

Wages Councils Act 1979

1979 CHAPTER 12

PART I

WAGES COUNCILS

1 Establishment of wages councils

- (1) Subject to the provisions of this Part of this Act, the Secretary of State may by order establish a wages council to perform, in relation to the workers described in the order and their employers, the functions specified in relation to wages councils in the subsequent provisions of this Part of this Act.
- (2) An order establishing a wages council may be made by the Secretary of State either—
 - (a) if he is of opinion that no adequate machinery exists for the effective regulation of the remuneration of the workers described in the order and that, having regard to the remuneration existing among those workers, or any of them, it is expedient that such a council should be established; or
 - (b) if he thinks fit, to give effect to a recommendation of the Advisory, Conciliation and Arbitration Service ("the Service") made on the reference to it, in accordance with section 2 below, of an application made in accordance therewith for the establishment of a wages council; or
 - (c) if he thinks fit, to give effect to the recommendation of the Service made in a case where the Secretary of State, being of opinion that no adequate machinery exists for the effective regulation of the remuneration of any workers or the existing machinery is likely to cease to exist or be adequate for that purpose and a reasonable standard of remuneration among those workers will not be maintained, refers to the Service the question whether a wages council should be established with respect to any of those workers and their employers.
- (3) Schedule 1 to this Act shall have effect with respect to the making of orders establishing wages councils.
- (4) Schedule 2 to this Act shall have effect with respect to the constitution, officers and proceedings of wages councils.

2 Applications for wages council orders

- (1) An application for the establishment of a wages council with respect to any workers and their employers may be made to the Secretary of State either—
 - (a) by a joint industrial council, conciliation board or other similar body constituted by organisations representative respectively of those workers and their employers; or
 - (b) jointly by any organisation of workers and any organisation of employers which claim to be organisations that habitually take part in the settlement of remuneration and conditions of employment for those workers;

on the ground, in either case, that the existing machinery for the settlement of remuneration and conditions of employment for those workers is likely to cease to exist or be adequate for that purpose.

- (2) Where such an application as aforesaid is made to him, the Secretary of State—
 - (a) subject to subsection (3) below, if he is satisfied that there are sufficient grounds to justify the reference of the application to the Service, and, in the case of an application under paragraph (b) of subsection (1) above, that the claim of the organisations habitually to take part in the settlement of remuneration and conditions of employment for those workers is well-founded, shall refer the application to the Service to inquire into and report on the application;
 - (b) if he is not so satisfied shall notify the applicants to that effect, in which case no further steps shall be taken on the application unless and until he is so satisfied by fresh facts brought to his notice:

Provided that before taking either of the said courses, the Secretary of State may require the applicants to furnish such information, if any, in relation to the application as he considers necessary.

- (3) If, on considering an application under subsection (1) above, it appears to the Secretary of State either—
 - (a) that there is a joint industrial council, conciliation board or other similar body constituted by organisations of workers and organisations of employers, being a council, board or body which would or might be affected by the establishment of a wages council in pursuance of the application; or
 - (b) that there are organisations of workers and organisations of employers representative respectively of workers other than workers to whom the application relates and their employers, who would or might be affected by the establishment of a wages council as aforesaid;

being a council, board or body, or, as the case may be, organisations, which are parties to joint voluntary machinery for the settlement of remuneration and conditions of employment but are not parties to the application for a wages council, the Secretary of State shall, before deciding to refer the application to the Service give notice of the application to that council, board or body or, as the case may be, to those organisations, shall consider any observations in writing which may be submitted to him by them within such period as he may direct, not being less than one month from the date of the notice, and, if he decides to refer the application to the Service, shall transmit a copy of the observations to the Service.

(4) If, before an application is referred to the Service, it is withdrawn by the applicants, no further proceedings shall be had thereon.

3 Proceedings on references as to establishment of wages councils

- (1) Where the Secretary of State makes any such reference as is mentioned in paragraph (b) or (c) of subsection (2) of section 1 above, it shall be the duty of the Service to consider not only the subject matter of the reference but also any other question or matter which, in the opinion of the Service, is relevant thereto, and in particular to consider whether there are any other workers (being workers who, in the opinion of the Service, are engaged in work which is complementary, subsidiary or closely allied to the work performed by the workers specified in the reference or any of them) whose position should be dealt with together with that of the workers, or some of the workers, specified as aforesaid; and in relation to any such reference, any reference in this Part of this Act to the workers with whom the Service is concerned shall be construed as a reference to the workers specified as aforesaid and any such other workers as aforesaid.
- (2) If the Service is of opinion with respect to the workers with whom it is concerned or any of those workers whose position should, in the opinion of the Service be separately dealt with—
 - (a) that there exists machinery set up by agreement between organisations representing workers and employers respectively which is, or can be made by improvements which it is practicable to secure, adequate for regulating the remuneration and conditions of employment of those workers; and
 - (b) that there is no reason to believe that that machinery is likely to cease to exist or be adequate for that purpose,

the Service shall report to the Secretary of State accordingly and may include in its report any suggestions which it may think fit to make as to the improvement of that machinery.

- (3) Where any such suggestions are so included, the Secretary of State shall take such steps as appear to him to be expedient and practicable to secure the improvements in question.
- (4) If the Service is of opinion with respect to the workers with whom it is concerned or any of those workers whose position should, in the opinion of the Service, be separately dealt with—
 - (a) that machinery for regulating the remuneration and conditions of employment of those workers is not, and cannot be made by any improvements which it is practicable to secure, adequate for that purpose, or does not exist; or
 - (b) that the existing machinery is likely to cease to exist or be adequate for that purpose,

and that as a result a reasonable standard of remuneration among those workers is not being or will not be maintained, the Service may make a report to the Secretary of State embodying a recommendation for the establishment of a wages council in respect of those workers and their employers.

(5) In considering for the purposes of section 1 above whether any machinery is, or is likely to remain, adequate for regulating the remuneration and conditions of employment of any workers, the Service shall consider not only what matters are capable of being dealt with by that machinery, but also to what extent those matters are covered by the agreements or awards arrived at or given thereunder, and to what extent the practice is, or is likely to be, in accordance with those agreements or awards.

4 Abolition of, or variation of field of operation of, wages councils

- (1) The Secretary of State may at any time abolish a wages council by order made—
 - (a) to give effect to an application in that behalf made to him in accordance with section 5 below, or
 - (b) without any such application, subject however to the provisions of section 6 below.
- (2) The Secretary of State may at any time by order vary the field of operation of a wages council.
- (3) The power of the Secretary of State to make an order under this section varying the field of operation of a wages council shall include power to vary that field by excluding from it any employers to whom there for the time being applies, as members of an organisation named in the order, an agreement, to which the organisation or any other organisation of which it is a member or on which it is represented, is a party, regulating remuneration or other terms or conditions of employment of their employees.
- (4) Any organisation so named shall if it has not already done so furnish the Secretary of State with a list of its members and shall from time to time, and also if so required by the Secretary of State, furnish him with particulars of any changes in their membership which have occurred since the list was furnished or, as the case may be, when particulars were last furnished to him.
- (5) An order under this section abolishing or varying the field of operation of one or more wages councils may include provision for the establishment of one or more wages councils operating in relation to all or any of the workers in relation to whom the first mentioned council or councils would have operated but for the order, and such other workers, if any, as may be specified in the order.
- (6) Where an order of the Secretary of State under this section directs that any workers shall be excluded from the field of operation of one wages council and brought within the field of operation of another, the order may provide that anything done by, or to give effect to proposals made by, the first-mentioned council shall have effect in relation to those workers as if it had been done by, or to give effect to proposals made by, the second-mentioned council and may make such further provision as appears to the Secretary of State to be expedient in connection with the transition.
- (7) Where an order of the Secretary of State under this section directs that a wages council shall be abolished or shall cease to operate in relation to any workers, then, save as is otherwise provided by the order, anything done by, or to give effect to proposals made by the wages council shall, except as respects things previously done or omitted to be done, cease to have effect or, as the case may be, cease to have effect in relation to the workers in relation to whom the council ceases to operate.
- (8) Schedule 1 to this Act shall have effect with respect to the making of orders under this section.

5 Applications for abolition of wages councils

- (1) An application such as is mentioned in paragraph (a) of subsection (1) of section 4 above may be made to the Secretary of State either—
 - (a) by a joint industrial council, conciliation board or other similar body constituted by organisations of workers and organisations of employers which

- represent respectively substantial proportions of the workers and employers with respect to whom that wages council operates; or
- (b) jointly by organisations of workers and organisations of employers which represent respectively substantial proportions of the workers and employers aforesaid; or
- (c) by any organisation of workers which represents a substantial proportion of the workers with respect to whom that wages council operates.
- (2) The grounds on which any such application may be made are that the existence of a wages council is no longer necessary for the purpose of maintaining a reasonable standard of remuneration for the workers with respect to whom that wages council operates.

6 References to the Service as to variation or revocation of wages council orders

- (1) The Secretary of State—
 - (a) shall in any case where an application for the abolition of a wages council has been made to him under section 5 above and he does not thereupon proceed to the making of an order giving effect to the application,
 - (b) may in any other case where he is considering whether to exercise his power under section 4 above to abolish or vary the field of operation of a wages council;

refer to the Service the question whether the council should be abolished or, as the case may be, its field of operation varied.

- (2) On a reference under this section of a question as to the abolition of a wages council the Service, if of the opinion that it is expedient to do so, may make a report to the Secretary of State recommending—
 - (i) the abolition of the wages council to which the reference relates, or
 - (ii) the narrowing of the field of operation of the council, and (in either case), if the Service is of the opinion that it is expedient as aforesaid, also recommending the transfer of workers to the field of operation of another wages council, whether already existing or to be established.
- (3) On a reference under this section as to the variation of the field of operation of a wages council the Service may make a report to the Secretary of State recommending any such variation (including the transfer of workers to the field of operation of any other wages council, whether already existing or to be established) which appears to the Service desirable in all the circumstances.

7 Supplemental provisions

(1) On any reference under this Part of this Act to the Service, the Service shall make all such investigations as appear to it to be necessary and shall publish in the prescribed manner a notice stating the questions which it is its duty to consider by virtue of the reference and further stating that it will consider representations with respect thereto made to it in writing within such period as may be specified in the notice, not being less than forty days from the date of the publication thereof; and it shall consider any representations made to it within that period and then make such further inquiries as it considers necessary including, so far as it considers necessary, the hearing of oral evidence.

- (2) Any power conferred by this Part of this Act on the Secretary of State to make an order giving effect to a recommendation of the Service shall be construed as including power to make an order giving effect to that recommendation with such modifications as he thinks fit, being modifications which, in his opinion, do not effect important alterations in the character of the recommendation.
- (3) Where the Secretary of State receives any report from the Service he may, if he thinks fit, refer the report back to the Service and the Service shall thereupon reconsider it having regard to any observations made by him and shall make a further report, and the like proceedings shall be had on any such further report as in the case of an original report.
- (4) The Secretary of State shall publish every report made to him by the Service under this Part of this Act:

Provided that where he refers a report back to the Service, he shall not be bound to publish it until he publishes the further report of the Service.

8 Advisory committees

- (1) A wages council may request the Secretary of State to appoint a committee for any of the workers within the field of operation of the council and the Secretary of State shall appoint a committee accordingly, and the council may refer to it for a report and recommendations any matter relating to those workers which the council thinks it expedient so to refer.
- (2) Schedule 3 to this Act shall have effect with respect to committees appointed under this section.

9 General duty of wages councils to consider references by government departments

- (1) A wages council shall consider, as occasion requires, any matter referred to it by the Secretary of State or any government department with reference to the industrial conditions prevailing as respects the workers and employers in relation to whom it operates, and shall make a report upon the matter to the Secretary of State or, as the case may be, to that department.
- (2) A wages council may, if it thinks it expedient so to do, make of its own motion a recommendation to the Secretary of State or any government department with reference to the said conditions and, where such a recommendation is so made, the Secretary of State or, as the case may be, that department, shall forthwith take it into consideration.