



Proactive Release

The following Cabinet paper and related Cabinet minute have been proactively released by the Department of the Prime Minister and Cabinet, on behalf of Rt Hon Jacinda Ardern, Prime Minister:

Governor-General (Allowance) Order 2019

Date of release: 1 February 2020

The following documents have been included in this release:

***Title of paper: Governor-General (Allowance) Order 2019
(CAB-19-SUB-0655 refers)***

***Title of minute: Governor-General (Allowance) Order 2019
(CAB-19-MIN-0655 refers)***

This information has been released in full.

~~In Confidence~~

Office of the Prime Minister

Chair, Cabinet

GOVERNOR-GENERAL (ALLOWANCE) ORDER 2019

Proposal

- 1 This paper proposes that Cabinet authorise the submission of the Governor-General (Allowance) Order 2019 to the Executive Council. The order sets the rate of the Governor-General's allowance for expenses at \$32,883, as at 1 October 2019.

Policy

- 2 Under the Governor-General Act 2010, the Governor-General must be paid an allowance for official expenses. The allowance is currently set at \$32,408 a year. The allowance is exempt income and is therefore free from income tax.
- 3 The allowance is provided to help meet expenses incurred by the Governor-General personally in undertaking her duties.
- 4 The allowance is adjusted annually, to reflect the percentage movement in the Consumer Price Index (CPI) between the September quarter of that year and the September quarter of the immediately preceding year.
- 5 The movement in the CPI between the September 2018 and September 2019 quarters is a 1.5 per cent increase. This translates to an increase in the Governor-General's allowance of \$475.
- 6 Under section 6(3) of the Governor-General Act, an Order in Council setting the allowance comes into force on the date specified in the order, which may be a date that is before the date the order is made.
- 7 The permanent appropriation for the salary and allowance is in Vote Prime Minister and Cabinet, Governor-General's Salary and Allowance PLA.

Timing and 28-day rule

- 8 A waiver of the 28-day rule is required to allow the order to come into effect on 1 October 2019, as provided for in the Act. The regulations have no effect on the public.

Compliance

- 9 The regulations are consistent with:
- 9.1 The principles of the Treaty of Waitangi.
 - 9.2 The rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.
 - 9.3 The principles and guidelines set out in the Privacy Act 1993.
 - 9.4 Relevant international standards and obligations.
 - 9.5 The *Legislation Guidelines* (2018 edition), a publication by the Legislation Design and Advisory Committee.

Regulations Review Committee

- 10 There are no grounds for the Regulations Review Committee to draw the regulations to the attention of the House under Standing Order 319.

Certification by Parliamentary Counsel

- 11 The Parliamentary Counsel Office has certified that the order is in order for submission to Cabinet.

Impact Analysis

- 12 A regulatory impact statement is not required as the proposal is of a minor machinery nature.

Publicity

- 13 No publicity is envisaged.

Consultation

- 14 Treasury has been advised.

Proactive release

- 15 This paper will be proactively released, subject to any redactions.

Recommendations

- 16 I recommend that Cabinet:
- 16.1 **note** that the allowance for the Governor-General under the Governor-General Act 2010 is currently set at \$32,408 a year and is exempt from income tax;
 - 16.2 **note** that the allowance for the Governor-General helps meet expenses incurred by the Governor-General;
 - 16.3 **note** that the Governor-General's allowance is adjusted annually to reflect the movement in the CPI;

- 16.4 **note** that movement in the CPI translates to an increase in the Governor-General's allowance of \$475, giving a total for the allowance of \$32,883;
- 16.5 **note** that, as provided for in section 6(3) of the Governor-General Act, payment of the allowance will commence from 1 October 2019;
- 16.6 **note** that a waiver of the 28-day rule is sought on the grounds that the amendment regulations have no effect on the public;
- 16.7 **agree** to waive the 28-day rule;
- 16.8 **authorise** the submission to the Executive Council of the Governor-General (Allowance) Order 2019 [PCO 22547/1.0].

Authorised for lodgement

Rt Hon Jacinda Ardern
Prime Minister



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Governor-General (Allowance) Order 2019

Portfolio **Prime Minister**

On 9 December 2019, Cabinet:

- 1 **noted** that the allowance for the Governor-General under the Governor-General Act 2010 is currently set at \$32,408 a year, and is exempt from income tax;
- 2 **noted** that the allowance for the Governor-General helps meet expenses incurred by the Governor-General;
- 3 **noted** that the Governor-General's allowance is adjusted annually to reflect the movement of the Consumer Price Index (CPI);
- 4 **noted** that the movement in the CPI translates to an increase in the Governor-General's allowance of \$475, giving a total allowance of \$32,883;
- 5 **noted** that, as provided for in section 6(3) of the Governor-General Act, payment of the allowance will commence on 1 October 2019;
- 6 **noted** that a waiver of the 28-day rule is sought on the grounds that the Order has no effect on the public;
- 7 **agreed** to a waiver of the 28-day rule;
- 8 **authorised** the submission to the Executive Council of the Governor-General (Allowance) Order 2019 [PCO 22547/2.0].

Michael Webster
Secretary of the Cabinet

Hard-copy distribution:

Prime Minister
Deputy Prime Minister