

1972/59



THE STABILISATION OF REMUNERATION REGULATIONS
1972

ARTHUR PORRITT, Governor-General
ORDER IN COUNCIL

At the Government Buildings at Wellington this 27th day of March 1972

Present:

THE RIGHT HON. J. R. MARSHALL PRESIDING IN COUNCIL

PURSUANT to the Economic Stabilisation Act 1948, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

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REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Stabilisation of Remuneration Regulations 1972.

(2) These regulations shall come into force on the 1st day of April 1972.

2. Interpretation—(1) In these regulations, unless the context otherwise requires,—

“Employers’ union” means an industrial union or association of employers under the Industrial Conciliation and Arbitration Act 1954, or a branch of any such union:

“Existing instrument” means an instrument that is not a new instrument:

“Instrument” means—

(a) Any award or industrial agreement:

(b) Any agreement under section 8 of the Labour Disputes Investigation Act 1913:

(c) Any collective or ruling rates agreement, whether in writing or not, made between a workers’ union and an employer or an employers’ union or a society or body of employers:

(d) Any agreement, whether in writing or not, made between a worker and an employer or between a group of workers and an employer or an employers’ union or a society or body of employers:

(e) Any decision, whether recorded in writing or not, made by an employer fixing the rate of remuneration of an individual worker:

(f) Any decision made by an arbitrator settling any dispute as to rates of remuneration:

(g) Any order or determination fixing rates of remuneration made by any tribunal or employing authority constituted under any enactment:

(h) Any Order in Council fixing rates of remuneration of any workers made under the Agricultural Workers Act 1962:

Provided that, subject to the provisions of Part IV of these regulations, nothing in Part II or Part III of these regulations shall apply with respect to any instrument to which Part IV of these regulations applies:

“Minister” means the Minister of Labour:

“New instrument” means an instrument made after the commencement of these regulations; and includes any such instrument which—

(a) Varies any rate of remuneration fixed under any instrument (whether an existing instrument or a new instrument); or

(b) Implements or purports to implement any provision of any instrument (whether an existing instrument or a new instrument) whereby any rate of remuneration specified in the instrument is to be or may be altered, whether automatically or by agreement, on any future date or the happening of any event;—

and for the purposes of this definition any increase in or addition to any rate of remuneration made after the commencement of these regulations pursuant to any provision of a pass-on agreement shall be deemed to be an instrument made after the commencement of these regulations:

“Pass-on agreement” means any provision in any instrument whereby any rate of remuneration is to be increased or added to, whether automatically or by agreement, upon any increase in any other rate of remuneration fixed by that instrument or any other instrument:

“Remuneration” means the salary or wages payable to any worker; and includes—

(a) Any minimum rate of salary or wages:

(b) Any actual rate of salary or wages:

(c) Time and piece wages and overtime and bonus and other special payments:

(d) Allowances, fees, commission, and every other emolument, whether in one sum or several sums, and whether paid in money or not:

(e) The remuneration of directors of companies, who for the purposes of these regulations shall be deemed to be employed by the companies of which they are directors;—

but does not include any payment by way of expenses, refunds, or allowances to meet expenditure already incurred:

“Remuneration Authority” or “Authority” means the Remuneration Authority established by regulation 3 of these regulations:

“Worker” has the same meaning as in the Industrial Conciliation and Arbitration Act 1954; but does not include a person to whom Part IV of these regulations applies:

“Workers’ union”, or “union”, means an industrial association or union of workers under the Industrial Conciliation and Arbitration Act 1954, or a branch of any such union, or a society of workers that is subject to the Labour Disputes Investigation Act 1913:

“Award”, “employer”, and “industrial agreement” have the same meanings as in the Industrial Conciliation and Arbitration Act 1954.

(2) Without limiting the circumstances in which any rate of remuneration shall be treated as having been increased, any rate of remuneration shall for the purposes of these regulations be deemed to have been increased proportionately in the following cases:

(a) Where there has been any reduction in the hours or other period of work on which that remuneration is based without a corresponding reduction in the rate of remuneration:

(b) Where there has been any increase in holiday entitlement.

PART I

THE REMUNERATION AUTHORITY

3. Remuneration Authority—(1) There is hereby established an authority to be called the Remuneration Authority.

(2) The Authority shall consist of not more than 5 members, who shall be appointed by the Governor-General on the recommendation of the Minister. One of the members shall be appointed as the Chairman of the Authority.

(3) No member of the Authority shall be appointed to represent, or be deemed to represent, any sectional interest.

(4) Before recommending the appointment of any member of the Authority, the Minister shall notify the New Zealand Federation of Labour Incorporated, the New Zealand Employers' Federation Incorporated, and the Combined State Service Organisations, and shall have regard to any representations with respect thereto received from any of those bodies.

(5) The powers of the Authority shall not be affected by any vacancy in its membership.

(6) Every member of the Authority shall hold office during the pleasure of the Minister.

(7) The members of the Remuneration Authority established by section 3 of the Stabilisation of Remuneration Act 1971 holding office on the 31st day of March 1972 shall be members of the Remuneration Authority established by this regulation as if they had been appointed under this regulation, and the Chairman of the first-mentioned Authority on that date shall be the Chairman of the Authority established by this regulation.

4. Extraordinary vacancies—(1) Any member of the Authority may at any time resign his office by written notice given to the Minister.

(2) If any member dies or resigns or is removed from office, the vacancy thereby created shall be deemed to be an extraordinary vacancy.

(3) An extraordinary vacancy shall be filled by the appointment of a person in the same manner as the appointment of the person vacating the office.

5. Meetings of Authority—(1) At any meeting of the Authority, 3 members shall form a quorum.

(2) The Chairman shall preside at every meeting of the Authority at which he is present.

(3) In the absence of the Chairman from any meeting, the members present shall elect one of their number to preside at that meeting.

(4) A decision of a majority of the members present at any meeting shall be the decision of the Authority, and, in the event of an equality of votes, the member presiding shall have a casting vote as well as a deliberative vote.

(5) Subject to the provisions of these regulations, the Authority may regulate its procedure in such manner as it thinks fit.

(6) The Authority may defer consideration of any application until such further particulars or reasons relating to the application as the Authority requires are supplied to it by the applicant.

6. Members and officers to maintain secrecy—Every member of the Remuneration Authority and every person engaged or employed in connection with the work of the Authority shall maintain and aid in maintaining the secrecy of all matters which come to his knowledge when carrying out his functions or duties under these regulations, and shall not communicate any such matters to any person except in the discharge of his duties under these regulations or for the purpose of providing the Minister with such information of a general nature relating to the maintenance of stability in rates of remuneration and to the administration of these regulations as the Minister requires from time to time.

7. Remuneration and travelling allowances—(1) The Remuneration Authority is hereby declared to be a statutory board within the meaning of the Fees and Travelling Allowances Act 1951.

(2) There shall be paid out of money appropriated by Parliament for the purpose to the members of the Authority 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.

8. Functions and powers of Authority—(1) The functions of the Remuneration Authority shall be—

- (a) To receive and determine applications under regulation 17 of these regulations for its consent to any new instrument or variation of any existing instrument fixing any rate of remuneration that exceeds the rate lawfully payable on the 31st day of March 1972:
- (b) To receive and determine applications under regulation 15 of these regulations for its consent to any variation of an existing instrument or to any new instrument providing that any rate of remuneration fixed by that instrument shall continue in force for less than 12 months:
- (c) To receive and determine applications under regulation 18 of these regulations for its consent to a rate of remuneration fixed by a proposed new instrument:
- (d) To consider orders, determinations, or awards of any tribunal fixing any rate of remuneration that exceeds the rate lawfully payable on the 31st day of March 1972 and referred to the Authority for its consent pursuant to subclause (4) of regulation 17 of these regulations:
- (e) To make a cost of living order under regulation 19 of these regulations:
- (f) To consider determinations or orders fixing any rate of remuneration for State employees that exceeds the rate lawfully payable on the 31st day of March 1972 and referred to the Authority for its consent pursuant to regulation 25 of these regulations:
- (g) To receive and determine applications for its recommendation, pursuant to regulation 26 of these regulations, for the making of Orders in Council fixing any rate of remuneration for State employees that exceeds the rate lawfully payable on the 31st day of March 1972:

(h) To receive and determine applications for its consent, pursuant to regulation 28 of these regulations, to regradings and adjustments in the State services.

(2) Any consent given by the Authority under any provision of these regulations may relate to any particular case or to any class or description of cases.

(3) For the purpose of carrying out its functions under these regulations, the Authority shall be deemed to be a Commission of Inquiry under the Commissions of Inquiry Act 1908, and the provisions of that Act, except sections 2, 4A, 11, and 12, shall apply accordingly.

(4) The Authority may receive in evidence any statement, document, information, or matter that may in its opinion assist it to deal effectually with the matter before it, whether or not the same would otherwise be admissible in a Court of law.

9. Delegation of functions and powers—(1) The Remuneration Authority may from time to time, with the approval of the Minister, delegate to any of its members, or to any officer in the employment of the Crown who is attached for the time being to the Authority, or to any Conciliation Commissioner appointed under the Industrial Conciliation and Arbitration Act 1954 such of its functions or powers as the Authority thinks fit, but not including this power of delegation.

(2) Subject to any general or special directions given or conditions attached by the Authority, every person to whom any functions or powers are delegated under this regulation may exercise those functions or powers in the same manner as if they had been conferred on him directly by this regulation and not by delegation.

(3) Every person purporting to act pursuant to any delegation under this regulation shall be presumed to be acting in accordance with the terms of the delegation in the absence of proof to the contrary.

(4) Any delegation under this regulation to an officer in the employment of the Crown may be made to a specified officer, or may be made to the holder for the time being of a specified office.

(5) Any delegation under this regulation shall be revocable at will, and no such delegation shall prevent the exercise of any function or power by the Authority.

(6) Where any person, pursuant to any delegation made to him under this regulation, does not grant any application for the consent of the Authority, he shall notify the applicant in writing of his decision, and the applicant may within 14 days after that notification require, by notice in writing to the Authority, that his application shall be determined by the Authority. In that case, the decision pursuant to the delegation shall cease to have effect, and the application shall be determined by the Authority.

10. Services for Authority—The Department of Labour shall furnish such secretarial, recording, clerical, and other services as may be necessary to enable the Remuneration Authority to exercise its functions and powers.

11. Decision of Authority to be final—Proceedings before the Remuneration Authority shall not be held bad for want of form. No appeal shall lie from any decision of the Authority, and, except on the

ground of lack of jurisdiction, no proceeding or order of the Authority shall be liable to be challenged, reviewed, quashed, or called in question in any Court.

12. Principles to be observed by Authority in exercise of functions and powers—(1) In carrying out its functions and powers, the Remuneration Authority shall place paramount importance on the need to achieve and maintain stability in the levels of remuneration and prices.

(2) The Remuneration Authority shall not consent to any instrument increasing any rate of remuneration or recommend the making of an Order in Council increasing any rate of remuneration, unless it is satisfied that it is warranted in the special circumstances of the particular case and that—

- (a) The increase makes adjustments not exceeding the minimum necessary to remove or relieve serious anomalies, not being adjustments claimed on the ground that they are needed to maintain or obtain comparability with any rates of remuneration payable in any of the State services or any rates or remuneration that are related to any rates of remuneration payable in any of the State services:

Provided that subject to the provisions of subclause (1) of this regulation, and notwithstanding anything in regulation 21 of these regulations, the Authority may consent to any increase in any rate of remuneration payable after the commencement of these regulations pursuant to a provision in any existing instrument that the rate of remuneration shall be adjusted in relation to movements in any rates of remuneration payable in any of the State services, being an adjustment resulting from the half-yearly or ruling rates survey conducted by the Department of Labour as at April of 1972 and not otherwise; or

- (b) The increase is justified on the ground of increased productivity and would not result in an increase in prices in the business of the employer concerned:

Provided that in the exceptional circumstances of any particular case the Authority may have regard to the public interest where this is a relevant consideration which in the opinion of the Authority justifies the granting of the consent or the making of the recommendation notwithstanding anything in paragraph (a) or paragraph (b) of this subclause:

Provided also that the Authority shall in all cases take into account the consequences of consenting to or recommending any increase in remuneration which might tend to disturb established relationships between rates of remuneration in other occupations.

- (3) In carrying out its functions and powers, the Authority shall—

- (a) Have regard to the effect of any proposed instrument on the level of prices in New Zealand both in respect of particular goods and services and generally; and shall inform the appropriate pricing authority (as defined in regulation 2 of

the Stabilisation of Prices Regulations 1972*) of the amount of any increase in remuneration that the Authority has consented to on the ground that it is attributable to increased productivity; and

- (b) Have regard to the general policy of the Government in relation to stabilisation of the rates of remuneration as communicated to it in writing from time to time by the Minister.

PART II

DURATION OF PROVISIONS FIXING RATES OF REMUNERATION

13. Rates of remuneration under existing instruments to continue in force—Notwithstanding anything in any other enactment, every rate of remuneration fixed by any existing instrument shall continue in force for the period fixed by the instrument.

14. Rates of remuneration to be fixed for at least 12 months—Subject to regulations 15 and 19 of these regulations, no new instrument shall fix any rate of remuneration unless that rate is expressed as continuing in force for a period of at least 12 months from the date of the making of the instrument, or, where the duration of the employment of every worker whose rate of remuneration fixed by the instrument is less than 12 months, for the duration of that employment.

15. Authority may consent to rate of remuneration being fixed for shorter periods—Where all the parties to a proposed new instrument or their representatives have agreed that any provision in the instrument fixing a rate of remuneration shall continue in force for a period of less than 12 months from the date of the making of the instrument, the Remuneration Authority, on the application of any party, may consent to that provision if the Authority is satisfied that in all the circumstances there are special reasons that justify a period of less than 12 months.

PART III

RESTRICTIONS ON INCREASING RATES OF REMUNERATION

16. Restricting increase in rates of remuneration—(1) Except with the consent of the Remuneration Authority given under regulation 17 of these regulations, no new instrument shall fix any rate of remuneration at a rate that exceeds the rate lawfully payable on the 31st day of March 1972.

(2) Except with the consent of the Remuneration Authority given under regulation 17 of these regulations, no employer shall pay to any worker employed by him remuneration at a rate fixed by any new instrument that exceeds the rate lawfully payable on the 31st day of March 1972:

Provided that nothing in subclause (1) of this regulation or in the foregoing provisions of this subclause shall apply with respect to any such payment made to an individual worker in any of the following cases:

- (a) Where the increased payment is made as a result of the promotion of the worker from one established position to another established position:

- (b) Where the increased payment is made in accordance with an existing salary scale or arrangement providing for the increase on the grounds of age, service, or qualifications:
- (c) Where the increased payment is made on the ground that the duties or responsibilities of the worker have been substantially increased or the conditions of employment have substantially deteriorated.

(3) Except with the consent of the Remuneration Authority given under regulation 17 of these regulations, no employer shall pay to any worker employed by him and appointed to a new position established in the employer's undertaking remuneration at a rate that exceeds the rate lawfully fixed on the 31st day of March 1972 for positions carrying corresponding duties and responsibilities in the employer's undertaking or, where there is no such position, in other similar undertakings in the same locality.

(4) Every person commits an offence who becomes a party to any instrument made in breach of the provisions of subclause (1) of this regulation.

(5) No order or determination or award of any tribunal constituted under any enactment, so far as it fixes any rate of remuneration at a rate that exceeds the rate lawfully payable on the 31st day of March 1972, shall have effect except with the consent of the Remuneration Authority given under regulation 17 of these regulations:

Provided that where that rate has been agreed on by all the parties to the order or determination or award, or their representatives, and has been consented to by the Remuneration Authority under subclause (1) of regulation 17 of these regulations before the making of the order, determination, or award, the consent of the Authority to the order, determination, or award, so far as it fixes that rate of remuneration, shall not be required.

(6) In subclause (5) of this regulation and in regulation 17 of these regulations, the expression "order or determination or award of any tribunal" includes any award, order, or declaration made by the Court of Arbitration under any provision of the Industrial Conciliation and Arbitration Act 1954 or under any other Act.

17. Authority may consent to increase in remuneration—(1) Where a proposed new instrument has been made providing for payment of any rate of remuneration which exceeds the rate lawfully payable on the 31st day of March 1972, the Remuneration Authority, on the application of any party, may—

- (a) Consent to the proposed rate of remuneration or to any rate that is lower than the proposed rate:

Provided that the Authority may grant that consent subject to a condition that the whole or any specified part of the increased rate of remuneration consented to shall come into force on a later date fixed by the Authority; or

- (b) Consent to a rate of remuneration that is lower than the proposed rate but exceeds the rate lawfully payable on the 31st day of March 1972, and defer until a date fixed by the Authority (being not more than 6 months after the date of the decision of the Authority) further consideration of the application in relation to the balance of the proposed rate of remuneration; or

(c) Defer consideration of the application until a date fixed by the Authority (being not more than 6 months after the date of the decision of the Authority).

(2) Where under subclause (1) of this regulation the Authority defers consideration or further consideration of an application, it may, on the application of any party to the proposed instrument, consider or, as the case may be, further consider the application before the date fixed.

(3) Whenever under paragraph (b) or paragraph (c) of subclause (1) of this regulation the Authority considers or further considers any application, the Authority may make any order in relation to the application specified in paragraph (a) or paragraph (b) or paragraph (c) of that subclause.

(4) Where any order or determination or award of any tribunal or any decision of any arbitrator fixes any remuneration at a rate that exceeds the rate lawfully payable on the 31st day of March 1972, then, unless pursuant to the proviso to subclause (5) of regulation 16 of these regulations the consent of the Remuneration Authority is not required, the tribunal or arbitrator shall as soon as practicable cause the order, determination, award, or decision to be referred to the Authority for its consent to that rate of remuneration. In every such case, the provisions of subclauses (1) to (3) of this regulation shall, with the necessary modifications, apply as if that rate of remuneration were a proposed rate that had been agreed on by all the parties to the order, determination, award, or decision and application had been made to the Authority under subclause (1) of this regulation for its consent.

18. Rates of remuneration not fixed by existing instruments—Where any proposed new instrument (not being an instrument that is in substitution for any expired instrument or is an amendment of another instrument) has been made providing for payment of any rate of remuneration, the following provisions shall apply:

- (a) That rate of remuneration shall not have any effect unless it is consented to by the Remuneration Authority;
- (b) On application to the Authority for its consent to that rate of remuneration, the Authority may consent to that rate or any lower rate;
- (c) In determining any such application, the Authority shall have regard to the rate for the time being fixed for any positions carrying corresponding duties and responsibilities in the employer's undertaking or, where there is no such position, in similar undertakings.

19. Cost of living order—(1) As soon as possible after the preparation of the Consumers' Price Index for the quarter ending with the 30th day of September 1972, the Government Statistician shall forward a copy thereof to the Authority, and the Authority shall as soon as possible make a cost of living order under this section, which shall take effect on a date fixed by the Authority, being not later than 21 days after the date on which a copy of that index was received by the Authority.

(2) With the copy of the Consumers' Price Index for that quarter, the Government Statistician shall forward to the Authority a copy of the Consumers' Price Index for the quarter that ended with the 31st day of December 1971.

(3) Subject to subclause (6) of this regulation, that cost of living order shall increase every rate of remuneration in every award, or industrial agreement, or agreement under section 8 of the Labour Disputes Investigation Act 1913 for the time being in force by an amount equal to the percentage specified in the order of the rate of remuneration lawfully payable on the 1st day of February 1972, being the same percentage as the percentage by which the Consumer Price Index as forwarded by the Government Statistician pursuant to this regulation has increased in the period commencing on the 1st day of January 1972 and ending with the 30th day of September 1972; and all such awards, industrial agreements, and agreements under the said Act shall be deemed to have been amended accordingly:

Provided that where at any time on or after the 1st day of February 1972 any rate of remuneration fixed by any award, industrial agreement, or agreement under the said Act has been increased (whether once or more than once), then,—

(a) If that rate of remuneration has been increased before the effective date of the cost of living order by an amount not less than the amount of the percentage specified in the order of that rate of remuneration, that rate of remuneration shall not be further increased under this subsection:

(b) If that rate of remuneration has been increased before the effective date of the cost of living order by an amount less than the amount of the percentage specified in the order of that rate of remuneration, the amount by which that rate of remuneration shall be further increased under this subclause shall be reduced by the amount of the percentage of that rate of remuneration by which that rate of remuneration has already been increased before the effective date of the order.

(4) Nothing in subclause (3) of this regulation shall apply with respect to any increase in remuneration consented to by the Remuneration Authority on the ground of increased productivity pursuant to paragraph (b) of subclause (2) of regulation 12 of these regulations.

(5) If any question arises as to whether any rate of remuneration has been increased under subclause (3) of this regulation or as to the extent to which it has been increased under that subclause, any party to the award or industrial agreement or other agreement may refer the question to the Authority for determination, and the determination of the Authority shall be binding on all the parties to the award or industrial agreement or other agreement.

(6) The provisions of section 6 (relating to exclusions from general orders) and section 7 (relating to exclusions from general orders by agreement) of the General Wage Orders Act 1969 shall, with the necessary modifications, apply to the making by the Authority of the said cost of living order and to that order, as if—

(a) Every reference in section 6 to the Court were a reference to the Authority; and

(b) Every reference in those sections to a general order were a reference to that cost of living order.

(7) In this regulation the term "remuneration" means salary or wages; and includes all allowances, other than allowances to meet expenditure already incurred.

(8) No general order shall be made under the General Wage Orders Act 1969 while these regulations continue in force.

(9) While these regulations continue in force, paragraph (d) of section 12 of the Waterfront Industry Act 1953 shall have effect as if the cost of living order made under this regulation were a general order made by the Court of Arbitration.

20. Increase in rates of remuneration under agreements not subject to cost of living order—(1) Notwithstanding anything in regulation 14 of these regulations, any rate of remuneration fixed by any instrument (other than an award or industrial agreement or an agreement under section 8 of the Labour Disputes Investigation Act 1913) may be increased by the percentage specified in the cost of living order issued under regulation 19 of these regulations:

Provided that in any such case the proviso to subclause (3) of the said regulation 19 shall, with the necessary modifications, apply as if the instrument were an instrument to which that subclause applied.

(2) In this regulation the term "remuneration" has the same meaning as in regulation 19 of these regulations.

21. Instruments not to fix rates of remuneration in relation to rates in State services—(1) No instrument made after the commencement of these regulations shall contain any provision that any rate of remuneration of workers affected by the instrument shall be adjusted in relation to movements in any rates of remuneration in any of the State services or in any rates of remuneration that are related to rates of remuneration in any of the State Services.

(2) Any provision contained in any instrument in breach of this regulation shall be void and of no effect.

22. Retrospective increases in remuneration—Notwithstanding anything in any other enactment, no new instrument shall fix any rate of remuneration retrospectively in respect of any period during which any rate of remuneration fixed by any earlier instrument is, by the terms of that earlier instrument, expressed to continue in force, or, where no such period is expressly fixed by the earlier instrument, in respect of any period during which that earlier instrument continued in force:

Provided that where any such earlier instrument continues in force after the date of its expiry, the Remuneration Authority may consent to a provision in the new instrument fixing a rate of remuneration retrospectively to a date not earlier than the date of expiry of the earlier instrument.

23. Increase in rate of remuneration pursuant to disputes clause in instrument—(1) Where, pursuant to sections 177 and 178 of the Industrial Conciliation and Arbitration Act 1954 (as substituted by section 3 of the Industrial Conciliation and Arbitration Amendment Act 1970), a disputes clause is inserted or deemed to be inserted in any instrument,

any increase in any rate of remuneration, being a matter related to matters dealt with in the instrument and not specifically and clearly disposed of by the terms of the instrument, shall take effect—

- (a) With the consent of the Remuneration Authority, where the parties or their representatives have agreed to that increase pursuant to that disputes clause; or
 - (b) If that increase is properly decided or settled by a disputes committee, its Chairman, or the Court of Arbitration or other tribunal pursuant to that disputes clause.
- (2) The provisions of this regulation shall have effect notwithstanding anything in regulation 13, regulation 14, or regulation 16 of these regulations.

PART IV

REMUNERATION OF STATE EMPLOYEES

24. Interpretation—In this Part of these regulations—

“Employing authority”—

(a) In relation to any person whose rate of remuneration is determined by an employing authority or tribunal under the State Services Remuneration and Conditions of Employment Act 1969 or by an Order in Council under that Act, means the employing authority as defined in that Act:

(b) In relation to any person whose rate of remuneration is determined under section 52 of the Hospitals Act 1957 (as substituted by section 58 (1) of the State Services Remuneration and Conditions of Employment Act 1969), means the Minister of Health:

(c) In relation to any person whose rate of remuneration is determined under subsection (3) of section 6 or section 219 of the Post Office Act 1959 (as substituted by sections 59 (1) and 59 (8), respectively, of the State Services Remuneration and Conditions of Employment Act 1969), means the Director-General of the Post Office:

(d) In relation to any person whose rate of remuneration is determined under any of the provisions of sections 66A to 66G of the Police Act 1958 (as inserted by section 2 (1) of the Police Amendment Act 1969), means the Commissioner of Police:

(e) In relation to any person whose rate of remuneration is determined pursuant to regulations made under section 22 of the Education Act 1964 or under section 60A of that Act (as inserted by section 3 of the Education Amendment Act 1969), means the person having jurisdiction under those regulations to determine that rate of remuneration:

“State employee” means—

(a) Every person whose rate of remuneration is determined by an employing authority or a tribunal under the provisions of the State Services Remuneration and Conditions of Employment Act 1969 or by an Order in Council under that Act:

(b) Every member of the State Services Commission:

(c) The Commissioner of Police:

(d) Every person whose rate of remuneration is determined under the said section 52 of the Hospitals Act 1957:

(e) Every person whose rate of remuneration is determined under the said subsection (3) of section 6 or section 219 of the Post Office Act 1959:

(f) Every person whose rate of remuneration is determined under any of the provisions of the said sections 66A to 66G of the Police Act 1958:

(g) Every person whose rate of remuneration is fixed pursuant to regulations made under the said section 22 or section 60A of the Education Act 1964.

25. Restricting increase in rates of remuneration for State employees—

(1) Subject to the provisions of this Part of these regulations, no determination issued by any employing authority and no order made by any tribunal having jurisdiction under any enactment to determine rates of remuneration of State employees, so far as the determination or order fixes any rate of remuneration of State employees, shall take effect except with the consent of the Remuneration Authority.

(2) The provisions of subclause (4) of regulation 17 of these regulations shall, with the necessary modifications, apply with respect to any determination or order referred to in subclause (1) of this regulation as if it were an order of a tribunal to which the said subclause (4) applies.

(3) Nothing in subclause (1) of this regulation shall apply with respect to any increase in remuneration granted to any individual State employee in any of the following cases:

- (a) Where the increase is granted as a result of the promotion of the employee from one established position to another established position:
- (b) Where the increase is granted in accordance with an existing salary scale or arrangement providing for the increase on the grounds of age, service, or qualifications:
- (c) Where the increase is granted on the ground that the duties or responsibilities of the employee have been substantially increased or the conditions of employment have substantially deteriorated.

26. Employees whose rate of remuneration fixed by Order in Council—

Where pursuant to any enactment the rates of remuneration of any State employees are to be fixed by Order in Council, no such order shall be made except on the recommendation of the Remuneration Authority made to the appropriate Minister.

27. Half-yearly reviews of remuneration—(1) Nothing in subclause (1) of regulation 25 or in regulation 26 of these regulations shall apply with respect to—

- (a) Any adjustment of pay scales in the State services that is required to be made following the half-yearly survey conducted by the Department of Labour under section 24 of the State Services Remuneration and Conditions of Employment Act 1969 as at April of 1972:
- (b) Any adjustment of pay scales in the State services that is made following the ruling rate surveys of remuneration conducted by the Department of Labour pursuant to section 26 of the said Act as at April of 1972.

(2) Notwithstanding anything in the State Services Remuneration and Conditions of Employment Act 1969 or in any other enactment,—

- (a) No adjustment of pay scales in the State services shall be made following the half-yearly survey conducted by the Department of Labour under section 24 of the State Services Remuneration and Conditions of Employment Act 1969 as at October of 1971:
- (b) The review of pay scales in the State services that by section 24 of the State Services Remuneration and Conditions of Employment Act 1969 is required to be made as at April of 1972 shall, after making such deductions as would have been necessary, pursuant to paragraph (b) of subsection (2) of section 26 of the said Act had it continued in force, on account of the application to the State services of cost of living orders made under that Act before April of 1972, make such adjustments in those pay scales as are necessary to reflect the movement in pay scales outside the State services since April of 1971, and shall be deemed to have come into force on the 15th day of October 1971.

28. Regradings and reviews of remuneration—No regrading of any group of positions in any of the State services and no adjustment arising from a review of the remuneration of any occupational class or group in any of the State services made under the provisions of any enactment shall have effect except with the consent of the Remuneration Authority.

PART V

MISCELLANEOUS PROVISIONS

29. Powers and functions of Minister—Any powers or functions that the Minister of Industries and Commerce may exercise or perform under the Economic Stabilisation Act 1948 may be exercised by the Minister of Labour.

30. Offences and penalties—(1) Without limiting the provisions of section 18 of the Economic Stabilisation Act 1948, every person commits an offence who—

- (a) Without lawful justification or excuse acts in contravention of or fails to comply with any provision of these regulations; or
- (b) Either alone or in combination with any other person or group or body of persons, does any act with the intention of defeating any provision of these regulations.

(2) Every person who commits an offence against these regulations is liable accordingly to the penalties specified in subsection (3) of section 18 of the Economic Stabilisation Act 1948, namely:

- (a) In the case of an individual, to imprisonment for a term not exceeding 3 months, or to a fine not exceeding \$400 and (if the offence is a continuing one) to a further fine not exceeding \$10 for every day during which the offence continues, or to both such imprisonment and such fines:
- (b) In the case of a company or other corporation, to a fine not exceeding \$1,000 and (if the offence is a continuing one) to a further fine not exceeding \$40 for every day during which the offence continues.

(3) Every payment made by an employer to a worker in breach of any provision of these regulations shall be deemed to be a separate offence, whether there are several such payments to the same worker or to different workers.

(4) Any information for an offence against these regulations may include 2 or more offences alleged to have been committed by the defendant.

31. Applications pending under Stabilisation of Remuneration Act— Every application made under the Stabilisation of Remuneration Act 1971 to the Remuneration Authority established by that Act and not determined before the commencement of these regulations shall be determined by the Remuneration Authority established by these regulations—

- (a) In any case where the rate of remuneration to which the application relates had been agreed upon by all the parties or their representatives before the 28th day of March 1972, in accordance with the provisions of the said Act as if it had continued in force:
- (b) In any other case, in accordance with the provisions of these regulations as if it had been made under these regulations.

P. J. BROOKS,
Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations provide for the continuation in a modified form of a system of wage and salary stabilisation after the expiry on 31 March 1972 of the Stabilisation of Remuneration Act 1971.

The principal provisions of the regulations are as follows:

- (a) Rates of remuneration under awards, agreements, and other similar instruments may not exceed the rates payable as at 31 March 1972 unless the Remuneration Authority established by the regulations consents. That Authority is established in the same form as the Remuneration Authority established by the Act. The 7 percent former guideline in the Act is omitted.
- (b) Rates of remuneration under new awards, agreements, and other similar instruments are to be fixed for a minimum period of 12 months, unless in special cases the Remuneration Authority consents to a shorter term.
- (c) In carrying out its functions and powers, the Remuneration Authority must place paramount importance on the need to achieve and maintain stability in the levels of remuneration and prices. Subject to this, the Authority may, if it is satisfied that it is warranted in the special circumstances of any particular case, make adjustments to remove or relieve serious anomalies, or where the increase is justified on the ground of increased productivity and will not result in higher prices. In the exceptional circumstances of any particular case, the Authority may have regard to the public interest where this is a relevant consideration, and consent to or recommend an increase on grounds other than the need to remove anomalies or because of increased productivity.
- (d) The Remuneration Authority is to have regard to the general policy of the Government as communicated to it by the Minister.

- (e) Provision is made for the making of a cost of living order following the issue of the Consumers' Price Index for the quarter ending 30 September 1972. That order is to increase every rate of remuneration payable on 1 February 1972 under any award or industrial agreement or agreement under the Labour Disputes Investigation Act 1913 by the percentage by which the Index for the quarter ending 30 September 1972 exceeds the Index for the quarter ended 31 December 1971, offset by any increases in remuneration received on or after 1 February 1972. Rates payable under agreements not subject to that cost of living order may be increased by the same percentage, with similar provisions as to offsetting.
- (f) New instruments may not contain a provision that rates of remuneration are to be adjusted in relation to movements in rates of remuneration in the State services. Increases pursuant to such a provision in existing instruments may be paid with the consent of the Remuneration Authority in respect of movements consequent on the April 1972 surveys only.
- (g) State services remuneration may not be increased except with the consent of the Remuneration Authority. The regulations re-enact the provisions of the Act that there is to be no adjustment of pay scales in the State services following the half-yearly survey conducted by the Department of Labour as at October of 1971, and that any adjustment of pay scales following the half-yearly and ruling rates surveys as at April of 1972 is to reflect, less any deductions for increases already received, the movement of pay scales outside the State services since April of 1971 and is to be retrospective to 15 October 1971.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 27 March 1972.

These regulations are administered in the Department of Labour.