

TOURIST HOTEL CORPORATION BILL

EXPLANATORY NOTE

THIS Bill establishes a Tourist Hotel Corporation to take over and manage the Government tourist hotels and generally to encourage the development of the tourist hotel industry. The effect of the clauses of the Bill is summarized in the following notes.

Clause 2 is an interpretation clause.

Tourist Hotel Corporation

Clause 3 establishes a Tourist Hotel Corporation consisting of five directors, of whom one is to be appointed to be the Chairman. The General Manager of the Department of Tourist and Health Resorts is to be one of the directors.

Clause 4 provides that the appointed directors are to hold office for four years, and may be reappointed from time to time; but to ensure rotation of office two of the first appointed directors (other than the Chairman) will retire from office at the end of two years after their appointment.

Clause 5 makes the usual provision for filling extraordinary vacancies by appointment.

Clause 6 provides for a deputy director to be appointed during the incapacity of a director.

Clause 7 regulates the procedure at meetings of the directors.

Functions and Powers of Corporation

Clause 8 sets out the functions of the Corporation. The main functions are to take over the Government tourist hotels, to encourage the development of the tourist hotel industry with a view to promoting tourist traffic, to establish and conduct tourist hotels, and to provide services and amenities for tourists and the public.

Clause 9 gives the Corporation all the powers reasonably necessary for the performance of its functions. *Subclause (2)* sets out its particular powers. They include power (with the approval of the Minister) to acquire or dispose of land and to erect tourist hotels, and (with the approval of the Minister of Finance) to acquire shares in any New Zealand or overseas company carrying on the business of conducting any tourist hotel in New Zealand or make advances to any company or person carrying on any such business. Power is also given to provide various incidental services and amenities, including recreational facilities.

Clause 10 requires the Corporation to have regard to representations made by the Minister and to give effect to any decision of the Government conveyed to it in writing by the Minister.

Transfer of Assets and Liabilities

Clause 11 provides for the transfer to the Corporation of the Government tourist hotels listed in the *First Schedule* to the Bill, together with all equipment and other property used for the purposes of the hotels. Most of the areas on which the hotels are situated are public reserves, but four areas (on which the Chateau Tongariro, Lake House at Waikaremoana, the Hermitage, and Milford Hotel are situated) are parts of National Parks. The reserves are administered under the Tourist and Health Resorts Control Act 1908, and the parts of National Parks are also administered under that Act by virtue of section 10 of the National Parks Act 1952. *Subclause (5)* of this clause provides for the transfer, by Order in Council, of the administration of all these areas to the Corporation for the purposes of the Bill. *Subclause (6)* provides that the administration of other public reserves and parts of National Parks may be similarly transferred to the Corporation for the purposes of the Bill. *Subclause (7)* preserves the status of all such areas as reserves or National Parks, and provides for their administration by the Corporation under the Tourist and Health Resorts Control Act 1908; except that the Corporation may retain any revenue from the land for the purpose of exercising its functions and is to be responsible for all expenditure needed for the management and improvement of the land. The Corporation is not to exercise any leasing powers without the consent of the Minister in the case of a public reserve, or the National Parks Authority in the case of a National Park.

Clause 12 provides that on the transfer of the hotels and other property under *clause 11* the Corporation takes over all debts and liabilities in respect of them and receives the benefit of all existing contracts. Any licences under the Licensing Act 1908 in respect of Government tourist hotels are also vested in the Corporation.

Clause 13 requires the Corporation to give a debenture or other suitable security to the Crown in return for the transfer of the hotels and other property. The amount to be secured is the net value of all property transferred, and is to be determined by the Minister of Finance.

Financial Provisions

Clause 14 authorizes the Corporation to borrow, with the consent of the Minister of Finance.

Clause 15 authorizes the Minister of Finance to make advances to the Corporation or give guarantees in respect of money borrowed by it. Any necessary payments under the clause are to be made either from the Consolidated Fund or from the National Development Loans Account.

Clauses 16 and *17* make the usual provisions for the establishment by the Corporation of reserve funds and for the investment of its funds.

Clause 18 declares the Corporation to be a statutory Board under the Fees and Travelling Allowances Act 1951, for the purposes of the remuneration and travelling allowances of directors and members of committees.

Clause 19 authorizes the Corporation to insure its directors against loss from personal accident occurring in the exercise of their duties.

Clause 20 allows an annual unauthorized expenditure not exceeding £100.

Clauses 21 and 22 deal with bank accounts and the keeping of books.

Clause 23 provides for the Corporation's annual report and statement of accounts to be laid before Parliament.

Clause 24 provides for the Corporation's accounts to be audited by the Audit Office.

Clause 25 provides that the net profits of the Corporation, after provision for reserves and payment of rates and taxes, are to be paid into the Public Account.

Miscellaneous

Clause 26 makes the usual provision for the manner in which contracts may be made by the Corporation.

Clause 27 authorizes the Corporation to delegate powers to directors or officers.

Clause 28 authorizes the Corporation to appoint advisory or technical committees, which may include persons who are not directors or officers.

Clause 29 authorizes arrangements between the Crown, acting through any Government Department, and the Corporation for the execution or provision by the Department of any work or service or the supply of goods, stores, or equipment, on terms to be agreed upon.

Clause 30 provides for the appointment by the Corporation of a general manager as chief executive officer, and for the appointment of any other necessary officers and employees. *Subclause (4)* authorizes the Corporation to contribute to the National Provident Fund or any other approved superannuation scheme for the benefit of its officers and employees.

Clause 31 authorizes the Corporation to enter into agreements as to tenure of office with persons it proposes to appoint to its service.

Clause 32 deals with licensed premises controlled by the Corporation as licensee, and is based on similar provisions relating to local Licensing Trusts. It requires the Corporation to apply to the Licensing Committee for a certificate approving the appointment of a specified person to manage each licensed hotel.

Clause 33 provides that certain provisions of the Licensing Act 1908 (set out in the *Second Schedule* to the Bill) relating to offences by licensees are to apply to the manager of each licensed hotel as well as to the Corporation.

Clause 34 makes it clear that the Corporation is subject to the general law.

Clause 35 prohibits the formation of any other corporation with a similar name.

Clause 36 authorizes the making of regulations.

The *First Schedule* contains the list of hotels to be transferred to the Corporation.

The *Second Schedule* specifies the provisions of the Licensing Act 1908 and its amendments applicable to managers of licensed hotels.

Hon. Mr Halstead

TOURIST HOTEL CORPORATION

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A BILL INTITULED

Title. AN ACT to establish a corporation to encourage the development of the tourist hotel industry in New Zealand, and to provide for the transfer to the corporation of the Government tourist hotels, and to define the functions and powers of the corporation. 5

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

Short Title. 1. This Act may be cited as the Tourist Hotel Corporation Act 1955. 10

Interpretation. 2. In this Act, unless the context otherwise requires,—
 “Corporation” means the Tourist Hotel Corporation of New Zealand established under this Act:
 “Director” means a director of the Corporation, and includes a person duly acting as a deputy of a director: 15
 “Minister” means the Minister in Charge of Tourist and Health Resorts. 20

Tourist Hotel Corporation 20

Tourist Hotel Corporation of New Zealand. 3. (1) There is hereby established for the purposes of this Act a corporation to be called the Tourist Hotel Corporation of New Zealand.

(2) The Corporation shall consist of five directors, being— 25

(a) The General Manager of the Department of Tourist and Health Resorts:

(b) Four other directors to be appointed by the Governor-General on the recommendation of the Minister. 30

(3) One of the directors shall be appointed by the Governor-General to be the Chairman of the Corporation.

(4) The Corporation shall be a body corporate with perpetual succession and a common seal, and shall be capable of acquiring, holding, and disposing of real and personal property, of suing and being sued, and of doing and suffering all such acts and things as bodies corporate may lawfully do and suffer. 35

4. (1) Except as otherwise provided in this Act, every appointed director shall hold office for a term of four years, but may from time to time be reappointed.

Term of office of directors of Corporation.

(2) With respect to the first directors of the Corporation, other than the General Manager of the Department of Tourist and Health Resorts and, if the General Manager is not the Chairman, other than the Chairman, the following provisions shall apply:

(a) Two of those directors shall retire from office at the expiration of two years from the date of their appointment:

(b) The directors so to retire shall be determined by agreement between the directors to whom this subsection applies, or, failing such agreement, shall be determined by lot.

(3) Notwithstanding anything in this Act, every appointed director, unless he sooner vacates his office otherwise than by effluxion of time, shall continue to hold office until his successor comes into office.

5. (1) Any appointed director 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.

Extraordinary vacancies.

(2) If any appointed director dies, or resigns his office by written notice given to the Minister, or is removed from office, the vacancy shall be deemed to be an extraordinary vacancy.

(3) In the case of any extraordinary vacancy, the Governor-General may appoint some person to fill the vacancy.

(4) Any director appointed to fill an extraordinary vacancy shall hold office only for the unexpired portion of the term of office of his predecessor.

(5) The powers of the Corporation shall not be affected by the fact that at any time there may be less than five directors in office.

6. (1) In any case in which the Minister is satisfied that the Chairman or any other director of the Corporation is incapacitated by illness, absence, or other sufficient cause from performing the duties of his office, the Minister may appoint a deputy to act for the Chairman or for that other director during his incapacity. In the case of the incapacity of the Chairman his deputy

Deputies of directors.

may or may not be one of the other directors; and if the deputy of the Chairman is one of the other directors some other person may be appointed to act as the deputy of that director.

(2) Any deputy appointed under this section shall, while he acts as such, be deemed to be a director of the Corporation, and the deputy of the Chairman shall have all the powers of the Chairman. 5

(3) No appointment of a deputy and no acts done by him as such, and no acts done by the Corporation while any deputy is acting as such, shall be questioned in any proceedings on the ground that the occasion for his appointment had not arisen or had ceased. 10

Meetings of
directors.

7. (1) The first meeting of the directors shall be held on a day to be appointed by the Chairman. 15

(2) Subsequent meetings of the directors shall be held at such times and places as the directors or the Chairman may from time to time appoint.

(3) The Chairman or any three directors may at any time call a special meeting of the directors. 20

(4) At all meetings three directors shall form a quorum.

(5) The Chairman shall preside at all meetings at which he is present. In the absence of the Chairman from any meeting, the directors present shall appoint one of their number to be Chairman of that meeting. 25

(6) At any meeting the Chairman shall have a deliberative vote, and in the case of an equality of votes shall also have a casting vote.

(7) All questions arising at any meeting shall be decided by a majority of the valid votes of directors recorded thereon. 30

(8) The Minister shall have the right to attend any meeting of the directors.

(9) In the absence from any meeting of the General Manager of the Department of Tourist and Health Resorts, he may authorize any other officer of that Department to attend the meeting in his stead. While any person is attending any meeting under this subsection he shall be deemed for all purposes to be a director. The fact that any person so attends shall be sufficient evidence of his authority to do so. 35 40

(10) Subject to the provisions of this Act and of any regulations made thereunder, the directors may regulate their procedure in such manner as they think fit. 45

Functions and Powers of Corporation

8. The functions of the Corporation shall be—

Functions of Corporation.

5 (a) To assume control of and conduct the tourist hotels specified in the *First Schedule* to this Act:

(b) To encourage the development of the tourist hotel industry in New Zealand, with a view to promoting and increasing tourist traffic from overseas and within New Zealand:

10 (c) Subject to the provisions of this Act, to establish and conduct tourist hotels and provide accommodation, services, and other facilities for tourists and the public at or in connection with such hotels:

15 (d) To provide services and amenities for tourists and the public:

(e) To control scenic attractions and recreational facilities on land belonging to or administered by the Corporation, and to encourage the full and proper use of them by tourists and the public:

20 (f) To do such other acts and things as the Corporation may be required or authorized to do by this or any other Act, or as may in the opinion of the Corporation be necessary or desirable for the purposes of this Act.

25 9. (1) The Corporation shall have all the powers and authorities reasonably necessary for the effective performance of its functions.

Powers of Corporation.

30 (2) The Corporation may—

35 (a) Conduct, maintain, and improve the tourist hotels and all other real or personal property controlled or administered by or transferred to it or established or acquired by it under this Act, and provide in or in connection with such hotels accommodation, facilities, meals, and refreshments for tourists and the public:

40 (b) With the prior approval of the Minister, acquire by purchase, lease, sublease, or otherwise, any land or interest in land, with or without any building:

- (c) With the prior approval of the Minister, erect any tourist hotel on any land belonging to or administered by the Corporation:
- (d) With the prior approval of the Minister, dispose of by sale, lease, sublease, or otherwise, any land or interest in land: 5
- (e) Acquire by purchase, bailment, or otherwise, any personal property, rights, or privileges that it thinks necessary for the purposes of this Act:
- (f) Dispose of by sale, bailment, or otherwise, or turn to account or otherwise deal with, any personal property, rights, or privileges of the Corporation: 10
- (g) Erect any building, not being a tourist hotel, required for the purposes of this Act:
- (h) Alter or reconstruct any building or property belonging to or administered by the Corporation: 15
- (i) With the prior approval of the Minister of Finance, subscribe for, acquire, and hold, and dispose of or otherwise deal with, shares or stock in any company, whether incorporated within or outside New Zealand, carrying on or intending to carry on the business of conducting any tourist hotel in New Zealand, whether in conjunction with any other business or not: 20
- (j) With the prior approval of the Minister of Finance, and on or subject to such terms and conditions as that Minister may approve, advance money to any person or body of persons, whether incorporated or not, carrying on or intending to carry on the business of conducting any tourist hotel in New Zealand, or give in respect of any advances made to any such person or body of persons as aforesaid by any other person any guarantee, indemnity, or security: 25
- (k) Acquire and hold, in accordance with the Licensing Act 1908 and this Act, any publican's licence, accommodation licence, tourist-house licence, packet licence, or extended hours permit in respect of any premises or vessel of the Corporation, and sell and dispose of intoxicating liquor pursuant to any such licence or permit held by it: 35
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- 5 (l) Establish, maintain, and operate for the purposes
of this Act, but subject to the provisions of any
enactment applicable to the Corporation, farms,
launches, boats, services for the transport of
passengers and goods, mountain huts, guide
10 services, golf courses, motor camps, aerodromes,
ski-tows, and other works, buildings, services,
equipment, and apparatus designed to facilitate
tourist traffic or the recreation of the travelling
public, works and lines for the generation, sale,
and supply of electricity, and such other ser-
vices, attractions, amenities, and facilities for
tourists and the public as the Corporation thinks
15 necessary for the effective performance of its
functions:
- (m) Subject to the provisions of any enactment appli-
cable to the Corporation, make such charges
as it determines from time to time for the use
of any accommodation, services, works, build-
20 ings, recreation grounds, equipment, apparatus,
attractions, amenities, or facilities provided,
maintained, controlled, or operated by the
Corporation:
- (n) Contract for the execution or provision by any
25 person of any work or service authorized by
this or any other Act to be executed or provided
by the Corporation, in such manner and on and
subject to such terms and conditions as the
Corporation thinks fit:
- 30 (o) For the purpose of promoting and encouraging
tourist traffic in New Zealand, act in combina-
tion or association with any person or body
of persons, whether incorporated or not and
whether in New Zealand or elsewhere, or any
35 Government Department, that may be engaged,
concerned, or interested in the promotion of
tourist traffic from overseas and within New
Zealand, and contribute to the costs and ex-
penses involved in any such combination or
40 association.

(3) Subject to the provisions of paragraphs (b) to (d) and paragraphs (i) and (j) of subsection *two* of this section, and to the provisions of any other enactment applicable to the Corporation, nothing in that subsection shall affect the generality of the provisions of subsection *one* of this section. 5

Corporation to have regard to directions of Government.

10. In the exercise of its functions and powers the Corporation shall have regard to any representations that may be made by the Minister in respect of any functions or business of the Corporation, and shall give effect to any decision of the Government in relation thereto conveyed to the Corporation in writing by the Minister. 10

Transfer of Assets and Liabilities

Transfer to Corporation of Government tourist hotels.

11. (1) The control of the hotels administered by the Department of Tourist and Health Resorts, being the hotels specified in the *First* Schedule to this Act, shall be vested in the Corporation in the manner and on the date or dates prescribed by or under this section. 15

(2) The Governor-General may from time to time by Order in Council declare the control of any such hotel as aforesaid to be vested in the Corporation for the purposes of this Act on a date to be specified in the Order in Council. Except as may be otherwise provided in the Order in Council, the vesting of the control of the hotel shall be deemed to include the vesting in the Corporation of the control of all hostels, buildings, services, amenities, scenic attractions, and recreational and other facilities maintained, operated, or controlled by the Department of Tourist and Health Resorts in connection with the hotel, and the vesting in the Corporation of the ownership of all equipment, stores, and other personal property held or used by the Department in connection with the hotel. 20 25 30

(3) Nothing in the foregoing provisions of this section shall affect any trusts, reservations, leases, rights, easements, or interests subsisting, at the date of the vesting, in respect of any property of which the control or ownership is vested in the Corporation under this section. 35

(4) Her Majesty the Queen is hereby empowered to grant, transfer, or assign to the Corporation any land or interest in land (other than land comprised in a public reserve or a National Park), and any personal property, rights, or privileges, vested in or held on behalf of the 40

Crown and used or administered for the purposes of or in connection with any hotel specified in the *First Schedule* to this Act, subject to any leases, rights, easements, and interests subsisting in respect of the land or property at the date of the grant, transfer, or assignment.

5 (5) Where any land on which any such hotel as aforesaid is situated, or which is used or administered for the purposes of or in connection with any such hotel, is a public reserve or part of a public reserve within the meaning of the Reserves and Domains Act 1953, or is part of any National Park within the meaning of the National Parks Act 1952, and is administered, at the passing of this Act, under the Tourist and Health Resorts Control Act 1908, the Governor-General may, by the Order in Council under subsection *two* of this section or by any subsequent Order in Council, declare that the land, or any part thereof described in the Order, shall be administered by the Corporation for the purposes of this Act.

1953, No. 69

1952, No. 54

See Reprint of Statutes, Vol. VIII, p. 605

20 (6) The Governor-General may from time to time, by Order in Council, declare that any other land described in the Order, being a public reserve or part thereof or part of a National Park, shall be administered by the Corporation for the purposes of this Act:

25 Provided that no land that is not administered under the Tourist and Health Resorts Control Act 1908 shall be declared to be administered by the Corporation under this subsection except on the recommendation of the Minister of Lands in the case of a public reserve or part thereof, or on the recommendation of the National Parks Authority in the case of part of a National Park.

30 (7) Where any land being a public reserve or part thereof, or being part of a National Park, is administered by the Corporation under this section, the following provisions shall apply:

(a) The land shall continue to be public reserve land or part of the National Park, as the case may require:

40 (b) The Corporation shall not exercise any power of leasing in respect of the land or any part thereof without the prior consent of the Minister in the case of public reserve land, or the prior consent of the National Parks Authority in the case of land being part of a National Park:

- (c) Nothing in section seven of the Tourist and Health Resorts Control Act 1908 (which relates to the payment into the Public Account of money received) shall apply to the land: 5
- (d) All money received by the Corporation in respect of the land shall form part of the Corporation's funds, and all money required to be expended in managing, administering, and improving the land shall be expended by the Corporation out of its funds: 10
- (e) Subject to the provisions of this subsection, the Corporation shall have in respect of the land the functions, powers, and duties of the Minister and of the General Manager of the Department of Tourist and Health Resorts under the Tourist and Health Resorts Control Act 1908, and the provisions of that Act, so far as they are applicable and with the necessary modifications, shall apply accordingly. 15

See Reprint
of Statutes,
Vol. VIII,
p. 605

Transfer of
contracts and
liabilities in
respect of
Government
tourist hotels.

12. Where any real or personal property, or the control thereof, or any right or privilege, becomes vested in or is declared to be administered by the Corporation under section *eleven* of this Act, the following provisions shall apply: 20

- (a) All debts, liabilities, and obligations, whether present or contingent, incurred in the name or on behalf of the Crown in respect of the property, right, or privilege shall become debts, liabilities, and obligations of the Corporation: 25
- (b) All money payable to the Crown in respect of the property, right, or privilege shall become payable to the Corporation: 30
- (c) The benefit of every contract entered into by or on behalf of the Crown in respect of the property, right, or privilege shall be deemed to be assigned to the Corporation: 35
- (d) Every licence under the Licensing Act 1908 held by any person on behalf of the Crown or as a servant of the Crown in respect of any licensed premises so vested or controlled or declared to be administered shall be deemed to be vested, subject to the provisions of this Act, in the Corporation as licensee: 40

Reprinted
1951, p. 946

(e) All proceedings pending by or against the Crown in respect of the property, right, or privilege shall be carried on by or against the Corporation.

5 13. (1) When any real or personal property is vested in or granted, transferred, or assigned to the Corporation under section *eleven* of this Act, the Corporation shall execute in favour of the Minister of Finance, acting on behalf of the Crown, a debenture or other suitable security or securities, securing to the Crown a sum equivalent to the value of the property so vested, granted, transferred, or assigned, including the value of every licence and all other property deemed to be vested in or assigned to the Corporation or becoming payable to it under section 15 *twelve* of this Act, less the amount of the debts, liabilities, and obligations becoming debts, liabilities, and obligations of the Corporation under the said section *twelve*.

Security to be given as consideration for transfer.

(2) The sum to be secured by every debenture or other security under this section, and the terms and conditions thereof, shall be determined by the Minister of Finance.

(3) Every debenture or other security under this section shall take effect from the time at which the property to which it relates becomes vested in the Corporation, and shall be executed when required by the Minister of Finance.

(4) For the purposes of this section, all property of which the control is vested in the Corporation or which is administered by it under or by virtue of section *eleven* of this Act shall be deemed to be property vested in it.

Financial Provisions

30 14. The Corporation may from time to time, with the consent of the Minister of Finance and on and subject to such terms and conditions as he thinks fit, borrow money and issue debentures or mortgage or charge any 35 of its real or personal property.

Borrowing powers.

15. (1) The Minister of Finance may from time to time, on behalf of Her Majesty the Queen,—

(a) Advance money to the Corporation; and

(b) Give in respect of any advances made to the Corporation by any other person any guarantee, indemnity, or security,—

Advances from Consolidated Fund or National Development Loans Account.

40 on or subject to such terms and conditions as that Minister thinks fit.

- (2) All money required to be paid by the Minister of Finance under this section shall, without further appropriation than this section, be paid out of the Consolidated Fund or out of the National Development Loans Account. Where any payment under this section is made out of the National Development Loans Account, the authority of the Minister to borrow money under section eleven of the New Zealand Loans Act 1953 shall be deemed to be extended as if the money so paid had been duly transferred from the National Development Loans Account to another fund or account as mentioned in that section. 5
- 1953, No. 74
- (3) The Minister of Finance may from time to time, on behalf of Her Majesty the Queen, enter into agreements with the Corporation for the purpose of giving full effect to the provisions of this section. 10
- Reserves.
16. (1) The Corporation may from time to time, with the approval of the Minister of Finance, set aside out of its revenue such sums as it thinks proper as reserves for depreciation of assets, obsolescence, insurance, or such other purposes as it deems necessary or expedient. 15
- (2) The Corporation may invest any of the money to the credit of any reserve account as provided in section *seventeen* of this Act or, with the approval of the Minister of Finance, in the business of the Corporation. 20
- Investment of money belonging to Corporation.
17. Any money belonging to the Corporation may from time to time be invested— 25
- (a) In New Zealand Government securities:
- (b) On deposit in any bank or banks approved by the Minister of Finance, or in the Post Office Savings Bank: 30
- (c) In any manner, or in any securities, that may from time to time be authorized by the Minister of Finance.
- Remuneration and travelling allowances of directors of Corporation. 1951, No. 79
18. (1) The Corporation is hereby declared to be a statutory Board within the meaning of the Fees and Travelling Allowances Act 1951. 35
- (2) The Corporation shall pay to the directors, and may pay to the members of any committee appointed by the Corporation, 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. 40

19. The Corporation may from time to time enter into contracts of insurance insuring directors against loss from personal accident arising out of and in the course of the exercise of their powers or duties as directors, and pay the premiums payable in respect of those contracts.

Insurance of directors against personal accident while engaged in duties.

20. In any financial year the Corporation may expend for purposes not authorized by this or any other Act any sum or sums not amounting in the aggregate to more than one hundred pounds.

Unauthorized expenditure.

21. (1) The Corporation may open at any bank or banks approved by the Minister of Finance, or at any branch or agency of any such bank, such accounts as it deems necessary or desirable for the exercise of its functions and powers.

Bank accounts.

(2) Every account under this section shall be operated upon by cheque signed by such person or persons as may from time to time be authorized in that behalf by the Corporation.

22. The Corporation shall cause to be kept true and regular accounts properly recording the financial operations of the Corporation, and shall cause the accounts to be kept in such manner as may be required or approved by the Minister of Finance.

Books of account.

23. (1) As soon as may be reasonably practicable after the thirtieth day of September in every year, the Corporation shall furnish to the Minister a report of its operations for the financial year that ended with that date, together with a copy of its audited balance sheet and profit and loss account and such other statements of account as may be necessary to show fully the financial position of the Corporation and the financial results of its operations during that year.

Annual report and accounts to be presented to Parliament.

(2) A copy of the report and of such balance sheet, profit and loss account, and statements as aforesaid shall be laid before Parliament within twenty-eight days after their receipt by the Minister if Parliament is then sitting, and otherwise within twenty-eight days after Parliament reassembles.

24. The accounts of the Corporation shall be audited by the Audit Office, which for that purpose shall have all such powers as it has under the Public Revenues Act 1953 in respect of public money and public stores and the audit of local authorities' accounts.

Audit of accounts.
1953, No. 73

Application of
profits of
Corporation.

25. After allowing for transfers to reserves pursuant to this Act and making provision in relation to any accumulated losses and for payment of rates and taxes, the net profits of the Corporation for every financial year shall be paid into the Public Account.

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Miscellaneous

Contracts of
Corporation.

26. (1) Any contract which if made between private persons must be by deed shall, if made by the Corporation, be in writing under the seal of the Corporation.

(2) Any contract which if made between private persons must be in writing signed by the parties to be charged therewith shall, if made by the Corporation, be either under the seal of the Corporation or in writing signed by the general manager on behalf of and by direction of the Corporation or signed by any other person on behalf of and pursuant to the authority of the Corporation.

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(3) Any contract which if made between private persons may be made orally may be similarly made on behalf of the Corporation by the general manager acting by direction of the Corporation or by any other person pursuant to the authority of the Corporation; but no oral contract shall be made involving the payment by the Corporation of a sum exceeding fifty pounds.

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(4) Notwithstanding anything in the foregoing provisions of this section, no contract made by or on behalf of the Corporation shall be invalid by reason only that it was not made in the manner prescribed by this section, if it was made pursuant to a decision of the Corporation or to give effect to a decision of the Corporation.

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Delegation of
powers of
Corporation.

27. (1) The Corporation may from time to time appoint a committee or committees consisting of two or more persons being directors or officers of the Corporation, and may from time to time delegate to any such committee any of the powers or functions of the Corporation, including the power of delegation conferred by this subsection.

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(2) The Corporation may from time to time delegate to any director or officer or employee of the Corporation any of its powers, including the power of delegation conferred by this subsection.

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(3) Subject to any general or special directions given or conditions imposed by the Corporation or committee or person by whom any powers are delegated as aforesaid, the committee or person to whom any powers are so
5 delegated may exercise those powers in the same manner and with the same effect as if they had been conferred directly by this Act and not by delegation.

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

(5) Any delegation under this section may be made to a specified person or to persons of a specified class, or may be made to the holder for the time being of a
15 specified office or appointment or to the holders of offices or appointments of a specified class.

(6) Any delegation under this section may be revoked at any time.

(7) The delegation of any power by the Corporation
20 or by any committee or person shall not prevent the exercise of that power by the Corporation or, as the case may require, by that committee or person.

28. The Corporation may from time to time appoint such advisory or technical committees as it thinks fit to
25 advise the Corporation on such matters within the scope of its functions as are referred to them by the Corporation. Any person may be appointed to be a member of any such committee, notwithstanding that he is not a director or an officer of the Corporation.

Advisory and technical committees.

30 29. The Crown, acting through any Government Department, may from time to time, at the request of the Corporation, enter into contracts or arrangements for the execution or provision by the Department for the Corporation of any work or service, or for the supply
35 to the Corporation of any goods, stores, or equipment, on and subject to such terms and conditions as may be agreed upon.

Government Departments may provide services for Corporation.

30. (1) The Corporation shall appoint a general
40 manager, who shall be the chief executive officer of the Corporation.

Officers and employees.

(2) The Corporation may from time to time appoint such other officers and employees, including acting or temporary or casual officers and employees, as it thinks necessary for the efficient exercise of its functions and powers. 5

(3) Any person in the service of the Crown may be appointed to be an officer or employee of the Corporation, but no such person shall be entitled to hold office concurrently as an officer or employee of the Corporation and as a servant of the Crown except — 10

See Reprint
of Statutes,
Vol. VII,
p. 522

(a) In the case of a person subject to the Public Service Act 1912, with the consent of the Public Service Commission; and

(b) In any other case, with the consent of the Minister of the Crown to whose control he is subject. 15

(4) Subject to the provisions of this Act, the Corporation may pay to its officers and employees such salaries and allowances as it thinks fit, and may at any time remove any officer or employee from his office or employment. 20

(5) The Corporation may out of its funds subsidize or contribute to the National Provident Fund or any other fund or scheme established with the approval of the Minister of Finance for the purpose of providing superannuation or retiring allowances for its officers and employees. 25

Corporation
may contract
as to tenure
of office of
employees.

31. (1) Notwithstanding anything to the contrary in this Act or in any rule of law, the Corporation may enter into an agreement in writing with any person whom it proposes to appoint, or who has been appointed, an officer or employee of the Corporation to the effect that such person shall not be removed from office save as provided in the agreement or except for conduct justifying summary dismissal— 30

(a) During such period (not exceeding three years from the date of his appointment or the date of the agreement, as the case may be) as is specified in the agreement; or 35

(b) Except after such notice, not exceeding three months, as may be specified in the agreement in that behalf. 40

(2) Any agreement to which paragraph (a) of subsection *one* of this section relates may from time to time be renewed for any period not exceeding three years at any one time from the date of the renewal. 45

32. (1) Where the Corporation applies for any licence under the Licensing Act 1908 in respect of any premises or any application is made under that Act for the transfer of any such licence to the Corporation, the Corporation shall, before the licence is issued to it, apply to the Licensing Committee for the issue of a certificate approving the appointment of a person, to be named in the certificate (in this section referred to as the manager), to manage the business of the licensed premises on those premises on behalf of the Corporation.
- (2) In respect of any licensed premises to be transferred to or controlled or administered by the Corporation under section *eleven* of this Act, being premises in respect of which the licence will become vested in the Corporation under section *twelve* of this Act, the Corporation shall apply to the appropriate Licensing Committee, as soon as may be reasonably practicable after the passing of this Act, for the issue of such a certificate as aforesaid in respect of those premises.
- (3) Every such application shall be supported by testimonials and a Magistrate's certificate of fitness, in accordance with section eighty-five of the Licensing Act 1908, as if the manager were an applicant for a licence under that section:
- Provided that where the proposed manager is the person who was the licensee of the premises immediately before the Corporation became the licensee thereof, the Chairman of the Licensing Committee may in his discretion exempt the Corporation from compliance with this subsection.
- (4) Except as provided in this section, it shall not be necessary for any application for the grant or transfer to the Corporation of any such licence to be supported by testimonials or a certificate of fitness.
- (5) Where on any such application the Licensing Committee approves the appointment of any person as manager, it shall issue a certificate in accordance with this section, specifying the premises in relation to which the manager is approved.

Manager of licensed premises to be approved by Licensing Committee.
Reprinted 1951, p. 946

Reprinted 1951, p. 982

(6) The Corporation may from time to time apply to the Licensing Committee for its approval of the appointment of some other person to manage the business on the licensed premises, either temporarily during the absence or incapacity of the appointed manager or permanently in substitution for that manager, and the Licensing Committee may issue a certificate approving the appointment accordingly: 5

Provided that the Chairman of the Licensing Committee may at any time issue a certificate approving the appointment of some person to manage the business on the licensed premises temporarily, during the absence or incapacity of the appointed manager, for any period not exceeding three months. 10

Reprinted 1951,
p. 946

(7) Nothing in this section or in the Licensing Act 1908 shall be construed as requiring the Corporation to apply annually for the renewal of any certificate under this section: 15

Provided that the Licensing Committee may at any time require the Corporation to apply for a new certificate under this section in respect of the licensed premises; and in any such case the Corporation shall forthwith apply, and the application shall be dealt with, in accordance with this section. 20

(8) Any application under this section may be dealt with by the Licensing Committee either at a quarterly licensing meeting or at any special meeting. 25

(9) Pending the disposal of any application to the Licensing Committee under this section, the Corporation may at any time apply to the Chairman of the Licensing Committee for the issue of a temporary certificate of approval in respect of any premises for any of the purposes of this section, and the Chairman may, if he thinks fit, grant a temporary certificate of approval accordingly. In any such case, the person named in the temporary certificate of approval shall be deemed to be approved under this section until such time as the application to the Licensing Committee is dealt with by the Licensing Committee and a certificate of approval is issued by it in respect of the premises, unless for any reason the temporary certificate of approval ceases to be in force before that time. 30
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- (10) Whenever under this section the Licensing Committee or the Chairman thereof approves the appointment of any person to manage the business of any licensed premises, whether temporarily or otherwise, there shall
- 5 be entered in Part I of the Register of Licences kept under section one hundred and forty-nine of the Licensing Act 1908, in addition to the particulars required by that section, the name of the person so approved and the date of the certificate of approval.
- 10 33. (1) For the purposes of such of the provisions of the Licensing Act 1908, and its amendments, as are specified in the *Second* Schedule to this Act, the person for the time being approved under this Act as the manager of the business of any licensed premises shall be deemed to
- 15 be a licensed person in respect of those premises, and those provisions shall apply to him, with the necessary modifications, as if he were the holder of a licence in respect of the premises and as if the certificate of approval of his appointment as manager were a licence and the
- 20 entry in Part I of the Register of Licences relating to the certificate were an entry relating to a licence; and those provisions may accordingly be enforced against him and given effect to pursuant to the Licensing Act 1908.
- (2) Nothing in this section or in the *last preceding*
- 25 section shall limit in any way the application of the Licensing Act 1908 to the Corporation or the rights, duties, and liabilities of the Corporation under that Act.
- 30 34. Except as expressly provided in this Act, nothing in this Act shall be construed to derogate from the provisions of any other enactment applicable to the Corporation.
- 35 35. No company or other body shall be incorporated or registered under any Act or otherwise with a name that is identical with the name of the Corporation or that in the opinion of the Registrar of Companies so resembles that name as to be calculated to deceive.
- 40 36. The Governor-General may from time to time by Order in Council make such regulations as may in his opinion be necessary or expedient for giving full effect to the provisions of this Act and for the due administration thereof.

Reprinted
1951, p. 1004

Manager of
licensed
premises
deemed to be
licensee for
certain
purposes.

Reprinted
1951, p. 946

Corporation to
be subject to
general
legislation.

No other
corporation to
be formed with
similar name.

Regulations.

Schedules.

SCHEDULES

FIRST SCHEDULE

Section 11 HOTELS TO BE ADMINISTERED BY TOURIST HOTEL CORPORATION

1. Hotel Waitomo.
2. Hotel Wairakei.
3. Hotel Tokaanu.
4. Chateau Tongariro.
5. Lake House, Waikaremoana.
6. The Glacier Hotel, Franz Josef Glacier.
7. The Hermitage, Mount Cook.
8. Pukaki Hotel, Lake Pukaki.
9. Milford Hotel.
10. Te Anau Hotel.

Section 33

SECOND SCHEDULE

PROVISIONS APPLICABLE TO MANAGERS OF LICENSED PREMISES OF CORPORATION

Title of Act	Sections or Parts Applicable	Subject-matter
The Licensing Act 1908 (Reprinted 1951, p. 946.)	Section 162	Hours of employment of females.
	Section 165	Refusing to provide accommodation.
	Section 170	Payment for liquor.
	Sections 180 to 188	Offences against public order.
	Sections 189 to 210	Illicit sales.
	Part VI	Prohibition orders.
	Sections 233 to 236	Adulteration of liquor.
	Sections 246 to 251	Record of convictions.
	Sections 252 to 258	Repeated convictions.
	The Licensing Amendment Act 1910 (Reprinted 1951, p. 1008.)	Section 36
The Licensing Amendment Act 1914 (Reprinted 1951, p. 1009.)	Section 10	Employment of minors in bars.
The Licensing Amendment Act 1948 (Reprinted 1951, p. 1134.)	Section 109	Register of lodgers.