



**THE LOCAL GOVERNMENT (HOSPITAL BOARDS AND AREA  
HEALTH BOARDS ANNUAL ALLOWANCES AND  
REMUNERATION) DETERMINATION 1989**

PURSUANT to section 214B of the Local Government Act 1974, the Minister of Local Government (having due regard to the changes in annual allowances determined by the Higher Salaries Commission under section 214A (1) of the Local Government Act 1974 and such other matters as the Minister considers relevant, and acting with the consent of the Minister of Health), hereby makes the following determination.

ANALYSIS

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| <ol style="list-style-type: none"> <li>1. Title and commencement</li> <li>2. Interpretation</li> <li>3. Annual allowances of Chairman</li> <li>4. Annual allowances and daily remuneration of members other than Chairmen</li> <li>5. Additional annual allowances of Deputy Chairman</li> </ol> | <ol style="list-style-type: none"> <li>6. Additional annual allowances of chairmen of standing or special committees</li> <li>7. Relevant current determinations of Higher Salaries Commission</li> <li>8. Revocation Schedules</li> </ol> |
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DETERMINATION

**1. Title and commencement**—(1) This determination may be cited as the Local Government (Hospital Boards and Area Health Boards Annual Allowances and Remuneration) Determination 1989.

(2) This determination shall take effect on and from the 1st day of April 1988.

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

“Act” means the Local Government Act 1974:

“Board” means—

(a) A Hospital Board constituted under the Hospitals Act 1957:

(b) An Area Health Board constituted under the Area Health Boards Act 1983:

“Committee” means—

(a) Any committee appointed under section 44 or section 59 (6) of the Hospitals Act 1957:

(b) Any committee appointed under section 28 of the Area Health Boards Act 1983;—  
and includes any subcommittee of any such committee:

“District” means—

(a) A hospital district established under the Hospitals Act 1957:

(b) An area health district established under the Area Health Boards Act 1983:

“Operating grant” means—

(a) In relation to a Hospital Board, the sum last determined by the Minister of Health as being payable to the Board by way of grant under section 89 (1) of the Hospitals Act 1957; and

(b) In relation to an Area Health Board, the sum last determined by the Minister of Health as being payable to the Board by way of grant under section 79 (1) of the Area Health Boards Act 1983.

**3. Annual allowances of Chairman**—(1) Subject to this clause, a board may pay to the Chairman of the board an annual allowance not exceeding the appropriate amount specified in Part I of the First Schedule to this determination.

(2) This clause does not apply in relation to the Chairman of the Auckland Hospital Board or to the Chairman of the Northland Area Health Board, whose actual annual allowances have been determined by the Higher Salaries Commission under section 214A (1) of the Act.

(3) As from the commencement of the 1st day of July 1988, this clause does not apply in relation to the Chairman of the Otago Area Health Board, whose actual annual allowance has been determined, as at that date, by the Higher Salaries Commission under section 214A (1) of the Act.

(4) As from the commencement of the 1st day of December 1988, this clause does not apply in relation to the Chairman of the Auckland Area Health Board, whose actual annual allowance has been determined, as at that date, by the Higher Salaries Commission under section 214A (1) of the Act.

**4. Annual allowances and daily remuneration of members other than Chairmen**—(1) Subject to this clause, a board may pay to each of its members (other than the Chairman) an annual allowance and daily remuneration not exceeding the appropriate amounts specified in Part II of the First Schedule to this determination.

(2) The following provisions apply in relation to the payment of daily remuneration under this clause:

(a) Remuneration is payable to a member of a board only in respect of each day on which the person attends—

(i) A meeting of the board; or

(ii) A meeting of a committee of the board where the person is a member of the committee or is required to attend the meeting in the person's capacity as a member of the board:

(b) No additional remuneration is payable by reason of the fact that a person attends more than one meeting during the same day:

(c) A meeting that continues past midnight otherwise than by adjournment shall be regarded as having concluded before midnight.

**5. Additional annual allowances of Deputy Chairman**—(1) Subject to subclauses (2) and (3) of this clause, a board may pay to the Deputy Chairman of the board an annual allowance not exceeding—

(a) Ten percent of the maximum annual allowance that may be paid to the Chairman of the board under this determination; or

(b) In the case of the Auckland Hospital Board, \$3,500; or

(c) In the case of the Northland Area Health Board, \$2,400.

(2) The Otago Area Health Board may, as from the commencement of the 1st day of July 1988, pay to the Deputy Chairman of the Board an annual allowance not exceeding \$3,000.

(3) The Auckland Area Health Board may, as from the commencement of the 1st day of December 1988, pay to the Deputy Chairman of the Board an annual allowance not exceeding \$4,300.

(4) An annual allowance may be paid to a person under this clause in addition to any annual allowance payable to the person under clause 4 or clause 6 of this determination.

**6. Additional annual allowances of chairmen of standing or special committees**—(1) Subject to subclauses (2) and (3) of this clause, a board may pay to each person (other than the Chairman) who is the chairman of a standing or special committee of the board an annual allowance not exceeding—

(a) Ten percent of the maximum annual allowance that may be paid to the Chairman of the board under this determination; or

(b) In the case of the Auckland Hospital Board, \$3,500; or

(c) In the case of the Northland Area Health Board, \$2,400.

(2) The Otago Area Health Board may, as from the commencement of the 1st day of July 1988, pay to each person (other than the Chairman) who is the chairman of a standing or special committee of the board an annual allowance not exceeding \$3,000.

(3) The Auckland Area Health Board may, as from the commencement of the 1st day of December 1988, pay to each person (other than the Chairman) who is the chairman of a standing or special committee of the board an annual allowance not exceeding \$4,300.

(4) An annual allowance may be paid to a person under this clause in addition to any annual allowance or remuneration payable to the person under clause 4 or clause 5 of this determination.

**7. Relevant current determinations of Higher Salaries Commission**—(1) The relevant current determinations of the Higher Salaries Commission that preceded this determination were made on the 25th day of January 1989 and determined, on and from the 1st day of April 1988, the actual annual allowances set out in the Second Schedule to this determination.

(2) Each of the relevant current determinations of the Higher Salaries Commission that preceded this determination was made under section 214A (1) of the Act and was in the form of the determination set out in full in the Third Schedule to this determination.

(3) The determination set out in full in the Third Schedule to this determination is the relevant current determination by which the Higher Salaries Commission, on the 25th day of January 1989, determined, on and from the 1st day of April 1988, the actual annual allowance of the Chairman of the Auckland Hospital Board.

(4) By a determination of the Higher Salaries Commission, which took effect from the 1st day of July 1988 (the date of the establishment of the Otago Area Health Board), the actual annual allowance that may be paid to the Chairman of the Otago Area Health Board was determined to be \$30,000.

(5) By a determination of the Higher Salaries Commission, which took effect from the 1st day of December 1988 (the date of the establishment of the Auckland Area Health Board), the actual annual allowance that may be paid to the Chairman of the Auckland Area Health Board was determined to be \$43,000.

**8. Revocation**—The Local Government (Hospital Boards and Area Health Boards Annual Allowances and Remuneration) Determination 1987\* is hereby revoked.

\*S.R. 1987/322

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SCHEDULES

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FIRST SCHEDULE

Cl. 3 (1)

PART I

MAXIMUM ANNUAL ALLOWANCES PAYABLE TO CHAIRMEN

Types of Boards	Maximum Annual Allowance \$
1. Hospital board, operating grant not exceeding \$10m	10,000
2. Hospital board, operating grant exceeding \$10m, but not exceeding \$20m    ..    ..    ..    ..	12,000
3. Hospital board, operating grant exceeding \$20m, but not exceeding \$40m    ..    ..    ..    ..	15,000
4. Hospital board, operating grant exceeding \$40m, but not exceeding \$100m    ..    ..    ..    ..	20,000
5. Hospital board, operating grant exceeding \$100m, but not exceeding \$120m    ..    ..    ..	25,000
6. Hospital board, operating grant exceeding \$120m    ..	35,000
7. Area Health Board, operating grant not exceeding \$10m	12,000
8. Area Health Board, operating grant exceeding \$10m, but not exceeding \$20m    ..    ..    ..    ..	14,000
9. Area Health Board, operating grant exceeding \$20m, but not exceeding \$40m    ..    ..    ..    ..	18,000
10. Area Health Board, operating grant exceeding \$40m, but not exceeding \$100m    ..    ..    ..    ..	24,000
11. Area Health Board, operating grant exceeding \$100m, but not exceeding \$190m    ..    ..    ..	30,000
12. Area Health Board, operating grant exceeding \$190m, but not exceeding \$500m    ..    ..    ..	36,500
13. Area Health Board, operating grant exceeding \$500m	43,000

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## PART II

Cl. 4 (1)

MAXIMUM ANNUAL ALLOWANCES AND REMUNERATION PAYABLE TO  
MEMBERS OF BOARDS

Types of Boards	Maximum Remuneration Per Day \$	Maximum Annual Allowance \$
1. Hospital board, operating grant not exceeding \$20m .. ..	50	1,500
2. Hospital board, operating grant exceeding \$20m, but not exceeding \$40m .. ..	50	2,000
3. Hospital board, operating grant exceeding \$40m, but not exceeding \$100m .. ..	65	3,500
4. Hospital board, operating grant exceeding \$100m, but not exceeding \$260m .. ..	80	6,000
5. Hospital board, operating grant exceeding \$260m .. ..	90	6,500
6. Area Health Board, operating grant not exceeding \$20m .. ..	60	1,800
7. Area Health Board, operating grant exceeding \$20m, but not exceeding \$40m .. ..	60	2,400
8. Area Health Board, operating grant exceeding \$40m, but not exceeding \$100m .. ..	80	4,200
9. Area Health Board, operating grant exceeding \$100m, but not exceeding \$500m .. ..	95	7,200
10. Area Health Board, operating grant exceeding \$500m .. ..	110	8,000

Cl. 7 (1)

## SECOND SCHEDULE

ACTUAL ANNUAL ALLOWANCES DETERMINED BY RELEVANT CURRENT  
DETERMINATIONS OF HIGHER SALARIES COMMISSION AS PAYABLE ON AND  
FROM 1 APRIL 1988 TO CERTAIN MAYORS AND CHAIRMEN OF LOCAL  
AUTHORITIES

					Actual Annual Allowance From 1 April 1988 \$
Mayor of:					
Auckland	..	..	..	..	57,000
Wellington	..	..	..	..	57,000
Christchurch	..	..	..	..	57,000
Manukau	..	..	..	..	57,000
Waitemata	..	..	..	..	52,000
Hamilton	..	..	..	..	52,000
Dunedin	..	..	..	..	52,000
Palmerston North	..	..	..	..	45,000
Rotorua	..	..	..	..	45,000
Takapuna	..	..	..	..	42,000
Lower Hutt	..	..	..	..	42,000
Chairman of:					
Auckland Regional Authority	..	..	..	..	57,000
Wellington Regional Council	..	..	..	..	42,000
Waimairi District Council	..	..	..	..	42,000
Auckland Hospital Board	..	..	..	..	35,000
Northland Area Health Board	..	..	..	..	24,000
Auckland Harbour Board	..	..	..	..	20,000
Auckland Electric Power Board	..	..	..	..	20,000
Otago Catchment Board	..	..	..	..	14,000
Waikato United Council	..	..	..	..	9,000
Bay of Plenty United Council	..	..	..	..	9,000
Manawatu United Council	..	..	..	..	9,000
Canterbury United Council	..	..	..	..	9,000
Coastal North Otago United Council	..	..	..	..	9,000

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*Local Government (Hospital Boards and Area Health  
Boards Annual Allowances and Remuneration)  
Determination 1989*

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THIRD SCHEDULE

Cl. 7 (2)

FORM OF DETERMINATION BY WHICH EACH ACTUAL ANNUAL ALLOWANCE  
SET OUT IN THE SECOND SCHEDULE TO THIS ORDER WAS DETERMINED

HIGHER  
SALARIES  
COMMISSION

EDUCATION HOUSE, WEST BLOCK,  
178-182 WILLIS STREET,  
WELLINGTON, NEW ZEALAND.

P.O. BOX 27024,  
Telephone 856-125.

25 January 1989

DETERMINATION NO: 1988/377

DETERMINATION OF AN ANNUAL ALLOWANCE IN TERMS OF SECTION 214A  
OF THE LOCAL GOVERNMENT ACT 1974 (AS INSERTED BY THE LOCAL  
GOVERNMENT AMENDMENT ACT 1985)

1. The Higher Salaries Commission has made the following  
determination in respect of the office stated with effect from 1 April 1988.

OFFICE: CHAIRMAN, AUCKLAND HOSPITAL BOARD

ACTUAL ANNUAL ALLOWANCE: \$35,000

2. This determination expires on 31 March 1989.

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EXPLANATORY NOTES

1. The Commission determines annual allowances in relation to the responsibilities of each office and not in relation to the personal performances of incumbents. Unless otherwise specified in a determination, it applies to both the incumbent as at 1 April 1988 and to any replacement.

2. In terms of section 214A of the Local Government Act, the Higher Salaries Commission can determine the actual or maximum annual allowance payable. On this occasion the Commission has decided to determine the actual annual allowance.

3. In terms of section 19 of the Higher Salaries Commission Act 1977 (as amended) this determination remains in force beyond its stated expiry date until superseded by another determination, and may on the grounds stated in section 19 (4) of the Act be amended at any time.

L. A. Shanks  
Executive Officer

Dated this 30th day of June 1989.

MICHAEL BASSETT,  
Minister of Local Government.

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EXPLANATORY NOTE

*This note is not part of the determination, but is intended to indicate its general effect.*

This determination, which takes effect on and from 1 April 1988, fixes the maximum allowances and remuneration that may be paid to Chairmen, Deputy Chairmen, chairmen of standing or special committees, and members of Hospital Boards and Area Health Boards.

This determination does not apply to the Chairman of the Auckland Hospital Board or to the Chairman of the Northland Area Health Board or to the Chairman of the Otago Area Health Board or to the Chairman of the Auckland Area Health Board, whose respective actual annual allowances were determined by the Higher Salaries Commission.

Chairmen will continue to be paid only by way of an annual allowance. An ordinary member may continue to be paid a combination of an annual allowance and daily remuneration. A member who is a Deputy Chairman or a chairman of a special or standing committee will continue to be entitled to an additional annual allowance in respect of his or her responsibilities, and, if a member holds both such positions, an additional annual allowance may be paid for each position.

Apart from increasing amounts, this determination makes 2 changes to the regime set out in the 1987 Determination. These changes are as follows:

- (a) The maximum annual allowances and the maximum daily remuneration payable to members of a board is now based on the amount of the board's operating grant and not on the population of the district of the board:
- (b) Clauses 5 (1) and 6 (1) now make it clear that the maximum additional annual allowances that may be paid to Deputy Chairmen and committee chairmen are percentages of the chairman's maximum or actual annual allowance under this determination or the relevant current determination of the Higher Salaries Commission that preceded this determination.

This determination fixes maxima only and the actual allowances and remuneration payable are to be set by each board subject to those maxima.

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Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 6 July 1989.

This determination is administered in the Department of Internal Affairs.