

INDUSTRIAL TRAINING LEVIES BILL

EXPLANATORY NOTE

THIS Bill (which implements a Budget proposal) enables each industry that operates on a factory basis to elect to be levied for the purpose of providing funds for its industry training board.

Clause 1 relates to the Short Title.

Clause 2 is an interpretation clause.

Clause 3 provides that the Act shall bind the Crown.

Clause 4 authorises the Minister of Labour, by notice in the *Gazette*, to impose an annual levy on the occupier of each factory in which the activities of any industry specified in the notice are carried on. The industry must be one for which an industrial training board is established.

The Minister shall not publish such a notice unless—

- (a) The notice has been sought by the industrial training board by written application made to him through the Vocational Training Council; and
- (b) He is satisfied that the proposed notice has the support of the organisations most representative of employers in that industry.

Clause 5 authorises the Governor-General, by Order in Council, to prescribe the general basis on which levies may be imposed under *clause 4*. Provision is made for the classification of factories into groups on the basis of the number of employees employed in each factory and for the prescription of maximum rates of levies.

Clause 6: Subclause (1) provides that every levy imposed under *clause 4* shall be recoverable in any Court of competent jurisdiction as a debt due to the Crown.

Subclause (2) makes every such levy due and payable with the registration fee payable under the Factories Act 1946 in respect of the registration of the factory.

Subclause (3) requires every such levy to be paid into the Public Account to the credit of an account within the Trust Account.

Clause 7 provides for an increased levy if the number of employees employed in the factory is so increased during the year as to require a larger levy. This clause parallels section 13 of the Factories Act 1946.

Clause 8 requires the proceeds of the levy to be put at the disposal of the appropriate industrial training board. Those proceeds will form part of the funds of the board and may be applied by it in the exercise of its functions.

Clause 9 adds the new Act to the list of Acts administered by the Department of Labour.

Hon. Mr Gordon

INDUSTRIAL TRAINING LEVIES

ANALYSIS

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A BILL INTITULED

An Act to authorise the imposition of levies on occupiers of factories for the purpose of providing funds to enable industrial training boards to exercise their functions

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

1. **Short Title**—This Act may be cited as the Industrial Training Levies Act 1978.

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

“Factory” has the meaning given to it by section 2 of the Factories Act 1946:

15 “Industrial training board” means an industrial training board established pursuant to section 15A of the Vocational Training Council Act 1968:

“Industry” means an industry or associated group of industries for which an industrial training board is established:

“Minister” means the Minister of Labour:

“Occupier” has the meaning given to it by section 3 of the Factories Act 1946: 5

“Registration year” means the period of 12 months ending with the close of the last day of January in any year:

“Vocational Training Council” means the Vocational Training Council established under the Vocational Training Council Act 1968. 10

3. Act to bind the Crown—This Act shall bind the Crown.

4. Imposition of levies—(1) Subject to the provisions of this Act, the Minister may from time to time, by notice in the *Gazette*, impose an annual levy on the occupier of each factory in which the activities of any industry specified in the notice (being an industry for which an industrial training board is established) are carried on. 15

(2) The Minister shall not publish a notice under subsection (1) of this section in respect of any industry unless— 20

(a) The industrial training board for that industry has, by written application made to him through the Vocational Training Council, sought the publication of a notice under subsection (1) of this section in respect of that industry; and 25

(b) He is satisfied that the proposed notice has the support of the organisations most representative of employers in that industry.

(3) The notice shall include: 30

(a) The rates of the levy:

(b) The basis on which the levy is imposed:

(c) The manner in which the factories carrying on the activities of the industry to which the notice relates are to be determined. 35

(4) Every notice published under subsection (1) of this section shall be deemed to be a regulation for the purposes of the Regulations Act 1936.

5. Basis for imposition of levies—(1) The Governor-General may from time to time, by Order in Council, prescribe the general basis on which levies may be imposed under section 4 of this Act. 40

(2) The Order in Council under subsection (1) of this section shall—

- (a) Classify factories into groups on the basis of the number of employees employed in each factory; and
5 (b) Prescribe the maximum rates of levies which may be imposed under section 4 of this Act.

(3) Every Order in Council made under subsection (1) of this section shall be deemed to be a regulation for the purposes of the Regulations Act 1936.

10 **6. Recovery and collection**—(1) Every levy imposed under section 4 of this Act shall be recoverable in any Court of competent jurisdiction as a debt due to the Crown.

(2) Every levy imposed under section 4 of this Act shall be due and payable with the registration fee payable under the
15 Factories Act 1946 in respect of the registration of the factory.

(3) Every such levy shall be paid into the Public Account to the credit of such account within the Trust Account as the Secretary to the Treasury from time to time designates for the purpose.

20 **7. Increased levy if employees increased**—In any case where the number of employees employed in a factory is so increased in any registration year as to require a larger levy, the occupier of the factory shall within 7 days thereafter
25 give written notice thereof to an Inspector of Factories and pay the difference in value between the levy already paid and the levy payable on the increased number.

8. Application of levies—(1) The industrial training board for the industry in respect of which any levy is imposed shall be the person entitled to the money received from that levy
30 and that money shall be paid to that industrial training board by the Treasury under section 42 (3) of the Public Finance Act 1977.

(2) Money paid to an industrial training board pursuant to subsection (1) of this section shall form part of the funds
35 of that industrial training board and may be applied by it in the exercise of its functions.

9. Consequential amendment—The Labour Department Act 1954 is hereby amended by inserting in the First Schedule (as substituted by section 3 (1) of the Labour Department
40 Amendment Act 1970), in its appropriate alphabetical order, the item “The Industrial Training Levies Act 1978.”