



House of Representatives  
**Supplementary Order Paper**

**Tuesday, 28 November 2000**

**New Zealand Public Health and Disability Bill**

*Proposed amendments*

Hon Annette King, in Committee, to move the following amendments:

*Clause 2*

To omit this clause from page 4 and substitute the following clause:

**2 Commencement**

- (1) **Sections 8, 96, 102B, and 116** come into force on the day after the date on which this Act receives the Royal assent.
- (2) The rest of this Act comes into force on **1 January 2001**.

*Clause 5(2)(c)(i)*

To omit from this subparagraph (lines 23 and 24 on page 6) the words “kinds and priorities of services”, and substitute the words “health and disability”.

*Clause 15*

To insert, after line 4 on page 20, the following subclauses:

- (2A) The Governor-General may, by Order in Council, divide any geographical area specified in **Schedule 1** for a DHB into 2 or more constituencies, and determine—
  - (a) the boundaries of each constituency, whether by reference to a current or former local government unit or otherwise; and
  - (b) the number of members of the board of the DHB that are to be elected by the electors of each constituency.
- (2B) An Order in Council under this section may not take effect in the period commencing after 28 March in a year in which triennial elections under the Local Elections and Polls Act 1976 are to be held and ending with the close of the 58th day after polling day appointed for those elections if the Order—
  - (a) alters a geographical area specified in **Schedule 1**; or

- (b) divides such an area into constituencies; or
- (c) alters a constituency; or
- (d) changes the number of members to be elected by the electors of a constituency.

*Clause 17(1)(a)*

To omit from lines 22 and 23 on page 22 the words “through the provision of personal and public health services”.

*Clause 18(1)*

To omit from paragraph (a) (lines 16 and 17 on page 23) the words “annual plan”, and substitute the words “Crown funding agreement”.

To insert in paragraph (k) (line 14 on page 24), after the word “functions”, the words “it is”.

*Clause 35(2)(e)*

To insert in line 5 on page 35, after the expression “DHB’s”, the word “completed”.

*Clause 43*

To insert in line 30 on page 40, after the word “including”, the words “in exceptional circumstances”.

To omit from lines 31 and 32 on page 40 the words “in exceptional circumstances”.

To insert in line 1 on page 41, after the word “is”, the words “for the time being”.

*Clause 48(1)*

To insert, after paragraph (a) (line 7 on page 43), the following paragraph:

- (ab) if it is an appointed entity (as defined in section 92A of the Health Act 1956), to perform the functions for which it is for the time being responsible under section 92H of that Act; and

To insert in paragraph (b) (line 12 on page 43), after the word “is”, the words “for the time being”.

*Clause 58*

To omit subclause (1) from lines 27 and 28 on page 47 and lines 1 to 14 on page 48, and substitute the following subclause:

- (1) The Minister and each organisation must agree on an annual plan of the organisation for each financial year beginning on or after 1 July 2001, which must (unless that information is included in the organisation’s statement of intent for that year)—
  - (a) include the intended outputs of the organisation for that year;
  - (b) include the funding proposed for those intended outputs;
  - (c) include the strategic focus of the organisation over the next 3 years (in the case of Pharmac) and 3 to 5 years (in the case of NZBS and RHMU):

- (d) contain, in respect of that year, forecasts that provide information about the matters specified in paragraphs (a) to (c), (i), and (j) of section 41(2) of the Public Finance Act 1989:
- (e) have attached a copy of the organisation's completed statement of intent and Crown funding agreement for that year.

*Clause 65A*

To omit from line 22 on page 53 the words “and permitted”.

*Clause 75(1A)*

To omit from line 27 on page 60 the words “to do so”.

*Clause 83(1)*

To insert in paragraph (a), before the word “restrictions” in line 1 on page 65, the word “imposing”.

To omit paragraph (h) (lines 26 to 28 on page 65), and substitute the following paragraph:

- (h) providing for matters relating to the election of members of the boards of DHBs and, in particular (without limitation),—
  - (i) for electoral systems by which such elections are to be held, such as, for example, a form of the system commonly known as “Single Transferable Vote”; or
  - (ii) for methods of conducting such elections, whether by postal voting or otherwise; or
  - (iii) for the appointment of returning officers responsible for the conduct of such elections; or
  - (iv) for administrative arrangements for such elections, including, without limitation, for the co-ordination of arrangements to be made by DHBs and territorial authorities:

*Clause 86*

To omit from subclause (3) the word “On” (line 12 on page 68), and substitute the words “Except as provided in **subsection (3A)**, on”.

To insert, after **subclause (3)** (line 16 on page 68), the following subclause:

- (3A) The assets and liabilities vested by **subsection (3)** do not include rights or obligations under any contract of service under which a person was, before the commencement of this section, employed as the chief executive of a hospital and health service.

*Clause 96*

To omit this clause from page 74, and substitute the following clause:

**96 Transitional board members**

- (1) In the period commencing with the commencement of this section and ending with the first elections of members of

boards of DHBs, the Minister may appoint up to 11 members to the board of each DHB (whether that DHB has been, or is to be, established) to hold the positions that are, after those elections, to be held by elected and appointed members.

- (2) The provisions of this Act that apply to appointed members of DHBs apply to members appointed under **subsection (1)**, except that—
  - (a) the appointment of such a member (whether as member, chairperson, or deputy chairperson) must be made by written notice to the member, and need not be notified in the *Gazette*; and
  - (b) such a member need not complete the statement under **section 25(6)** before his or her appointment, but must complete that statement before the 29th day after his or her appointment; and
  - (c) if such members hold a meeting of a board of a DHB before 1 February 2001, **clauses 16 to 24 and 28 and 33 to 37 of Schedule 3** do not apply to that meeting.
- (3) As soon as practicable after the commencement of this section, the Minister must make appointments under **subsection (1)** to enable each DHB to operate on and from 1 January 2001.
- (4) For the purpose of enabling a DHB to operate on and from 1 January 2001, the members appointed under **subsection (1)** in respect of a DHB may, before that date, exercise or perform any duty, power, or function of the board of the DHB.
- (5) A record of every meeting of the board of a DHB held in accordance with **subsection (2)(c)** and of every decision taken in respect of the board of a DHB under **subsection (4)** must be tabled at the first meeting of the board that is publicly notified under **clause 16 of Schedule 3**.
- (6) Despite **subsection (2)**, when the first elected members of a board of a DHB come into office, every member appointed under **subsection (1)** ceases to be a member of the board.

*Clause 102*

To add, after line 5 on page 76, the following subclause:

- (5) Despite **sections 23 and 56**, during the period of 1 year ending after the commencement of this section, a publicly-owned health and disability organisation may—
  - (a) hold any shares or interests in a body corporate or in a partnership, joint venture, or other association of persons if those shares or interests were vested in the organisation by this Act; and
  - (b) be the trustee of a trust if the office as trustee was vested in the organisation by this Act.
- (6) On the expiry of the period referred to **subsection (5)**, no organisation may continue to hold such shares or interests or be such

a trustee without the consent of the Minister, given in accordance with **section 23** or **section 56**, as the case may require.

*New clause 102B*

To add, after line 18 on page 76, the following heading and clause:

*Transitional provisions relating to New Zealand health strategy and New Zealand disability strategy*

**102B Consultation for first New Zealand health strategy and first New Zealand disability strategy**

- (1) The consultation undertaken, before the commencement of this section, by the Minister on proposals for a New Zealand health strategy is to be taken to be consultation for the purposes of **section 8(3)** for the first New Zealand health strategy determined after the commencement of this section.
- (2) The consultation undertaken, before the commencement of this section, by the Minister of the Crown who is responsible for disability issues on proposals for a New Zealand disability strategy is to be taken to be consultation for the purposes of **section 8(3)** for the first New Zealand disability strategy determined after the commencement of this section.

*Clause 104*

To omit this clause from page 76, and substitute the following clause:

**104 Commencement**

- (1) **Section 116** comes into force on the day after the date on which this Act receives the Royal assent.
- (2) The rest of this Part comes into force on **1 January 2001**.

*Clause 107*

To omit from paragraph (c) of the definition of **transferor** (line 34 on page 77) the words “public health organisation”, and substitute the words “publicly-owned health and disability organisation”.

To insert in paragraph (a)(ii) of the definition of **Crown endowment** in subclause (2) (line 16 on page 78), before the word “services”, the word “support”.

*Clause 112: new section 11E*

To omit this section from pages 84 and 85, and substitute the following section:

**“11E Health sector reserves**

- “(1) In this section, health sector reserve means any land vested in a transferee that is a reserve within the meaning of the Reserves Act 1977.**
- “(2) Every health sector reserve is deemed to be classified, under the Reserves Act 1977, as a Government purpose reserve for the purpose of the health and disability sector and for related purposes.**

- “(3) Every health sector reserve may be transferred under this Act to any transferee, whether or not the transferee is in the health and disability sector.
- “(4) Every transferee to whom a health sector reserve is transferred under this Act is an administering body under the Reserves Act 1977 in respect of that reserve, except that neither section 25(3) of that Act nor Part IV of that Act apply to the transferee or to the reserve.
- “(5) A transferee outside the health and disability sector to whom a health sector reserve is transferred under this Act must, as soon as practicable, promote either of the following:
- “(a) an appropriate change of classification or purpose of the health sector reserve under the Reserves Act 1977;
  - “(b) the revocation, under that Act, of the reservation of the health sector reserve as a reserve.
- “(6) If the reservation of any health sector reserve is revoked under the Reserves Act 1977, then, despite any enactment, from the date of the revocation the land comprising the former health sector reserve—
- “(a) remains vested in the transferee; and
  - “(b) is subject to any reservations or trusts affecting that land arising from Acts (other than the Reserves Act 1977 or any other Act by which the former status as a reserve was conferred or confirmed), Provincial Ordinances, wills, deeds, or other instruments; and
  - “(c) is subject to clause 3 of the First Schedule if it is public work land within the meaning of that clause; and
  - “(d) is subject to any valid leases, rights, easements, or interests subsisting over that land at the date of the revocation.
- “(7) Despite the Reserves Act 1977, a lease or licence may be granted over a health sector reserve for health-related purposes or, with the consent of the Minister, for any other purposes.
- “(8) The granting of a lease or licence under **subsection (7)** is subject to,—
- “(a) if granted by a publicly-owned health and disability organisation or a subsidiary of such an organisation, **clause 44 of Schedule 3 or clause 26A of Schedule 6**, as the case may require; and
  - “(b) if granted by a transferee that is not a publicly-owned health and disability organisation or a subsidiary of such an organisation, **clause 44 of Schedule 3**, as if that clause applied, with all necessary modifications, to the transferee.

- “(9) Any payment under a lease or licence over a health sector reserve may be paid to the transferee in whom the reserve is vested, and may be applied for the purposes of the transferee.”

*Clause 112: new section 11H*

To omit this section from lines 19 to 35 on page 85, page 86, and lines 1 to 8 on page 87, and substitute the following section:

“11H **Part IVA of Conservation Act 1987**

- “(1) Subject to **subsections (2) to (5)**, the provisions of Part IVA of the Conservation Act 1987 apply, with all necessary modifications, in relation to every sale or other disposition of land by a transferee as if that disposition of land were a sale or other disposition of land by the Crown.
- “(2) The provisions of Part IVA of the Conservation Act 1987 do not apply in relation to any sale or other disposition of land by a transferee if the land sold or otherwise disposed of—
- “(a) is land that,—
    - “(i) before being transferred to, or vested in, the transferee under this Act or the **New Zealand Health and Disability Act 2000**, had been given to the Crown, a DHB, or any predecessors in title of a DHB; and
    - “(ii) is being sold or disposed of to the donor of the land or to the successor of the donor of the land (being the person who would have been entitled to the land under the will or intestacy of the donor had the donor owned the land at the date of the donor’s death); or
  - “(b) is land acquired by the transferee other than land acquired by virtue of—
    - “(i) the operation of **section 86 of the New Zealand Public Health and Disability Act 2000**; or
    - “(ii) a transfer under this Act; or
  - “(c) is land being transferred to or vested in the Crown.
- “(3) Despite **subsection (1)**, the Registrar-General of Land is not obliged to take any action under section 24D of the Conservation Act 1987 upon the registration of any disposition by a transferee of any land under the Land Transfer Act 1952 unless a certificate complying with **subsection (4)** is lodged with the instrument by which the disposition is being effected.
- “(4) The certificate required by **subsection (3)** must—
- “(a) be signed by the chief executive of the transferee by which the disposition is being effected; and
  - “(b) certify that the disposition is one to which Part IVA of the Conservation Act 1987 applies; and
  - “(c) state the action that the Registrar-General of Land is required to take under section 24D of the Conservation Act 1987 upon the registration of that disposition; and

“(d) specify the certificate of title upon which the Registrar-General of Land is to record the statements required by section 24D of the Conservation Act 1987.

“(5) Nothing in this section limits the provisions of clause 6 of the First Schedule.”

*Clause 114: new clause 3*

To omit from subclause (1)(a) (line 4 on page 89) the expression “11”, and substitute the expression “10”.

*New clause 116*

To add, after line 30 on page 90, the following clause:

**116 Orders in Council transferring assets or liabilities in December 2000**

Before the commencement of **section 107**, an Order in Council, under section 5 of the principal Act, may be made as if section 2 of the principal Act had been amended by **section 107**, but no proposal approved by such an Order in Council may take effect before the commencement of **section 107**.

*Schedule 1*

To omit from page 91 the word “Manakau”, and substitute the word “Manukau”.

To omit from page 91 the words “Manawatu DHB”, and substitute the words “MidCentral DHB”.

*Schedule 2: clause 1*

To insert, after lines 3 on page 93, the following definition:

**constituency**, in relation to a DHB, means,—

- (a) if the district of the DHB has been divided into constituencies by an Order in Council under **section 15**, each such constituency; and
- (b) if the district of the DHB has not been divided in that way, the district of the DHB

*Schedule 2: clause 2*

To omit from line 19 on page 94 the words “the district of a DHB is qualified to be an elector”, and substitute the words “the constituency of a DHB is qualified to be an elector of that constituency”.

*Schedule 2: clause 3*

To omit from subclause (1)(a) the words “an elector at the election” (line 24 on page 94), and substitute the words “a parliamentary elector”.

To omit subclause (2) (lines 1 to 5 on page 95).

*Schedule 2: clause 4(1)*

To add, after the word “district” (line 9 on page 95), the words “or more than 1 constituency”.

*Schedule 2: clause 10(3)*

To omit from line 27 on page 96 the expression “DHB.” and substitute the words “DHB; and if the district of the DHB has, by an Order in Council under



**section 15**, been divided into constituencies, that officer must also indicate the constituency in respect of which those persons may vote at that election.”

*Schedule 2: clause 16(2)*

To omit this subclause (lines 31 to 38 on page 98 and lines 1 to 2 on page 99), and substitute the following subclause:

- (2) In addition to the grounds specified in **subclause (1)**, a person may not be elected as a member of a board if the person is incapable of being elected as a member of a local authority because of section 112 of the Local Elections and Polls Act 1976.

*Schedule 2: clause 17*

To omit this clause from page 99, and substitute the following clause:

**17 Reorganisation of districts**

- (1) In this clause, **Order in Council** is a reference to an Order in Council made under **section 15(2)**.
- (2) If an Order in Council abolishes 2 or more DHBs and constitutes a new DHB whose district consists of the districts of the abolished DHBs, the boards of the abolished DHB are united into a new board (a **united board**).
- (3) If an Order in Council dissolves or divides 1 DHB by transferring its district in whole or in part to the districts of 1 or more other DHBs, the Minister may, at the time that the Order takes effect, assign any member of the board of the dissolved or divided DHB to any board (an **augmented board**) of those other DHBs.
- (4) Throughout the relevant period specified in **subclause (7)**, a united board consists of all the currently elected and appointed members of each board of the abolished DHBs (even if the total number of those members exceeds 11).
- (5) Throughout the relevant period specified in **subclause (7)**, the members of an augmented board include the member or members assigned to it under **subclause (3)** (even if the total number of those members exceeds 11).
- (6) The provisions of **Schedule 3** continue to apply, with any necessary modifications, to every united board and to every augmented board.
- (7) The relevant period referred to in **subclause (4) and subclause (5)** commences on the date that the Order in Council takes effect and ends with the close of the 58th day after polling day for the next elections of DHBs.

*Schedule 2: clause 18*

To omit paragraph (a) (lines 26 to 28 on page 99), and substitute the following paragraph:

- (a) an alteration of the district or the constituency of the DHB made by an Order in Council under **section 15** (other than a reorganisation of districts described in **clause 17**); or

*Schedule 2: new clause 19*

To add, after line 30 on page 99, the following clause:

**19 Inquiries by Local Government Commission**

If at any time the Minister is of the opinion that for the purposes of this Act an inquiry should be made into any question relating to the union, reconstitution, or alteration of the boundaries of any district or constituency of a DHB, the Minister may request the Minister of Local Government to refer the question to the Local Government Commission for inquiry and report.

Compare: 1983 No 134 s 8E

*Schedule 3: clause 7(2)*

To omit from line 9 on page 103 the word “is”.

To insert in line 10 on page 103, before the word “renamed”, the word “is”.

To omit from line 11 on page 103 the words “combined with another DHB”, and substitute the words “is involved in a reorganisation of districts”.

*Schedule 3: clause 8(1)(b)*

To omit from line 24 on page 103 the expression “(1)”.

*Schedule 3: clause 9*

To omit subclause (2) (lines 10 to 16 on page 104).

*Schedule 3: clause 19(2)*

To omit from lines 11 to 13 on page 108 the words “An employee or agent of the board authorised by the board for the purpose”, and substitute the words “The board must, from time to time, authorise a person to act for it for the purposes of this subclause, and that person”.

*Schedule 3: clause 20(2)*

To omit from lines 7 to 9 on page 109 the words “An employee or agent of the board authorised by the board for the purpose”, and substitute the words “The board must, from time to time, authorise a person to act for it for the purposes of this subclause, and that person”.

*Schedule 3: clause 40(2)*

To omit from lines 17 and 18 on page 122 the words “or employee of the board”, and substitute the words “of the board or employee of the DHB concerned”.

*Schedule 3: clause 44*

To omit from line 15 on page 126 the number “3”, and substitute the number “4”.

To add, after line 15 on page 126, the following subclause:

- (5) To avoid any doubt, the matters to which the Minister may have regard in giving an approval under **subclause (2)** in relation to any land include the question of the application to the land

of **clause 3 of the First Schedule of the Health Sector (Transfers) Act 1993.**

*Schedule 4: clause 2(2)*

To omit from line 5 on page 132 the words “the care of”.

To omit from lines 7 and 8 on page 132 the words “the care of”.

*Schedule 4: clause 20(2)*

To omit from lines 23 to 25 on page 139 the words “An employee or agent of the committee authorised by the committee for the purpose”, and substitute the words “The committee must, from time to time, authorise a person to act for it for the purposes of this subclause, and that person”.

*Schedule 4: clause 21(2)*

To omit from lines 19 to 21 on page 140 the words “An employee or agent of the committee authorised by the committee for the purpose”, and substitute the words “The committee must, from time to time, authorise a person to act for it for the purposes of this subclause, and that person”.

*Schedule 4: clause 22(5)*

To omit from line 14 on page 141 the word “board”, and substitute the word “committee”.

*Schedule 6: clause 23*

To omit from line 5 on page 166 the word “section”, and substitute the word “clause”.

To omit from line 15 on page 166 the words “, member, or employee of the board,”, and substitute the words “or member of the board, or to any employee of the organisation,”.

*Schedule 6: new heading and clause 26A*

To insert on page 170, after *clause 26*, the following heading and clause:

*Dealings with land*

**26A Dealings with land**

- (1) No organisation may sell, exchange, mortgage, or charge land without the prior written approval of the Minister.
- (2) No organisation may grant a lease or licence for a term of more than 5 years over land without the prior written approval of the Minister.
- (3) For the purposes of **subclause (2)**, the term of a lease or licence includes any period (or, if the lease or licence provides for more than 1 such period, the total period) for which any person is entitled to have the lease or licence renewed.
- (4) Any approval under this clause may be subject to any conditions the Minister specifies, and may be given in respect of any land of a class that the Minister specifies.
- (5) In this clause, **organisation** includes a subsidiary of an organisation.
- (6) To avoid any doubt, the matters to which the Minister may have regard in giving an approval under **subclause (2)** in relation to any land include the question of the application to the land

of clause 3 of the First Schedule of the Health Sector (Transfers) Act 1993.

*Schedule 6: clause 29(1)*

To omit from line 3 on page 172 the words “DHB may invest that money”, and substitute the words “organisation may invest that money only”.

*Schedule 7*

To omit from line 11 on page 174 the word “Manakau”, and substitute the word “Manukau”.

To omit from line 20 on page 174 the words “Manawatu DHB”, and substitute the words “MidCentral DHB”.

*Schedule 9: item relating to Disabled Persons Community Welfare Act 1975*

To omit from line 24 on page 179 the word “Person”, and substitute the word “Persons”.

To insert in line 26 on page 179, after the words “Funding Authority,”, the words “hospital board specialist,”.

To omit from line 27 on page 179 the word “its”, and substitute the word “their”.

To omit from line 28 the word “definition”, and substitute the word “definitions”.

To omit from line 30 on page 179 the expression “2000.”, and substitute the expression “2000”.

To insert, after line 30 on page 179, the following definitions:

“**disability services** has the same meaning as disability support services has in **section 6(1) of the New Zealand Public Health and Disability Act 2000**

“**district health board** means a district health board established by or under **section 15 of the New Zealand Public Health and Disability Act 2000**

“**service agreement** has the same meaning as in **section 6(1) of the New Zealand Public Health and Disability Act 2000**

To insert in line 31 on page 179, after the words “the Health Funding Authority,”, the words “and substitute the words ‘district health boards,’”.

To insert in lines 4, 11, and 15 on page 180, in each case after the word “agreement”, the words “or a service agreement or an arrangement of the kind described in **section 80 of the New Zealand Public Health and Disability Act 2000**”.

To omit from line 10 on page 181 the word “person.”, and substitute the words “person; or”.

To insert, after line 10 on page 181, the following paragraph:

- “(d) the date on which a district health board—
  - “(i) enters into a service agreement or an arrangement of the kind described in **section 80 of the New Zealand Public Health and Disability Act 2000** with a service provider to provide residential care services to the person; or

- “(ii) enters into a service agreement or into an arrangement of that kind in renewal of or substitution for a previous service agreement or arrangement, being a renewed or substituted agreement or arrangement that contains a change in the residential care services to be provided to the person.

To insert in line 35 on page 181, after the word “agreement”, the words “or service agreement or an arrangement of the kind described in **section 80 of the New Zealand Public Health and Disability Act 2000**”.

*Schedule 9: item relating to Health Act 1956*

To omit the amendment to section 22G(1) (lines 31 to 41 on page 184 and lines 1 to 6 on page 185), and substitute the following amendment:

Repeal section 22G and substitute:

- “(1) In this section, **provider** means a person who has claimed payment for services from 1 or more of the following:
  - “(a) the Ministry of Health:
  - “(b) a district health board:
  - “(c) the Health Funding Authority or a person authorised by the Health Funding Authority to make payments:
  - “(d) a regional health authority or a person authorised by a regional health authority to make payments:
  - “(e) a hospital and health service:
  - “(f) a Crown health enterprise:
  - “(g) an area health board:
  - “(h) a hospital board:
  - “(i) the Department of Health.
- “(2) Every provider must, forthwith after a request by the Director-General or the chief executive of a district health board or of Health Benefits Limited, make available any records of the provider that relate to the services concerned for inspection—
  - “(a) by a person authorised in writing by the Director-General or the chief executive of the district health board or Health Benefits Limited (as the case may be) for this purpose, being a person who holds a professional qualification relevant to the services provided by the provider or any other person the Director-General or the chief executive considers appropriate; and
  - “(b) for the purpose of verifying the claim for payment.
- “(3) Any person authorised in accordance with **subsection (2)** to inspect the records of a provider may copy or take notes of those records for the purposes of the inspection.”

*Schedule 9: new item relating to Public Works Act 1981*

To insert on page 189, after the item relating to the Public Finance Act 1989, the following item:

**Public Works Act 1981** (1981 No 35)

Omit from the definition of **local authority** in section 2 the words “Hospital Board.”

*Schedule 9: item relating to Reserves Act 1977*

Omit the words in lines 27 to 29 on page 189, and substitute the words “Omit from the definition of **local authority** in section 2(1) the words “a Hospital Board”.”

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**Explanatory note**

*New clause 2* changes the commencement of the Bill to **1 January 2001**, except for *clauses 8, 96, and new clauses 102B and 116*, which come into force on the date after the Act’s Royal assent.

The amendment to *clause 5* makes a necessary terminological change.

*New clause 15(2A)* enables the geographical areas of DHBs to be divided into constituencies for electoral purposes, and enables the number of elected representatives of each constituency to be determined. *New clause 15(2B)* provides that after 28 March in an election year and until the 59th day after the election, no Order in Council may take effect, if the Order alters the area or a constituency of a DHB, or divides the area into constituencies, or changes the number of elected representatives for a constituency.

The effect of the amendment to *clause 17(1)(a)* is that a DHB is not limited to the provision of personal and public health services in pursuing its objective of improving, promoting, and protecting the health of people and communities.

The amendment to *clause 18(1)(a)* means that the services for which a DHB is responsible will be specified in its Crown funding agreement.

The amendments to *clauses 18(1)(k), 32(2)(e), and 43* are drafting clarifications.

The amendment to *clause 48* ensures that the functions of NZBS include functions that it may have under the Health Act 1956.

*New clause 58(1)* has been redrafted without substantive change to make it consistent with the corresponding provision for DHBs (*clause 35*).

The amendments to *clauses 65A, 75(1A), and 83(1)(a)* are drafting clarifications.

*New clause 83(1)(h)* replaces the empowering provision for regulations governing the elections of DHBs. The new provision enables regulations to prescribe electoral systems (such as STV) for such elections. Regulations can also provide for election methods (including alternatives to postal voting), for the appointment of returning officers, and for administrative arrangements by DHBs and territorial authorities.

The amendment to *clause 86* provides that contracts of service of chief executives of hospital and health services will not be transferred across to DHBs.

*Clause 96*, relating to transitional board members of DHBs, has been redrafted to ensure that DHBs will be able to function when the Act comes into force on 1 January 2001. The section is to come into force on the day after the Act receives the Royal assent. The section modifies a number of provisions that would otherwise apply to the boards of DHBs; thus, appointments of transitional members need not be gazetted, the statement as to conflicts of interest need not be completed until the 28th day after the appointment of a transitional member; meetings held by transitional boards before 1 February 2001 need not be held in public. Transitional members appointed for the board of a DHB may, before 1 January 2001 exercise or perform any duty, power, or function of the board to enable the DHB to operate on and from 1 January 2001.

*New clauses 102(5) and (6)* enable DHBs, Pharmac, NZBS, and RHMU to hold shares and similar interests vested in them by the Act without the Minister's consent that would otherwise be required. This exemption applies for 1 year after their establishment. After that year, those organisations cannot continue to hold the shares and other interests without the Minister's consent.

*New clause 102B* provides that the consultation undertaken, before the commencement of the Act, on proposals for the New Zealand health strategy and on the New Zealand disability strategy is consultation for the purposes of *clause 8(3)* for both strategies.

*New clause 104* relates to the commencement of *Part 7*. Except for *new clause 116*, *Part 7* is to come into force on **1 January 2001**. *New clause 116* is to come into force on the day after the Act receives the Royal assent. It is intended that *Part 7* be a separate Bill, following the division of the New Zealand Public Health and Disability Bill into 2 Bills at the conclusion of the committee of the whole House stage.

The amendments to *clause 107* are drafting clarifications.

*New section 11E* in *clause 112* is redrafted to make a number of substantive and drafting changes. There are 4 substantive changes. First, a transferee (as defined in *clause 107(1)*) to whom the ownership of a health sector reserve is transferred is an administering body under the Reserves Act 1977 of that reserve, but section 25(3) of that Act (requiring the Minister of Conservation to offer back donated reserves to the donors or their descendants following the revocation of the reservation) and Part IV of that Act (relating to financial provisions) do not apply. Second, if a health sector reserve is transferred to a transferee outside the health sector, the transferee is required to take the action set out in *subclause (5)* "as soon as practicable". Third, a transferee in that position is given the option of applying for a change in the classification of purpose of the health sector reserve as a Government purpose reserve. Fourth, the ministerial consent required before a lease or licence can be granted over a health sector reserve must be given under *clause 44 of Schedule 3* in the case of DHBs, and *new clause 26A of Schedule 6* in the case of other publicly-owned health and disability organisations.

*New section 11H* in *clause 112* has been redrafted to make a number of drafting corrections and clarifications.

The amendment to *new clause 3(1)* of the First Schedule of the principal Act (as substituted by *clause 114*) changes the date on which public work land had to be subject to the offer-back provisions of the Public Works Act 1981 from 11 May 1993 to 10 May 1993. *Clause 3* of the First Schedule of the principal Act came into force on 11 May 1993, and currently applies to land that at the date on which the Schedule came into force was subject to the offer-back provisions. The reason for the change in date is to provide greater protection to persons who may be entitled to receive offers under the Public Works Act 1981 by making it clear that it applies to all land formerly held by area health boards and transferred to Crown health enterprises.

*New clause 116* provides for the making of Orders in Council after the Act is passed but before the amendments made to the principal Act have come into force. In that period, Orders in Council may be made as if the amendments were in force, but such orders may not come into effect before the commencement date of **1 January 2001** for those amendments.

The amendments to *Schedule 1* correct a typographical error and change “Manawatu DHB” to “MidCentral DHB”.

#### *Schedule 2*

The amendment to *clause 1* inserts a definition of **constituency**. That term means any constituency into which a district of a DHB has been divided by an Order in Council under *clause 15*; if a district has not been divided, it means the whole district of the DHB.

The amendment to *clause 2* requires an elector to be qualified for a constituency.

The effect of the amendment to *clause 3* is that candidates will not themselves have to be qualified as electors of the DHB concerned. They will therefore not have to reside in the constituency for which they stand, nor in the geographical area of the DHB.

The amendments to *clause 4(1)* and *10(3)* are consequential on the provisions for voting by constituencies.

The amendment to *clause 16(2)* is consequential on the amendment to *clause 3*.

*New clause 17* provides, in addition to amalgamations of DHBs, for the redistribution of the whole or part of a district of a DHB to 1 or more other DHBs. If 2 or more DHBs are united into a new DHB, all the members of the boards of the previous DHBs are united into a single board until the results of the next election take effect. In the case of a redistribution, the Minister may assign 1 or more members from one board to the board of another DHB. The assigned member will be part of that other board until the results of the next election take effect.

The amendment to *clause 18* is consequential on the provisions for voting by constituencies.

*New clause 19* allows the Minister of Health to request the Minister of Local Government to refer to the Local Government Commission any question relating to the union, reconstitution, or alteration of the boundaries of any district of a DHB.



*Schedule 3*

The amendment to *clause 7(2)* is consequential on the *new clause 17* of *Schedule 2*.

The amendments to *clauses 8(1), 9, 19(2), 20(2), and 40(2)* make drafting corrections and clarifications.

The amendment to *clause 44* clarifies that, in considering whether to approve the granting of long-term leases or licences, the Minister may consider whether the land is subject to the offer-back provisions of *clause 3* of the First Schedule of the *Health Sector (Transfers) Act 1993*.

*Schedule 4*

The amendments to *clauses 2(2), 20(2), 21(2), 22(5), and 23* make minor drafting changes.

*New clause 26A* is in the same terms as *clause 44* of *Schedule 3*. It prohibits Pharmac, NZBS, and RHMU from dealing with land without the consent of the Minister.

The amendment to *clause 29(1)* makes a drafting clarification.

*Schedules 7 and 9*

The amendments to the schedules make drafting corrections and clarifications.

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