

## INDUSTRIAL CONCILIATION AND ARBITRATION AMENDMENT BILL

---

### EXPLANATORY NOTE

THIS Bill makes several amendments to the Industrial Conciliation and Arbitration Act 1954.

*Clause 1* relates to the Short Title.

*Clause 2* increases, as from 1 April 1964, the salary of the Judge of the Arbitration Court from £4,250 to £4,950 a year, and the salary of an additional Judge from £3,750 to £4,350 a year.

*Clause 3*: Under the new section 66A inserted by this clause the rules of a union may provide for the establishment and operation of a welfare fund to provide certain benefits for members and their wives and children. The purposes for which such a fund may be established are the payment of monetary benefits to meet hardship arising from accident, sickness, death, or similar cause; the provision of convalescent and recreation facilities; the provision of, or contributions towards, educational and training facilities; and the provision of bursaries and travel grants (in this case for members only) for the purpose of furthering knowledge of trade unionism and the organisation, objectives, and administration of trade unions. Such a fund may be financed (if a majority of the financial members so decide at a secret ballot) by the transfer of a fixed proportion (not exceeding 10 per cent) of membership subscriptions; and in this case the benefits are to be available, in accordance with the rules, to all members of the union and their wives and children. Alternatively, the fund may be financed by voluntary contributions (fixed at a rate not exceeding 20 per cent of the membership subscription), in which case the benefits are to be available, in accordance with the rules, to members who are contributors to the fund, and their wives and children. In either case the union may, on the establishment of the fund, transfer to it not more than 10 per cent of the union's reserve funds or investments. A welfare fund is to be under the control of at least two trustees, whose election or appointment and powers and duties are to be governed by the rules in accordance with section 66 of the principal Act.

*Clause 4:* Section 73 (2) of the principal Act provides that no levy is payable by a member of a union of employers or workers, or by a member of a society of workers bound by an agreement under section 8 of the Labour Disputes Investigation Act 1913, except in accordance with a resolution passed by a majority of the valid votes cast at a secret ballot of the financial members.

This clause repeals that provision and substitutes two new subsections. Under the new subsection (2) the secret ballot is required only for a levy for political purposes, or for a levy whose amount would increase the total amount of the levies payable in any one year by a member of a union or society of workers to more than £3. Any other levy will require only the approval of a resolution (of which prior notice has been given) passed at a general or special meeting of the union or society or, where the highest governing authority is a conference of delegates, at a general or special meeting of the conference.

The effect of the new subsection (2A) is that where a levy to which paragraph (a) of subsection (2) applies is made by a branch of any such union or society, the ballot is to be a ballot of the members of the branch. Where a levy to which paragraph (b) of subsection (2) applies is made by a branch, the general or special meeting is to be a meeting of the branch. "Branch" is defined in terms similar to those of the definition of that expression in section 78 (19) of the principal Act (as substituted by section 7 of the Industrial Conciliation and Arbitration Amendment Act 1960), and includes a sub-branch.

*Clause 5:* Section 87 (1) of the principal Act authorises the registration of an industrial association of employers or workers, consisting of any council or other body representing not less than two unions connected with one industry or related industries. Section 87 (2) applies to such associations the provisions of the principal Act relating to unions. The result is that under section 66 (h) of the principal Act the maximum period of notice to be given by a member of an association of intention to discontinue membership is two weeks.

The new proviso inserted by this clause requires a minimum period of three months' notice of intention to discontinue membership of an industrial association, instead of the present maximum period of two weeks.

*Clause 6:* Sections 181 to 183 of the principal Act require every employer bound by an award or industrial agreement to keep a wages and time book and a register of accidents, and to keep and display a copy of the award or agreement. Section 184 (1) provides that if an employer makes default in complying with any of the above-mentioned sections he is liable on summary conviction, on the information of an Inspector of Awards, to a fine not exceeding £2 for every day on which the default occurs.

The effect of the amendment made by this clause is that if the employer is convicted of a default he is liable to a fine not exceeding £25, and, if the default is a continuing one, to a further fine not exceeding £5 for every day on which the default has continued.

---

*Hon. Mr Shand*

**INDUSTRIAL CONCILIATION AND ARBITRATION  
AMENDMENT**

---

ANALYSIS

Title	4. Restrictions as to levies payable by members of union
1. Short Title	5. Associations of unions may be registered
2. Salaries of Judge and additional Judge of Court	6. Penalty for failure to keep records, etc.
3. Rules may provide for welfare fund	

---

**A BILL INTITULED**

**An Act to amend the Industrial Conciliation and Arbitration  
Act 1954**

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

1. **Short Title**—This Act may be cited as the Industrial  
Conciliation and Arbitration Amendment Act 1964, and shall  
be read together with and deemed part of the Industrial  
10 Conciliation and Arbitration Act 1954\* (hereinafter referred  
to as the principal Act).

\*1957 Reprint, Vol. 6, p. 443

Amendments: 1958, No. 70; 1960, No. 110;  
1961, No. 125; 1961, No. 126;  
1962, No. 52; 1963, No. 49

2 *Industrial Conciliation and Arbitration Amendment*

**2. Salaries of Judge and additional Judge of Court—**

(1) Section 19 of the principal Act (as amended by section 2 (1) of the Industrial Conciliation and Arbitration Amendment Act (No. 2) 1961) is hereby further amended by omitting from subsection (1) the words “four thousand two hundred and fifty pounds”, and substituting the words “four thousand nine hundred and fifty pounds”. 5

(2) Section 20 of the principal Act (as amended by section 2 (1) of the Industrial Conciliation and Arbitration Amendment Act 1963) is hereby further amended by repealing the proviso to subsection (3), and substituting the following proviso: 10

“Provided that the salary of an additional Judge shall be at the rate of four thousand three hundred and fifty pounds a year.” 15

(3) The following enactments are hereby repealed:

(a) The Industrial Conciliation and Arbitration Amendment Act (No. 2) 1961:

(b) Section 2 of the Industrial Conciliation and Arbitration Amendment Act 1963. 20

(4) This section shall be deemed to have come into force on the first day of April, nineteen hundred and sixty-four.

**3. Rules may provide for welfare fund—**The principal Act is hereby amended by inserting, after section 66, the following section: 25

“66A. (1) For the purposes of this section, the expression ‘welfare fund’ means a fund to provide all or any of the following kinds of benefits:

“(a) The payment of monetary benefits to members of a union, their wives, and their children, in cases of hardship arising from accident to or the sickness or death of any of them, or from any similar cause: 30

“(b) The provision, free or at a reasonable charge, of convalescent and recreational facilities for members of a union, their wives, and their children: 35

“(c) The provision of educational and training facilities for members of a union, their wives, and their children, or of contributions towards such facilities if provided otherwise than by the union:

“(d) The provision of scholarships, bursaries, and travel grants to members of a union for the purpose of furthering knowledge of trade unionism and the organisation, objectives, and administration of trade unions. 40

“(2) Subject to the provisions of this section, the rules of any society that is registered, or is applying for registration, as an industrial union may provide for the establishment, maintenance, and operation of a welfare fund.

5 “(3) A welfare fund shall be under the control of at least two trustees. For the purposes of paragraphs (a) and (b) of section 66 of this Act the trustees shall be deemed to be officers of the society or union, and the provisions of those paragraphs shall apply accordingly.

10 “(4) A welfare fund shall be kept apart from the other funds of the union.

“(5) Where the rules of a union provide for a welfare fund, the fund may be established and maintained—

15 “(a) If by a majority of the valid votes cast at a secret ballot of its financial members the union so decides, by the payment into the fund in every financial year of a fixed proportion, not exceeding ten per cent, of every membership subscription paid in that year; or

20 “(b) By the payment into the fund in every financial year of voluntary contributions made by members of the union at a fixed rate not exceeding in amount twenty per cent of the ordinary membership subscription of the union.

25 “(6) For the purpose of establishing the fund the union may also transfer to the fund a portion, not exceeding ten per cent, of the reserve funds or investments of the union at the time of the transfer.

30 “(7) Where a union decides to establish and maintain a welfare fund in accordance with paragraph (a) of subsection (5) of this section, any member of the union, and his wife and children, may participate, in accordance with the rules, in the benefits to be provided by the fund.

35 “(8) Where a welfare fund is established and maintained by voluntary contributions in accordance with paragraph (b) of the said subsection (5), any member of the union who is a contributor to the fund, and his wife and children, may participate, in accordance with the rules, in the benefits to be provided by the fund.”

40 **4. Restrictions as to levies payable by members of unions—**

Section 73 of the principal Act is hereby amended by repealing subsection (2), and substituting the following subsections:

4 *Industrial Conciliation and Arbitration Amendment*

“(2) No member of any union of employers or workers, and no member of a society of workers bound by an agreement under section 8 of the Labour Disputes Investigation Act 1913, shall be required to pay any levy unless—

“(a) In the case of a levy to be applied in the furtherance of political objects, or in the case of a levy whose amount would increase the aggregate amount of the levies payable in any one year by a member of a union or society of workers to more than three pounds, the levy is first approved by a resolution passed by a majority of the valid votes cast at a secret ballot of the financial members of the union or society, being either a postal ballot or a ballot conducted in such other manner as may be approved by the Registrar:

“(b) In the case of any other levy, it is first approved by a resolution (notice of the terms of which and of the amount of the levy has been given before the date of the meeting at which the resolution is to be proposed) passed at a general or special meeting of the union or society or, where the form of government of the union or society is such that its highest governing authority is a conference of delegates elected in accordance with the rules of the union or society, at a general or special meeting of the conference.

“(2A) Where any levy is made by any branch of any union of employers or workers, or by any branch of any such society of workers as aforesaid, the provisions of subsection (2) of this section shall be construed, so far as they are applicable, as if references to the union or society were references to the branch. For the purposes of this subsection, the term ‘branch’ means any portion or division of the membership of the union or society in respect of which provision is made in the rules or by resolution of the union or society (or branch in the case of a sub-branch) for the local government of that portion or division of the membership by an executive or committee of management; and includes a sub-branch; but does not include a branch or sub-branch that does not have control of any income or expenditure of the union or society.”

**5. Associations of unions may be registered**—Section 87 of the principal Act is hereby amended by adding to subsection (2) the following additional proviso:

5 “Provided also that a member of an association shall be required to give at least three months’ notice of its intention to discontinue its membership.”

**6. Penalty for failure to keep records, etc.**—Section 184 of the principal Act is hereby amended by omitting from subsection (1) the words “a fine not exceeding two pounds for every day on which the default occurs”, and substituting the words “a fine not exceeding twenty-five pounds, and, if the default is a continuing one, to a further fine not exceeding five pounds for every day on which the default has continued”.