

[AS REPORTED FROM THE COMMITTEE OF THE WHOLE ON
THE STATUTES AMENDMENT BILL]

House of Representatives, 22 October 1957

Hon. Mr Smith

**LOCAL AUTHORITIES (MEMBERS' CONTRACTS)
AMENDMENT**

ANALYSIS

Title
1. Short Title

2. Member of local authority or committee not to vote on question in which he has pecuniary interest
3. Audit Office to institute proceedings
Schedule

A BILL INTITULED

An Act to amend the Local Authorities (Members' Contracts) 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 Local Authorities (Members' Contracts) Amendment Act 1957, and shall be read together with and deemed part of the Local Authorities (Members' Contracts) Act 1954 (hereinafter referred to as the principal Act).

2. **Member of local authority or committee not to vote on question in which he has pecuniary interest**—(1) The principal Act is hereby amended by inserting, after section five, the
15 following section:

No. 117—1

2 *Local Authorities (Members' Contracts) Amendment*

“5A. (1) A member of a local authority or of a committee thereof shall not vote on or take part in the discussion of any matter before the governing body of that local authority or before that committee in which he has directly or indirectly any pecuniary interest apart from any interest in common with the public: 5

“Provided that nothing in this subsection shall apply to any of the following matters:

“(a) Any payment to or for the benefit of a member where it is legally payable and the amount or the rate of the payment has already been fixed; or 10

“(b) Any contract of insurance insuring members against personal accident; or

“(c) An election or appointment of a member of the local authority to any office, notwithstanding that any remuneration or allowance is or may be payable in respect of that office. 15

“(2) Where a member knowingly offends against this section,—

“(a) He shall be liable on summary conviction to a fine not exceeding fifty pounds; and 20

“(b) On conviction his office as a member of that local authority and of any committee thereof shall thereby be vacated; and

“(c) The vacancy shall be deemed an extraordinary vacancy and shall be dealt with in the manner (if any) provided by law for dealing with extraordinary or casual vacancies in the membership of that local authority or committee, and, if no provision exists for dealing with extraordinary or casual vacancies, may be dealt with in such manner as the Governor-General in Council prescribes: 25 30

“Provided that no proceedings may be commenced after the commencement of this section in respect of anything done before the commencement of this section which would not have been an offence under this section if this section had then been in force. 35

“(3) In this section the term ‘local authority’ does not include—

“(a) The Senate of the University of New Zealand: 40

“(b) The Council of the University of Otago:

“(c) The Council of the University of Canterbury:

“(d) The Council of the University of Auckland:

“(e) The Council of the Victoria University of Wellington:

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“(f) The Massey Agricultural College Council:

“(g) The Board of Governors of Canterbury Agricultural College.”

5 (2) Section twenty-five of the Nassella Tussock Act 1946 is hereby amended by omitting from subsection one the words “or is convicted of an offence under section twenty-eight of this Act”.

(3) The enactments specified in the Schedule to this Act are hereby repealed

10 (4) Regulation thirteen of the Underground Water Committee Regulations 1957 is hereby revoked.

3. Audit Office to institute proceedings—The principal Act is hereby amended by repealing section six, and substituting the following section:

15 “6. The Audit Office shall, if it considers that the circumstances warrant it, institute the necessary proceedings against any member who commits an offence under this Act, but nothing herein shall be so construed as to prevent any such proceedings from being taken by any other person.”

4 *Local Authorities (Members' Contracts) Amendment*

Section 2 (3)

SCHEDULE

ENACTMENTS REPEALED

- 1908, No. 165—The River Boards Act 1908: Section 54. (1931 Reprint, Vol. IV, p. 527.)
- 1914, No. 32—The Local Railways Act 1914: Paragraph (i) of subsection (1) of section 16 and section 24. (1931 Reprint, Vol. VII, pp. 941, 944.)
- 1921, No. 17 (Local)—The Auckland Electric Power Board Act 1921: Paragraph (i) of subsection (1) of section 12 and section 20.
- 1924, No. 10 (Local)—The Auckland Electric Power Board Amendment Act 1924: Subsection (3) of section 3.
- 1925, No. 38—The Electric Power Boards Act 1925: Paragraph (i) of subsection (1) of section 22 and section 31. (1931 Reprint, Vol. III, pp. 18, 21.)
- 1928, No. 44—The Auckland Transport Board Act 1928: Paragraph (i) of subsection (1) of section 11 and section 24.
- 1935, No. 12 (Local)—The Napier Airport Act 1935: Subclause (10) of clause 15 of the Second Schedule.
- 1937, No. 6 (Local)—The New Plymouth Airport Act 1937: Section 18.
- 1937, No. 10 (Local)—The Whangarei Airport Act 1937: Subsection (11) of section 22.
- 1939, No. 12 (Local)—The Waikato Airport Act 1939: Subsection (11) of section 22.
- 1941, No. 12—The Soil Conservation and Rivers Control Act 1941: Paragraph (h) of subsection (1) of section 55 and section 63.
- 1944, No. 30—The Milk Act 1944: Paragraph (f) of subsection (1) of section 22 and section 29.
- 1944, No. 7 (Local)—The Hawke's Bay Crematorium Act 1944: Section 16.
- 1944, No. 8 (Local)—The Auckland Metropolitan Drainage Act 1944: Section 19.
- 1946, No. 2—The Nassella Tussock Act 1946: Section 28.
- 1948, No. 11 (Local)—The Hutt Valley Drainage Act 1948: Section 19.
- 1950, No. 34—The Harbours Act 1950: Subsection (5) of section 39.
- 1950, No. 5 (Local)—The Masterton Trust Lands Act 1950: Section 33.
- 1951, No. 19 (Local)—The North Shore Drainage Act 1951: Section 18.
- 1954, No. 76—The Municipal Corporations Act 1954: Section 71.
- 1954, No. 16 (Local)—The North Shore Drainage Amendment Act 1954: Section 9.
- 1956, No. 64—The Counties Act 1956: Section 81.
- 1956, No. 5 (Local)—The Greytown Trust Lands Act 1956: Section 32.