

Minimum Wage Amendment Bill

Member's Bill

Explanatory note

General policy statement

This Bill amends the Minimum Wage Act 1983 to require an Order in Council to be made prescribing a minimum rate of wages of not less than \$15 per hour to be payable on and after 1 April 2013.

Clause by clause analysis

Clause 1 is the Title clause.

Clause 2 is the commencement clause. It provides for the Bill to come into force on the day after the date on which it receives the Royal assent.

Clause 3 sets out the purpose of the Bill.

Clause 4 states that the Minimum Wage Act 1983 is the principal Act.

Clause 5 inserts *new clause 4A* in the principal Act.

New clause 4A requires an Order in Council to be made under section 4 of the principal Act prescribing a minimum rate of wages of not less than \$15 per hour. It requires the Order in Council to be made by no later than 31 March 2013 and to come into force on 1 April 2013. The effect of the Order in Council is that the minimum rate of wages of not less than \$15 per hour will be payable on and after 1 April 2013 to the people referred to in section 4(1)(a) to (c) of the Act (which

include workers who are 16 years of age or older and workers who are new entrants).

New clause 4A also clarifies that the minimum rate of wages prescribed by the Order in Council applies despite anything to the contrary in any enactment, rule of law, award, collective agreement, determination, or contract of service.

Dr David Clark

Minimum Wage Amendment Bill

Member's Bill

Contents

	Page
1 Title	1
2 Commencement	1
3 Purpose	1
4 Principal Act	2
5 New section 4A inserted (Transition to minimum \$15 per hour minimum wage)	2
4A Transition to minimum \$15 per hour minimum wage	2

The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Minimum Wage Amendment Act **2012**.

2 Commencement

This Act comes into force on the day after the date on which it receives the Royal assent. 5

3 Purpose

The purpose of this Act is to amend the Minimum Wage Act 1983 to provide for a minimum rate of wages of \$15 per hour to apply on and after 1 April 2013. 10

4 Principal Act

This Act amends the Minimum Wage Act 1983 (the **principal Act**).

5 New section 4A inserted (Transition to minimum \$15 per hour minimum wage) 5

After section 4, insert:

“4A Transition to minimum \$15 per hour minimum wage

“(1) An Order in Council must be made under section 4 prescribing a minimum rate of wages of not less than \$15 per hour.

“(2) The Order in Council—

“(a) must be made by no later than **31 March 2013**; and

“(b) must come into force on **1 April 2013**.

“(3) The minimum rate of wages prescribed by the Order in Council made in accordance with **subsection (1)** applies despite anything to the contrary in any enactment, rule of law, award, collective agreement, determination, or contract of service.”

 10 15