

Version  
as at 28 October 2025



## Companies (Preferential Payments) Order 1988

(SR 1988/198)

Companies (Preferential Payments) Order 1988: revoked, on 28 October 2025, by clause 3(b) of the Legislation (Revocations) Order 2025 (SL 2025/207).

Paul Reeves, Governor-General

### Order in Council

At Wellington this 6th day of September 1988

Present:

His Excellency the Governor-General in Council

Pursuant to section 308(2) of the Companies Act 1955, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following order.

### Contents

	Page
1 Title and commencement	2
2 Preferential payments to employees in a winding up	2

---

#### Note

The Parliamentary Counsel Office has made editorial and format changes to this version using the powers under subpart 2 of Part 3 of the Legislation Act 2019.

Note 4 at the end of this version provides a list of the amendments included in it.

**This order is administered by the Ministry of Economic Development.**

## Order

### 1 Title and commencement

- (1) This order may be cited as the Companies (Preferential Payments) Order 1988.
- (2) This order shall come into force on 10 October 1988.

### 2 Preferential payments to employees in a winding up

The amount of \$6,000 is hereby prescribed for the purposes of subsection (2) of section 308 of the Companies Act 1955 as the maximum sum to which priority is to be given, in the case of any one employee, under any of paragraphs (a), (b), and (ca) of subsection (1) of that section.

Marie Shroff,  
Clerk of the Executive Council.

## Explanatory note

*This note is not part of the order, but is intended to indicate its general effect.*

Section 308 of the Companies Act 1955 specifies the priority to be given in a winding up to payment of certain debts owing in respect of employees' wages and other specified matters.

That section currently provides that the total sum to which priority is to be given in respect of certain of those debts shall not, in the case of any one employee, exceed \$2,000.

This order, which comes into force on 10 October 1988, increases that sum to \$6,000.

The increased sum will not apply, by reason of section 308(8) of the Companies Act 1955,—

- (a) in the case of a winding up, if the relevant date (eg, the date of the winding-up order) occurred before 10 October 1988; or
- (b) in the case of a receivership or other similar situation, if the date referred to in section 101(3) of the Companies Act 1955 (eg, the date of the appointment of the receiver) occurred before 10 October 1988.

Issued under the authority of the Legislation Act 2019.  
Date of notification in *Gazette*: 8 September 1988.

## Notes

### **1**    *General*

This is a consolidation of the Companies (Preferential Payments) Order 1988 that incorporates the amendments made to the legislation so that it shows the law as at its stated date.

### **2**    *Legal status*

A consolidation is taken to correctly state, as at its stated date, the law enacted or made by the legislation consolidated and by the amendments. This presumption applies unless the contrary is shown.

Section 78 of the Legislation Act 2019 provides that this consolidation, published as an electronic version, is an official version. A printed version of legislation that is produced directly from this official electronic version is also an official version.

### **3**    *Editorial and format changes*

The Parliamentary Counsel Office makes editorial and format changes to consolidations using the powers under subpart 2 of Part 3 of the Legislation Act 2019. See also PCO editorial conventions for consolidations.

### **4**    *Amendments incorporated in this consolidation*

Legislation (Revocations) Order 2025 (SL 2025/207): clause 3(b)