

[AS REPORTED FROM THE INDUSTRIAL LAW REFORM BILL
COMMITTEE]

House of Representatives, 1 December 1983.

Words struck out are shown in italics within bold round brackets, or with black rule at beginning and after last line; words inserted are shown in roman underlined with a single rule, or with single rule before first line and after last line.

**[This Bill was formerly Part III of, and the Schedule to,
the Industrial Law Reform Bill.]**

Hon. Mr Bolger

MINIMUM WAGE

ANALYSIS

Title	7. Deductions for board or lodging or time lost
1. Short Title and commencement	8. Under-rate workers' permits
2. Interpretation	9. Workers to whom Act does not apply
3. This Act to bind the Crown	10. Penalty for default in payment of wages
4. Prescription of minimum wages	11. Recovery of wages
5. Annual review of minimum wages	12. Regulations
6. Payment of minimum wages	13. Saving
	14. Repeals
	Schedule

A BILL INTITULED

**An Act to consolidate and amend the law relating to
minimum wages**

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

1. Short Title and commencement—(1) This Act may be
cited as the Minimum Wage Act 1983.

(2) This Act shall come into force on a date to be appointed
10 by the Governor-General by Order in Council.

No. 60—3B

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

“Employer” means a person employing any worker or workers; and has the extended meaning assigned to it by subsections (2) and (3) of section 2 of the Industrial Relations Act 1973: 5

“Worker” means any person of any age of either sex employed by an employer to do any work for hire or reward, and has the extended meaning assigned to it by subsections (2) and (3) of section 2 of the Industrial Relations Act 1973. 10

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

Cf. 1945, No. 44, s. 6

4. Prescription of minimum wages—(1) The Governor-General may from time to time, by Order in Council, prescribe the minimum rates of wages payable to any class or classes of workers, which class or classes shall be defined in the order by reference to the age of the workers. 15

(2) Any minimum rate of wages prescribed pursuant to subsection (1) of this section may be prescribed as a monetary amount or as a percentage of any other minimum rate of wages prescribed pursuant to subsection (1) of this section. 20

Cf. 1945, No. 44, s. 2 (2); 1952, No. 18, s. 2 (1)

5. Annual review of minimum wages—The Minister of Labour shall, in each year ending on the 31st day of December, review, and, if necessary, make recommendations to the Governor-General regarding the adjustments that should be made to, any minimum rate prescribed pursuant to section 4 of this Act. 25 30

6. Payment of minimum wages—Notwithstanding anything to the contrary in any enactment, award, collective agreement, determination, or contract of service, but subject to sections 7 to 9 of this Act, every worker who belongs to a class of workers in respect of whom a minimum rate of wages has been prescribed under this Act, shall be entitled to receive from his employer payment for his work at not less than that minimum rate. 35

Cf. 1945, No. 44, s. 2 (1); 1970, No. 137, s. 6; 1974, No. 137, s. 2 40

7. Deductions for board or lodging or time lost—(1) In any case where a worker is provided with board or lodging by his employer, the deduction in respect thereof by the employer shall not exceed such amount as will reduce the
5 worker's wage calculated at the appropriate minimum rate by more than the cash value thereof as fixed by or under any Act, award, collective agreement, determination, or agreement relating to the worker's employment, or, if it is not so fixed, the deduction in respect thereof by the employer shall not
10 exceed such amount as will reduce the worker's wages (as so calculated) by more than 15 percent for board or by more than 5 percent for lodging.

(2) No deduction in respect of time lost by any worker shall be made from the wages payable to the worker under this Act
15 except for time lost—

(a) By reason of the default of the worker; or

(b) By reason of the worker's illness or of any accident suffered by the worker.

Cf. 1945, No. 44, s. 2 (4), (5); 1974, No. 106, s. 3

8. Under-rate workers' permits—(1) If any worker satisfies
20 an Inspector of Awards that he is incapable of earning wages at the appropriate minimum rate prescribed under this Act, the Inspector may from time to time grant the worker a permit to accept wages at such lower rates as may be specified in the
25 permit.

(2) A permit granted to any worker under **subsection (1)** of this section shall continue in force for the period specified in that behalf in the permit; and while it continues in force the rate of wages specified in the permit shall be deemed to be
30 the minimum rate of wages prescribed under this Act in respect of that worker.

(3) Nothing in this section derogates from any provision in any other Act, or in any award, order, or agreement, relating to the issue of a permit to any worker to accept a wage below
35 any wage prescribed thereunder.

Cf. 1945, No. 44, s. 2 (6), (7)

9. Workers to whom Act does not apply—This Act shall not apply to—

(a) Apprentices to whom the Apprenticeship Act 1983 applies:

40 (b) Apprentices bound by an indenture of apprenticeship entered into under the Maori Housing Amendment Act 1938, the New Zealand Railways Corporation Act

1981, the Defence Act 1971, the Post Office Act 1959, or the State Services Act 1962, or under any other Act:

- (c) Persons of any class prescribed by regulations under this Act who are employed under contracts of service 5
under which they are required to undergo any training, instruction, or examination for the purpose of becoming qualified for the occupation to which the contract of service relates:
- (d) Inmates of any charitable institution (not being persons 10
residing on the premises by reason only of their being employed therein) who, as such inmates, do any work in or in connection with the institution.

Cf. 1945, No. 44, s. 3; 1946, No. 40, s. 55; 1968, No. 94, 15
s. 2; 1970, No. 137, s. 6

10. Penalty for default in payment of wages—If any employer makes default in the full payment of any wages payable by him under this Act, he shall be liable on summary conviction to a fine not exceeding \$500 and to a further fine 20
not exceeding \$5 for every day during which the default continues.

11. Recovery of wages—(1) Without affecting any other remedies for the recovery of wages or other money payable by an employer to any worker whose wages are prescribed 25
under this Act, where there has been any default in payment of any such wages or other money or where any payment of any such wages or other money has been made at a rate lower than that prescribed under this Act or otherwise legally payable to the worker, the whole or any part, as the case may require, 30
of any such wages or other money may be recovered to the use of the worker in the same manner as a penalty for a breach of an award or agreement, by action commenced in the Arbitration Court under section 151 of the Industrial Relations Act 1973, notwithstanding the acceptance by the worker of 35
any payment at a lower rate or any express or implied agreement to the contrary.

(2) Notwithstanding section 157 of the Industrial Relations Act 1973, an action under this section may be commenced within 6 years after the date on which the money became due and payable. 40

12. Regulations—The Governor-General may from time to time, by Order in Council, make all such regulations as may, in his opinion, be necessary or expedient for giving full effect to the provisions of this Act and for the due administration thereof.

Cf. 1945, No. 44, s. 5

13. Saving—Nothing in this Act reduces or authorises any employer to reduce the wages being paid to any worker at the date of the commencement of this Act.

10 **14. Repeals**—The enactments specified in the Schedule to this Act are hereby repealed.

SCHEDULE

Section 14

ENACTMENTS REPEALED

- 1945, No. 44—The Minimum Wage Act 1945. (R.S. Vol. 3, p. 633.)
1946, No. 40—The Statutes Amendment Act 1946: Section 55. (R.S. Vol. 3, p. 636.)
1952, No. 18—The Minimum Wage Amendment Act 1952. (R.S. Vol. 3, p. 636.)
1968, No. 94—The Minimum Wage Amendment Act 1968. (R.S. Vol. 3, p. 637.)
1970, No. 137—The Age of Majority Act 1970: So much of the First Schedule as relates to the Minimum Wage Act 1945.
1974, No. 106—The Minimum Wage Amendment Act 1974. (R.S. Vol. 3, p. 637.)