, that it is not in the public interest to publish particulars of the salaries of officers of that corporation or body, the Commission shall not publish, pursuant to subsection (3) of this section, particulars of the salaries of those officers. 10

(5) The Commission shall release to the Government Statistician such of its determinations as the Government Statistician may require for the purpose of publishing statistics pursuant to the Statistics Act 1975. 15

(6) Except as expressly provided in this Act, determinations of the Commission shall not be published by the Commission.

**16. Publication of determinations fixing Parliamentary pay and allowances—**(1) The Commission shall, in respect of every determination made by it in respect of the salaries and allowances of members of the House of Representatives, make it known— 20

(a) By giving a copy of it to each of the following persons, namely— 25

- (i) The Prime Minister;
- (ii) The Speaker of the House of Representatives;
- (iii) The leader of the official Opposition; and

(b) By publishing it in the *Gazette* not later than 14 days after the date on which a copy of it is given to the Prime Minister. 30

(2) Every determination to which subsection (1) of this section applies shall be deemed to be a regulation for the purposes of the Regulations Act 1936. 35

*New*

**16A. Parliamentary superannuation—**(1) Any determination under section 12 (1) (b) of this Act may contain provisions which modify, or are to apply instead of, provisions of the Government Superannuation Fund Act 1956.

(2) Before making a determination under section 12 (1) (b) of this Act the Commission shall consult with the Govern- 40



ment Actuary and the Superintendent of the Government Superannuation Fund concerning the substance and form of the Commission's proposed determination.

5 (3) Every determination under section 12 (1) (b) of this Act shall be made known in accordance with section 16 of this Act as if it were a determination in respect of the salaries and allowances of members of the House of Representatives.

10 (4) Except to the extent that a determination under section 12 (1) (b) of this Act modifies, or is expressed to be in substitution for, any provision of the Government Superannuation Fund Act 1956, nothing in any such determination shall affect the provisions of that Act.

**17. Criteria for Commission—**(1) In determining any salaries under section 12 of this Act, the Commission shall  
15 have regard in particular to the following criteria:

(a) The need to achieve and maintain fair relativity with the private sector in the levels of rates of salaries; and  
(b) In the case of the salaries of the persons to whom  
20 subparagraphs (ii) to (viii) of subsection (1) (a) of that section apply, the criteria specified in sections 9 to 12 of the State Services Conditions of Employment Act 1977 shall apply, as far as applicable and with the necessary modifications, as if every reference therein to the State services included a refer-  
25 ence to the service of the employing corporation or body or local authority or, as the case may be, service in the statutory office.

(2) In determining the salaries of any persons or group of persons pursuant to any subparagraph of section 12 (1) (a)  
30 of this Act (other than subparagraph (i)), the Commission shall, in having regard to external comparability, take into account conditions of service (including tenure and superannuation rights, allowances, benefits and other emoluments (whether in money or not)) enjoyed by or received by the  
35 persons whose salaries are under review and those enjoyed by or received by the persons or members of the group of persons whose salaries and conditions of employment are, in the opinion of the Commission, comparable with those of the persons or members of the group of persons whose salaries  
40 are under review.

Cf. S.R. 1974/143, reg. 26

**18. Frequency of adjustments**—(1) Subject to section 22 of this Act, the salaries and allowances to be determined by the Commission under section 12 of this Act shall be determined by it as at a date determined by the Commission, whether before or after the date of that determination but not earlier than— 5

- (a) The 15th day of May 1977; or
- (b) The date of the immediately preceding general review made under subsection (3) of this section; or
- (c) Twelve months before the date on which the determination is made. 10

(2) Subject to subsection (4) of this section and to sections 19 (3) and 22 of this Act, every determination of the Commission shall continue in force for a period of at least 12 months from the date on which the rate of salary or allowances fixed by that determination takes effect. 15

(3) The Commission shall make a general review of the salaries and allowances of the persons to whom section 12 (1) (a) of this Act applies as at the 1st day of April 1978 and at intervals of not less than 1 year nor more than 3 years thereafter. 20

(4) Notwithstanding anything in subsection (2) of this section, the rates of salary or allowance determined at a general review under subsection (3) of this section may continue in force for a period of less than 12 months from the date on which they take effect if the Commission is satisfied that in all the circumstances there are particular and special reasons that justify a period of less than 12 months. 25

Cf. S.R. 1974/143, reg. 27 (1), (2), (4), (6); S.R. 1976/124, reg. 5 (2); S.R. 1976/157, reg. 10 (2); S.R. 1977/109, reg. 3 (1) 30

**19. Interim adjustments**—(1) Before the general review as at the 1st day of April 1978 and between general reviews under section 18 (3) of this Act, the Commission may, subject to section 18 (2) of this Act, from time to time determine— 35

- (a) An interim adjustment to the salaries of the categories of persons to whom subparagraph (i) of section 12 (1) (a) of this Act applies, on the application of the Speaker of the House of Representatives;
- (b) An interim adjustment to the allowances of the categories of persons to whom subparagraph (i) of section 12 (1) (a) of this Act applies, which adjust- 40

ment may be made annually if the Speaker of the House of Representatives so agrees:

- 5 (c) An interim adjustment to the salaries of any of the categories of persons to whom any subparagraph (other than subparagraph (i) or subparagraph (vi)) of section 12 (1) (a) of this Act applies, on the application of the members in that category or of any such member authorised to represent those members or of any recognised organisation representing those members or, in the case of persons to whom subparagraph (iv) of section 12 (1) (a) of this Act applies, of any recognised organisation of employers of such persons:
- 10 (d) An interim adjustment to the salaries of any of the categories of persons to whom subparagraphs (v) to (viii) of section 12 (1) (a) of this Act apply (other than the Governor of the Reserve Bank of New Zealand and the Deputy Governor of that Bank), on the application of the Minister of State Services or on the recommendation of the Public Sector Tribunal:
- 15 (e) An interim adjustment to the salary of any particular person or for any position in any of the categories of persons or positions to which subparagraphs (ii) to (viii) of section 12 (1) (a) of this Act apply, on the application of the employer or employing authority.
- 20 (2) Where any general adjustment or interim adjustment or special allowance has been granted to employees in the State services, the Commission may, in determining an interim adjustment under subsection (1) of this section, apply that general adjustment, interim adjustment, or special allowance, in whole or in part, to salaries for positions that are subject to the jurisdiction of the Commission. The application of any such general adjustment, interim adjustment, or special allowance shall be made in such manner as the Commission shall determine after consultation with the Public Sector Tribunal or the Chairman of the State Services Co-ordinating Committee, as the case may require.
- 25 (3) Notwithstanding anything in section 18 (2) of this Act, the rates of salary or allowance determined as an interim adjustment may continue in force for a period of less than 12 months from the date on which they take effect if the
- 30
- 35
- 40

Commission is satisfied that in all the circumstances there are particular and special reasons that justify a period of less than 12 months.

Cf. S.R. 1974/143, reg. 27 (7); S.R. 1976/5, reg. 5 (1)

**20. Submissions to Commission—**(1) For the purposes of any general review under section 18 (3) of this Act, any person or any organisation shall be entitled to make written submissions to the Commission. 5

(2) For the purpose of any general review under section 18 (3) of this Act or any interim adjustment under section 19 (1) of this Act, the following persons and organisations shall be entitled to make written and at their option oral submissions to the Commission at a time and place and in a manner to be determined by the Commission: 10

(a) Either— 15

(i) Representatives of the members of each category of persons who are the subject of the general review or application for interim adjustment, as the case may be; or

(ii) Any recognised organisation representing the members of each category of persons who are the subject of the general review or application for interim adjustment, as the case may be: 20

(b) Any recognised organisation representing employers of persons who are the subject of the general review or application for interim adjustment, as the case may be: 25

(c) Each employer or employing authority, or an authorised representative of each employer or employing authority, of the persons who are the subject of the general review or application for interim adjustment, as the case may be. 30

Cf. S.R. 1974/143, reg. 27 (3), (9); S.R. 1976/5, reg. 5 (2)

**21. Recommendations to Commission—**The Commission shall— 35

*Struck Out*

(a) In making any determination under section 12 (1) (a) (iv) of the salaries of officers of local authorities, have due regard to any recommendation of 40

*Struck Out*

the Joint Council for Local Authorities Services established by the Joint Council for Local Authorities Services Act 1977:

- 5 (b) In making any determination under section 12 (1)  
 (a) (v) of this Act, have due regard to any  
 relevant recommendation made under section 43  
 or section 56 of the State Services Conditions of  
 10 Employment Act 1977 by the Public Sector  
 Tribunal or a Single Sector Tribunal:
- (c) In making any determination of salaries under  
section 12 (1) (a) (vii) of this Act, have due  
 regard to any recommendations of the Hospital  
 15 Medical Officers' Advisory Committee appointed  
 in accordance with regulations made under section  
52 (9) of the Hospitals Act 1957:
- (d) In making any determination under section 12 (1) (a)  
(viii) of this Act, have due regard to any recom-  
 mendations made to it by the University Grants  
 20 Committee established by section 3 of the  
 Universities Act 1961.

Cf. S.R. 1974/143, regs. 25 (1), (3), (4), 25A; S.R.  
 1975/126, reg. 7

22. **Application of general orders**—(1) Notwithstanding  
 25 anything in section 18 (2) of this Act, the Commission  
 shall, following any general order of the Arbitration Court  
 made under the General Wage Orders Act 1977, determine  
 an interim adjustment applying the *(whole or part of that)*  
 general order to the salaries of the persons to whom section  
 30 12 (1) (a) of this Act applies as if those salaries were  
 remuneration payable under an award.

(2) In determining an interim adjustment pursuant to  
subsection (1) of this section, the Commission shall have  
 regard to the way in which the general order is being applied  
 35 to the State services pursuant to section 32 (11) of the State  
 Services Conditions of Employment Act 1977.

Cf. S.R. 1974/143, reg. 28 (2)

23. **Salary of existing holder not to be reduced**—Where  
 any position is subject to the determination of the Com-  
 40 mission under section 12 (1) (a) of this Act and the salary

for that position is determined by the Commission at a rate that is lower than that being lawfully received by the holder of that position, his salary shall not be reduced as a result of that determination.

Cf. S.R. 1974/143, reg. 29

5

**24. Powers of Commission—**(1) For the purpose of carrying out its functions under this Act, the Commission shall be deemed to be a Commission of Inquiry under the Commissions of Inquiry Act 1908, and the provisions of that Act, except sections 2, 4A, 11, and 12, shall apply accordingly.

(2) To enable it to carry out its functions, the Commission may require any person to furnish information concerning salaries or other conditions of employment or both for any positions, whether or not those positions are subject to the jurisdiction of the Commission under this Act.

(3) In addition to the powers expressly conferred on the Commission by this Act or any other enactment, the Commission shall have such other powers as may be reasonably necessary to enable it to carry out its functions.

Cf. S.R. 1974/143, reg. 30

20

*New*

**24A. Delegation of powers by Commission—**(1) The Commission may from time to time, and subject to such conditions as it thinks fit, delegate, in accordance with this section, its power to make a final determination in respect of the salary for any position referred to in subsection (2) of this section.

(2) Delegations under subsection (1) of this section may be made,—

(a) To the University Grants Committee, in respect of the salary for any position to which section 12 (1) (a) (iii) or section 12 (1) (a) (viii) of this Act applies:

(b) To the State Services Co-ordinating Committee established by section 13 of the State Services Conditions of Employment Act 1977 or to the State Services Commission, in respect of the salary for any position to which section 12 (1) (a) (v) of this Act applies:

(c) To the Hospital Medical Officers' Advisory Committee, in respect of the salary for any position to which section 12 (1) (a) (vii) of this Act applies.

25

35

40

*New*

(3) A delegation under this section shall designate specifically (and not in general terms) the position in respect of which the delegate may determine a salary.

5 (4) The Committee or Commission to which powers are delegated under this section—

(a) Shall exercise those powers only by unanimous vote of its members; and

(b) Shall not itself delegate those powers.

10 (5) Every delegation under this section shall be revocable at will, and no such delegation shall prevent the exercise of any power by the Higher Salaries Commission.

**25. Annual report**—(1) As soon as practicable after the end of each year ending with the 31st day of March, the  
15 Commission shall furnish to the Minister a report of its operations during that year.

(2) A copy of the report shall be laid before Parliament.

**26. Money to be appropriated by Parliament for purposes of this Act**—All fees, salaries, allowances, and other  
20 expenditure payable or incurred under or in the administration of this Act shall be payable out of money to be appropriated by Parliament for the purpose.

**27. Members not personally liable**—No member of the Commission shall be personally liable for any act done or  
25 default made by the Commission in good faith in pursuance or intended pursuance of the powers and authorities of the Commission.

**28. Other enactments not to prevail**—Notwithstanding  
(*anything to the contrary in any other enactment*) any provision of any other Act authorising any person or body to fix  
30 any remuneration or allowance, as from the commencement of this Act, any remuneration or allowance which the Higher Salaries Commission has jurisdiction to determine by virtue of this Act or any other enactment shall be fixed by that  
35 Commission and not otherwise.

**29. Determinations of Commission to prevail over contracts of service in case of conflict**—(1) Every determination of the Commission shall prevail over any contract of service to the extent that there is any conflict between the deter-

mination and the contract; and the contract shall thereafter be construed and have effect as if it had been modified, so far as necessary, in order to conform to the determination.

(2) Nothing in this section shall derogate from section 23 of this Act.

5

**30. Consultation with Commission**—Where any corporation or body specified in Part I or Part II of the First Schedule to this Act or any university or the University Grants Committee or any local authority to which the Second Schedule to this Act applies considers that any salary or wage which it proposes to agree to, or pay, will or may tend to lead to unreasonable disparities or inappropriate relativities with salaries determined by the Commission under section 12 of this Act, it shall, before agreeing to, or committing itself to the payment of, that salary or wage, consult with the Commission and have due regard to any opinions expressed by the Commission and to any relevant salaries determined by the Commission.

10

15

**31. Consequential amendments**—(1) The enactments specified in the Fourth Schedule to this Act are hereby amended in the manner indicated in that Schedule.

20

(2) Unless in any case the context otherwise requires, in any other enactment or in any regulation, order, notice, award, agreement, instrument, or other document—

(a) Every reference to Part II of the Wage Adjustment Regulations 1974 shall be read as a reference to this Act:

25

(b) Every reference to the Higher Salaries Commission shall be read as a reference to the Higher Salaries Commission established under this Act.

30

**32. Repeal**—The Civil List Amendment Act (No. 2) 1970 is hereby repealed.

**33. Revocations and amendments**—(1) The following regulations are hereby consequentially revoked, namely:

(a) Part II of the Wage Adjustment Regulations 1974, and the First and Second Schedules to those regulations:

35

(b) The Wage Adjustment Regulations 1974, Amendment No. 1:

(c) Regulation 7 of the Wage Adjustment Regulations 1974, Amendment No. 4:

40



- (d) The Wage Adjustment Regulations 1974, Amendment No. 6:
- (e) Regulation 2 (f) (b) and regulation 5 (2) of the Wage Adjustment Regulations 1974, Amendment No. 9:
- (f) Regulation 10 (3) and regulation 17 (3) of the Wage Adjustment Regulations 1974, Amendment No. 10:
- (g) So much of Part I of the Schedule to the Wage Adjustment Regulations 1974, Amendment No. 13, as relates to regulation 27 and regulation 28 of the Wage Adjustment Regulations 1974.

(2) Regulation 2 of the Wage Adjustment Regulations 1974 is hereby consequentially amended by revoking the proviso to the definition of the term "instrument" (as amended by regulation 2 (1) (b) of the Wage Adjustment Regulations 1974, Amendment No. 9), and substituting the following proviso:

"Provided that, subject to Part III of these regulations and to the Higher Salaries Commission Act 1977, nothing in Part I of these regulations shall apply with respect to any instrument to which the said Part III applies or to any determination made under the said Act."

(3) Regulation 2 of the Wage Adjustment Regulations 1974 is hereby further amended by omitting from sub-clause (3) (as added by regulation 2 (2) of the Wage Adjustment Regulations 1974, Amendment No. 4) the words "regulation 23 (1) of these regulations", and substituting the words "section 12 (1) (a) of the Higher Salaries Commission Act 1977".

**34. Savings and validation—**(1) Nothing in this Act shall affect the validity of any determination made by the Higher Salaries Commission before the commencement of this Act pursuant to Part II of the Wage Adjustment Regulations 1974 and every such determination shall be and be deemed always to have been valid according to its tenor.

*New*

(2) Notwithstanding anything in this Act, salaries and allowances in respect of which the Higher Salaries Commission may make determinations shall, until amended or superseded by determination of the Commission, continue to be payable at the rates applicable at the commencement of this Act.

## SCHEDULES

Section 12 (1) (a) (ii), (iii) FIRST SCHEDULE

CORPORATIONS AND BODIES WHOSE HIGHEST PAID EXECUTIVE OFFICERS' SALARIES ARE TO BE DETERMINED BY HIGHER SALARIES COMMISSION

*Part I—Corporations and Other Public Bodies*

Air New Zealand Limited.  
 The Bank of New Zealand.  
 The Broadcasting Corporation of New Zealand.  
 The Carter Observatory Board.  
 The Cawthron Institute Trust Board.  
 The Consumer Council.  
The Hospital Boards' Association of New Zealand Incorporated.  
The Development Finance Corporation of New Zealand.  
 The Medical Research Council of New Zealand.  
 The National Council of Adult Education.  
 The Natural Gas Corporation of New Zealand.  
 The New Zealand Council for Educational Research.  
 The New Zealand Export-Import Corporation.  
 The New Zealand Industrial Design Council.  
 The New Zealand Inventions Development Authority.  
 The New Zealand National Airways Corporation.  
 The New Zealand Trades Certification Board.  
 The Queen Elizabeth the Second Arts Council of New Zealand.  
 Research Associations assisted under section 5 (f) of the Scientific and Industrial Research Act 1974.  
 The Shipping Corporation of New Zealand Limited.  
 The Standards Council.  
 The Testing Laboratory Registration Council.  
 The Tourist Hotel Corporation of New Zealand.  
 The Vocational Training Council.  
 Waikato Carbonisation Limited.  
 The Waterfront Industry Commission.

*Part II—Corporations and Other Public Bodies*

The Auckland Savings Bank.  
 The Bay of Plenty Savings Bank.  
 The Canterbury Savings Bank.  
 The Eastern and Central Savings Bank.  
The Egg Marketing Authority.  
Licensing Trusts.  
 The New Zealand Apple and Pear Marketing Board.  
 The New Zealand Dairy Board.  
 The New Zealand Meat Producers Board.  
 The New Zealand Milk Board.  
The New Zealand Poultry Board.  
The New Zealand Racing Authority.  
The New Zealand Wheat Board.  
 The New Zealand Wool Board.  
 The New Zealand Wool Marketing Corporation.  
 The New Zealand Wool Testing Authority.

FIRST SCHEDULE—*continued*

The Otago Savings Bank.  
The Pork Marketing Board.  
The Pork Industry Council.  
The South Canterbury Savings Bank.  
The Southland Savings Bank.  
The Taranaki Savings Bank.  
The Totalisator Agency Board.  
The Waikato Savings Bank.  
The Wanganui Savings Bank.  
The Wellington District Savings Bank.  
The Westland Savings Bank.

*Struck Out*

*Part III—University Positions The Salaries For Which Are To Be Determined By Higher Salaries Commission*

*New*

SCHEDULE 1A Section 12 (1) (a) (iii)

UNIVERSITY POSITIONS THE SALARIES FOR WHICH ARE TO BE DETERMINED BY HIGHER SALARIES COMMISSION

The Chairman of the University Grants Committee.  
The Vice-Chancellor of the University of Auckland.  
The Vice-Chancellor and Rector of the University of Canterbury.  
The Vice-Chancellor and Principal of Massey University.  
The Vice-Chancellor of the University of Otago.  
The Vice-Chancellor of the University of Waikato.  
The Vice-Chancellor and Principal of the Victoria University of Wellington.  
The Principal of Lincoln College.

SECOND SCHEDULE Section 12 (1) (a) (iv)

LOCAL AUTHORITIES WHOSE HIGHEST PAID ADMINISTRATIVE AND PROFESSIONAL OR TECHNICAL OFFICERS' SALARIES ARE TO BE DETERMINED BY HIGHER SALARIES COMMISSION

*Part I—Classes of Local Authorities*

Borough Councils (including City Councils).  
Catchment Boards.  
Catchment Commissions.  
County Councils.  
District Councils.  
Electric Power Boards.  
Harbour Boards.  
(Irrigation Boards.)  
Land Drainage Boards.  
Nassella Tussock Boards.  
Pest Destruction Boards.  
Regional Water Boards.  
(River Boards.)  
Town Councils.

SECOND SCHEDULE—*continued**Part II—Particular Local Authorities*

The Auckland Harbour Bridge Authority.  
 The Auckland Regional Authority.  
 The Canterbury Regional Planning Authority.  
 The Christchurch Drainage Board.  
 The Christchurch Transport Board.  
 The Christchurch-Lyttelton Road Tunnel Authority.  
 (*The Dunedin Drainage and Sewerage Board.*)  
 The Dunedin Regional Planning Authority.  
 The Hutt Valley Drainage Board.  
 (*The Marlborough Forestry Corporation.*)  
 The Northland Regional Planning Authority.  
 The North Shore Drainage Board.  
 The Rotorua Area Electricity Supply Authority.  
 The Selwyn Plantation Board.  
 (*The South Canterbury Wallaby Board.*)  
 The Waikato Valley Authority.  
 The Waimakariri-Ashley Water Supply Board.  
 The Wellington Regional Planning Authority.  
 The Wellington Regional Water Board.

---

 Section 12 (1) (a) (vi) **THIRD SCHEDULE**
**STATUTORY OFFICERS WHOSE SALARIES ARE TO BE DETERMINED BY THE  
HIGHER SALARIES COMMISSION**

The members of the Accident Compensation Commission.  
 The Controller and Auditor-General and the Deputy Controller and  
 Auditor-General.  
 The members of the State Services Commission.  
 The members of the New Zealand Fire Service Commission.  
 The Human Rights Commissioners.  
 The Commissioner of Police and the Deputy Commissioner of Police.  
 The Ombudsmen (including the Chief Ombudsman).  
 The Chairman of the New Zealand Planning Council.  
 The Race Relations Conciliator.  
 The Governor of the Reserve Bank of New Zealand and the Deputy  
 Governor of that Bank.  
 The Director of the Security Intelligence Service.  
 The Chairman and Members of the Commerce Commission.  
 The Chairman of the Broadcasting Corporation of New Zealand.

## FOURTH SCHEDULE

Section 31 (1)

## ENACTMENTS AMENDED

Act Amended	Amendment
<p>1950, No. 99—The Civil List Act 1950 (1957 Reprint, Vol. 2, p. 119)</p>	<p>By omitting from section 26 (1) the words "Minister of Finance", and substituting the words "Higher Salaries Commission".</p> <p>By repealing section 27, and substituting the following section:</p> <p><b>27. Salaries and allowances to be fixed by Higher Salaries Commission—</b>(1) The Higher Salaries Commission shall from time to time fix the salaries and allowances to be paid to the Prime Minister and other Ministers of the Crown or members of the Executive Council, to Parliamentary Under-Secretaries, to the Speaker and Chairman of Committees, to the Leader of the Opposition, and to other members of the House of Representatives.</p> <p>"(2) While any determination of the Higher Salaries Commission fixing any such salaries or allowances is in force the salaries and allowances fixed by that determination shall be payable in every year out of the Consolidated Revenue Account without further appropriation than this section, instead of the salaries and allowances provided for in Parts II, III, and IV of this Act."</p> <p>By repealing section 27A (as inserted by section 2 of the Civil List Amendment Act (No. 2) 1970).</p> <p style="text-align: center;"><i>New</i></p>
<p>1951, No. 79—The Fees and Travelling Allowances Act 1951 (1957 Reprint, Vol. 4, p. 853)</p>	<p>By inserting in section 3, after the word "shall", the words ", subject to any determination of the Higher Salaries Commission,".</p>
<p>1953, No. 73—The Public Revenues Act 1953 (Reprinted 1965, Vol. 3, p. 1547)</p>	<p>By repealing section 15 (as substituted by section 2 (1) of the Public Revenues Amendment Act (No. 2) 1970), and substituting the following section:</p>

*Higher Salaries Commission*FOURTH SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Act Amended	Amendment
<i>New</i>	
<p>1953, No. 73—The Public Revenues Act 1953—<i>continued</i></p>	<p><b>“15. Salary and other conditions of employment of Controller and Auditor-General—</b>(1) There shall be paid to the Controller and Auditor-General out of the Consolidated Revenue Account, without further appropriation than this section, a salary at such rate as the Higher Salaries Commission from time to time determines pursuant to the Higher Salaries Commission Act 1977.</p> <p>“(2) The salary of the Controller and Auditor-General is not to be diminished during the continuance of his appointment.</p> <p>“(3) There shall be paid to the Controller and Auditor-General out of the Consolidated Revenue Account travelling and other allowances and expenses as if he were a permanent head appointed under the State Services Act 1962.</p> <p>“(4) The Controller and Auditor-General’s entitlement to holidays and annual and special leave shall be determined as if he were a permanent head appointed under the State Services Act 1962.</p> <p>“(5) For the purposes of the Government Superannuation Fund Act 1956 the Controller and Auditor-General shall be deemed to be employed in the service of Her Majesty.</p> <p>“(6) This section shall expire with the commencement of the Public Finance Act 1977.”</p>

FOURTH SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Act Amended	Amendment
1954, No. 71—The Labour Department Act 1954 (1957 Reprint Vol. 6, p. 829) 1957, No. 40—The Hospitals Act 1957 (Reprinted 1970, Vol. 3, p. 1865)	By adding to the First Schedule the words “The Higher Salaries Commission Act 1977”.
	<i>Struck Out</i>
	By repealing paragraph (a) of subsection (1) of section 52 (as substituted by section 4 (1) of the Hospitals Amendment Act 1976), and substituting the following paragraph:
	“(a) The conditions of employment (other than the remuneration) of medical practitioners employed as medical officers by Hospital Boards:”.
	b, inserting in section 52 (as so substituted), after subsection (1), the following subsection:
	“(1A) The remuneration of medical practitioners employed as medical officers by Hospital Boards shall be determined by the Higher Salaries Commission and, except to the extent that provisions of <u>subsection (1) (a)</u> and of <u>subsection (8)</u> of this section expressly relate to such medical practitioners, nothing in this section (other than those provisions and subsection (6)) shall apply to such medical practitioners.”
	By omitting from subsection (8) of section 52 (as so substituted) the words “remuneration and conditions of employment of medical practitioners employed as medical officers by Hospital Boards”, and substituting the words “conditions of employment (other than the remuneration) of medical practitioners employed as medical officers by Hospital Boards and the Higher Salaries Commission on the remuneration of such medical practitioners”.

*Higher Salaries Commission*FOURTH SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Act Amended	Amendment
1957, No. 40—The Hospitals Act 1957— <i>continued</i>	<p style="text-align: center;"><i>New</i></p> <p>By repealing paragraphs (a) and (b) of subsection (1) of section 52 (as substituted by section 4 (1) of the Hospitals Amendment Act 1976), and substituting the following paragraphs:</p> <p>“(a) The conditions of employment (other than the remuneration) of medical practitioners employed as medical officers by Hospital Boards:</p> <p>“(b) The conditions of employment (other than the remuneration) of persons who, in their capacity as persons studying to qualify as medical practitioners, are employed by Hospital Boards:”.</p> <p>By inserting in section 52 (as so substituted), after subsection (1), the following subsection:</p> <p>“(1A) The remuneration of medical practitioners employed as medical officers by Hospital Boards and of persons who, in their capacity as persons studying to qualify as medical practitioners, are employed by Hospital Boards shall be determined by the Higher Salaries Commission and, except to the extent that provisions of subsection (1) (a) and of subsections (8) and (8A) of this section expressly relate to such medical practitioners or to such persons, nothing in this section (other than those provisions and subsection (6)) shall apply to such medical practitioners or to such persons.”</p> <p>By repealing subsection (8) of section 52 (as so substituted), and substituting the following subsections:</p> <p>“(8) The Minister shall appoint, in accordance with regulations made under subsection (9) of this section, a committee to be known as the Hospital Medical Officer’s Advisory Committee to advise—</p> <p>“(a) Him on the conditions of employment (other than the remuneration) of—</p>



FOURTH SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Act Amended	Amendment
1957, No. 40—The Hospitals Act 1957— <i>continued</i>	<p style="text-align: center;"><i>New</i></p> <p>“(i) Medical practitioners employed as medical officers by Hospital Boards; and</p> <p>“(ii) Persons who, in their capacity as persons studying to qualify as medical practitioners, are employed by Hospital Boards; and</p> <p>“(b) The Higher Salaries Commission on the remuneration of the medical practitioners and persons referred to in <u>paragraph (a)</u> of this subsection.</p> <p>“(8A) The Minister may appoint, in accordance with regulations under subsection (9) of this section, such other committees as he thinks fit to advise him on the remuneration and conditions of employment of persons employed by Hospital Boards or of any particular class or classes of those persons, to the extent that he is empowered by this section to fix their remuneration and conditions of employment.</p> <p>By inserting in paragraph (a) of subsection (9) of section 52 (as so substituted), after the words “subsection (8)”, the words “or <u>subsection (8A)</u>”.</p>
1961, No. 54—The Universities Act 1961	<p>By inserting, after section 11, the following section:</p> <p>“11A. Salaries of university teachers—</p> <p>(1) The University Grants Committee may make recommendations to the Higher Salaries Commission on the salaries of university teachers.</p> <p>“(2) Before making recommendations under <u>subsection (1)</u> of this section the University Grants Committee—</p> <p>“(a) Shall engage in consultations on the terms of its proposed recommendations with representatives of—</p> <p>“(i) The Councils of the Universities; and</p>

FOURTH SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Act Amended	Amendment
1961, No. 54—The Universities Act 1961— <i>continued</i>	<p>“(ii) The Vice-Chancellors’ Committee; and</p> <p>“(iii) The Association of University Teachers Incorporated as the organisation representing the interests of university teachers; and</p> <p>“(iv) The State Services Commission; and</p> <p>“(b) May engage in consultations on the terms of its proposed recommendations with such other persons or organisations as it thinks fit.</p> <p>“(3) If any of the bodies referred to in <u>paragraph (a) of subsection (2)</u> of this section fails to agree with the terms of the recommendations finally proposed to be made by the University Grants Committee, each of those bodies may make submissions direct to the Higher Salaries Commission.”</p>
1962, No. 132—The State Services Act 1962 (Reprinted 1971, Vol. 4, p. 2533)	By omitting from section 3 (9) (as amended by section 55 (3) of the State Services Remuneration and Conditions of Employment Act 1969) the words “prescribed by Order in Council”, and substituting the words “determined by the Higher Salaries Commission”.
1964, No. 134—The Reserve Bank of New Zealand Act 1964 (Reprinted 1974, Vol. 3, p. 2439)	By omitting from section 17 (4) the words “fixed in that behalf by the Governor-General in Council”, and substituting the words “determined by the Higher Salaries Commission”.
1966, No. 6—The Trades Certification Act 1966	<p>By repealing subsections (2) and (3) of section 20, and substituting the following subsections:</p> <p>“(2) The Secretary shall be paid such salary and allowances as are determined from time to time by the Higher Salaries Commission.</p> <p>“(3) The other officers and employees of the Board shall be paid such salaries and allowances (within scales fixed by the Board after consultation with the State Services Commission) as the Board from time to time determines.</p>

FOURTH SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Act Amended	Amendment
1966, No. 6—The Trades Certification Act 1966— <i>continued</i>	“(4) Subject to <u>subsections (2) and (3)</u> of this section, the Secretary and the other officers and employees of the Board shall be employed on terms and conditions of employment from time to time determined by the Board after consultation with the State Services Commission.”
1966, No. 21—The Consumer Council Act 1966	By inserting in section 31 (2), before the words “There shall”, the words “Subject to <u>subsection (3)</u> of this section,”. By adding to section 31 the following subsection:
1967, No. 41—The Natural Gas Corporation Act 1967	“(3) The salary of the Chairman of the Council shall be determined from time to time by the Higher Salaries Commission.” By repealing subsection (4) of section 11, and substituting the following subsections:
1968, No. 12—The Vocational Training Council Act 1968	“(4) The General Manager of the Corporation shall be paid such salary and allowances as are determined from time to time by the Higher Salaries Commission.” “(4A) The other officers and employees of the Corporation shall be paid such salaries and allowances as the Corporation from time to time determines after consultation with the State Services Commission.” By inserting in section 11 (5), before the words “Officers and employees”, the words “Subject to <u>subsections (4) and (4A)</u> of this section,”.
1971, No. 150—The Race Relations Act 1971	By repealing subsection (4) of section 19, and substituting the following subsection: “(4) The Council shall pay the chief executive officer such salary and allowances as are determined from time to time by the Higher Salaries Commission.” By omitting from section 31 the words “to the Conciliator”. By adding to section 31, as subsection (2), the following subsection:

*Higher Salaries Commission*FOURTH SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Act Amended	Amendment
1971, No. 150—The Race Relations Act 1971— <i>continued</i>	“(2) There shall be paid to the Conciliator such fees, salary, or allowances as shall be determined from time to time by the Higher Salaries Commission and such travelling allowances and expenses as may from time to time be fixed by the Minister of Finance.”
1974, No. 2—The New Zealand Export-Import Corporation Act 1974	By inserting in section 28, after subsection (2), the following subsection: “(2A) The salary of the General Manager shall be determined from time to time by the Higher Salaries Commission.” By inserting in section 28 (3) before the words “The Corporation”, the words “Subject to <u>subsection (2A)</u> of this section,”.

*New*

1975, No. 9—The Ombudsmen Act 1975	By repealing section 9, and substituting the following section: “9. <b>Salaries and allowances of Ombudsmen</b> —(1) There shall be paid to each Ombudsman out of the Consolidated Revenue Account, without further appropriation than this section, a salary at such rate as the Higher Salaries Commission from time to time determines, and the rate so determined for the Chief Ombudsman may be higher than that for the other Ombudsmen. “(2) The salary of an Ombudsman is not to be diminished during the continuance of his appointment. “(3) There shall be paid to each Ombudsman, in respect of time spent in travelling in the exercise of his functions, travelling allowances and expenses in accordance with the Fees and Travelling Allowances Act 1951, and the provisions of that Act shall apply accordingly as if the Ombudsman were a member of a statutory Board and the travelling were in the service of a statutory Board.”
------------------------------------	--

FOURTH SCHEDULE—*continued*  
ENACTMENTS AMENDED—*continued*

Act Amended	Amendment
1976, No. 72—The Waterfront Industry Act 1976	<p>By repealing subsection (2) of section 54, and substituting the following subsections:</p> <p>“(2) The General Manager shall be paid such salary and allowances as are from time to time fixed by the Higher Salaries Commission.</p> <p>“(2A) The other officers and employees of the Commission shall be paid such salaries and allowances as are from time to time fixed by the Minister.”</p> <p>By omitting from section 12 (1) the words “Minister of Finance”, and substituting the words “Higher Salaries Commission”.</p> <p style="text-align: center;"><i>New</i></p>
1977, No. 49—The Human Rights Commission Act 1977	
1977, No. 65—The Public Finance Act 1977	<p>By repealing section 18, and substituting the following section:</p> <p>“18. <b>Salary and other conditions of employment of Controller and Auditor-General</b>—(1) There shall be paid to the Controller and Auditor-General out of the Consolidated Account, without further appropriation than this section, a salary at such rate as the Higher Salaries Commission from time to time determines pursuant to the Higher Salaries Commission Act 1977.</p> <p>“(2) The salary of the Controller and Auditor-General is not to be diminished during the continuance of his appointment.</p> <p>“(3) There shall be paid to the Controller and Auditor-General out of the Consolidated Account travelling and other allowances and expenses as if he were a permanent head appointed under the State Services Act 1962.</p> <p>“(4) The Controller and Auditor-General’s entitlement to holidays and annual and special leave shall be determined as if he were a permanent head appointed under the State Services Act 1962.</p> <p>“(5) For the purposes of the Government Superannuation Fund Act 1956 the Controller and Auditor-General shall be deemed to be employed in the service of Her Majesty.”</p> <p>By repealing paragraph (b) of subsection (2) of section 113.</p>