

# **Governor-General Bill**

Government Bill

As reported from the committee of the whole  
House



Governor-General Bill

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**Key to symbols used in reprinted bill**

**As reported from the committee of the whole  
House**

text inserted

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*Rt Hon John Key*

## **Governor-General Bill**

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**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the Governor-General Act **2010**.

## 2 Commencement

This Act comes into force on the day after the date on which it receives the Royal assent.

### Part 1

#### Provisions relating to remuneration, programme funding, and other payments concerning office of Governor-General 5

##### *Preliminary provisions*

## 3 Act binds the Crown

This Act binds the Crown. 10

## 4 Interpretation

In this Act, unless the context otherwise requires,—

**authorised person** means a person authorised to make decisions under **section 16** by the Minister who, with the authority of the Prime Minister, is responsible for Ministerial Services 15

**family member**, in relation to any person, means—

(a) a spouse or partner:

(b) a child—

(i) who is being maintained as a member of the person's family; and 20

(ii) in respect of whom the person either is the sole or principal provider of ongoing daily care for the child or shares ongoing daily care of the child substantially equally with another person; and 25

(iii) who is under 18 years of age; and

(iv) who is not living with another person in a marriage, civil union, or de facto relationship

**financial year** has the same meaning as in section 2(1) of the Public Finance Act 1989 30

**partner** means a civil union or de facto partner.

*Salary, allowance, annuity, and other payments***5 Salary of Governor-General**

- (1) The Governor-General must be paid a salary at a rate determined from time to time by the Remuneration Authority.
- (2) A determination made under this section comes into force on the date specified in the determination, which may be a date that is before, on, or after the date the determination is made. 5
- (3) The salary of the Governor-General is payable for the period—
- (a) starting on the earlier of the following dates:
- (i) a date agreed between the appointee and the Prime Minister: 10
- (ii) the date on which the appointee takes up the duties of the office; and
- (b) ending on the date on which that person no longer holds office as Governor-General. 15
- (4) The salary of the Governor-General must not be reduced during the Governor-General's term of office.
- (5) A determination made under this section is deemed to be a regulation for the purposes of the Acts and Regulations Publication Act 1989 but not for the purposes of the Regulations (Disallowance) Act 1989. 20

Compare: 1979 No 33 s 3(1)(a), (2), (3), (5), (6)

**6 Allowance of Governor-General**

- (1) The Governor-General must be paid an allowance, at a rate fixed from time to time by Order in Council, for official expenses. 25
- (2) The allowance is payable for the period—
- (a) starting on the earlier of the following dates:
- (i) a date agreed between the appointee and the Prime Minister: 30
- (ii) the date on which the appointee takes up the duties of the office; and
- (b) ending on the date on which that person no longer holds office as Governor-General.
- (3) An Order in Council made under this section comes into force on the date specified in the order, which may be a date that is before, on, or after the date the order is made. 35



- (4) An Order in Council made under this section is a regulation for the purposes of the Acts and Regulations Publication Act 1989 but not for the purposes of the Regulations (Disallowance) Act 1989.

Compare: 1979 No 33 s 3(1)(b), (2), (3), (6)

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**7 Sum payable after office of Governor-General becomes vacant**

When a person ceases to hold office as Governor-General (other than by reason of death), he or she must be paid a gross lump sum equivalent to the gross salary payable for the last 6 months during which he or she held office.

Compare: 1979 No 33 s 3(4)

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**8 Annuity for former Governor-General**

- (1) This section applies to a person who has held the office of Governor-General.

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- (2) If a person to whom this section applies held office as Governor-General for a total period of less than 2 complete years, he or she must be paid an annuity at a yearly rate determined from time to time by the Remuneration Authority.

- (3) If a person to whom this section applies held office as Governor-General for a total period of 2 complete years or more, he or she must be paid an annuity at a yearly rate, determined from time to time by the Remuneration Authority, for each complete year (not exceeding 5 years) of that total period.

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- (4) The annuity is payable from the date that is 6 months after the date on which the person ceased to hold office as Governor-General.

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- (5) A determination made under this section comes into force on the date specified in the determination, which may be a date that is before, on, or after the date the determination is made.

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- (6) A determination made under this section is deemed to be a regulation for the purposes of the Acts and Regulations Publication Act 1989 but not for the purposes of the Regulations (Disallowance) Act 1989.

Compare: 1979 No 33 s 4(1), (3)–(7)

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**9 Annuity for spouse or partner of former Governor-General**

- (1) If a person to whom **section 8** applies dies after ceasing to hold office, the surviving spouse or partner of that person must be paid an annuity at half the yearly rate at which an annuity would have been payable to the person under **section 8** if that person had not died. 5
- (2) If a Governor-General dies while in office, the surviving spouse or partner of that person must be paid an annuity at half the yearly rate at which the annuity would have been payable to that person under **section 8** had he or she resigned from the office as at the date of death. 10
- (3) The annuity under **subsection (1) or (2)** is payable from the date of death of the person who held office as Governor-General until the spouse or partner dies. 15
- Compare: 1979 No 33 s 4(2), (3)–(7)

**10 Compensation for lost or adversely affected superannuation rights**

- (1) **Subsection (2)** applies if a person is appointed to the office of Governor-General and, because of the person's acceptance of that office, the superannuation rights of the person who is appointed to the office, or the superannuation rights of the spouse or partner of that person, have been lost or otherwise adversely affected. 20
- (2) From the date on which the person appointed to the office of Governor-General ceases to hold that office, compensation must be paid to that person, or to the surviving spouse or partner of that person, of a sum or an annuity, or both, provided for in a written agreement made between that person and the Minister of Finance before that person assumed office as Governor-General. 25 30
- (3) An agreement made between the person appointed to the office of Governor-General and the Minister of Finance for the purposes of this section has effect according to its tenor and— 35
- (a) may provide for the payment of contributions by the Governor-General; and
- (b) if it provides for the payment of an annuity, may provide for any annuity payable under **section 8 or 9** to be

payable at a rate less than that prescribed by whichever of those sections applies.

Compare: 1979 No 33 s 5

## **11 Payments in respect of other benefits and privileges**

- (1) The terms of the appointment of a person as Governor-General may include an agreement for that person and his or her spouse or partner to be provided with specified benefits or privileges by way of payments in respect of domestic travel and the use of chauffeured cars when he or she no longer holds office as Governor-General. 5  
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- (2) A statement setting out the details of any benefits or privileges paid to or in respect of any former Governor-General under an agreement made under **subsection (1)** or an agreement referred to in **section 27(1)(d)** must be included in the annual financial statements of the Department of Internal Affairs in addition to the requirements in section 45B(2) of the Public Finance Act 1989. 15
- (3) The statement must show all of the expenses incurred to provide the benefits or privileges. 20  
Compare: 1979 No 33 s 25(1)(a), (f)

## **12 Permanent appropriation for salary, allowance, annuities, etc**

Expenses may be incurred, without further appropriation than this section, to meet—

- (a) the salary under **section 5:** 25  
(b) the allowance under **section 6:**  
(c) the lump sum under **section 7:**  
(d) the annuities under **sections 8 and 9:**  
(e) compensation under an agreement made under **section 10:** 30  
(f) specified benefits and privileges under an agreement made under **section 11(1):**  
(g) specified benefits and privileges under an agreement referred to in **section 27(1)(d).** 35

Compare: 1979 No 33 s 2

*Funding for Governor-General's programme***13 Governor-General's programme**

Expenses may be incurred, without further appropriation than this section, to meet the costs of the Governor-General carrying out his or her duties of office in New Zealand (such as the costs of, and incidental to, travel of the Governor-General, staff of the Governor-General, and his or her family members, and the cost of hosting functions and events, as part of the Governor-General's programme). 5

Compare: 1979 No 33 ss 2, 6

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**14 Governor-General's travel outside New Zealand**

Expenses may be incurred, without further appropriation than this section, to meet the costs of—

- (a) the Governor-General carrying out any of his or her duties of office outside New Zealand (such as the costs of, and incidental to, international travel of the Governor-General, staff of the Governor-General, and his or her family members); and 15
- (b) travel of the Governor-General designate, his or her family members, and staff of the incumbent Governor-General, for the purpose of the Governor-General designate having an audience with the Sovereign. 20

Compare: 1979 No 33 ss 2, 6

*Administrator of the Government***15 Salary and expenses of Administrator**

If the Chief Justice, or the next most senior Judge of the New Zealand judiciary who is able to act, acts as the Administrator of the Government, that person continues to receive the salary of his or her judicial office in respect of the period for which that person acts as the Administrator of the Government. 30

Compare: 1979 No 33 s 8

## Part 2 Miscellaneous provisions

### *Conflicting claims*

- 16 Conflicting claims** 5
- (1) If more than 1 person claims to be entitled to an annuity under **section 9**, an authorised person must decide—
- (a) whether more than 1 person is entitled to the annuity; and
- (b) if so, the proportion of the annuity payable to each person entitled to it. 10
- (2) If more than 1 person is entitled to an annuity, the total annuity paid to the persons entitled to it must not exceed the amount that would have been paid if only 1 person were entitled to it.  
Compare: 1979 No 33 s 27(1), (2)(a), (4)
- 17 Appeal against decision of authorised person** 15
- (1) If a person who claims to be entitled to an annuity under **section 9** is dissatisfied with a decision made by an authorised person under **section 16**, he or she may appeal against the decision to the High Court.
- (2) The High Court Rules and sections 74 to 78 of the District Courts Act 1947 apply, with all necessary modifications, to an appeal under **subsection (1)** as if it were an appeal under section 72 of that Act against a decision of a District Court. 20
- (3) The provisions of the Judicature Act 1908 relating to appeals to the Court of Appeal against a decision of the High Court apply to an order or decision of the High Court on an appeal under **subsection (1)**. 25  
Compare: 1979 No 33 s 27(5)–(7)

### *Amendments to Civil List Act 1979*

- 18 Amendments to Civil List Act 1979** 30  
**Sections 19 and 20** amend the Civil List Act 1979.
- 19 Part 1 repealed**  
Part 1 is repealed.

**20 Appropriation of money for benefits and privileges**

- (1) Section 25(1)(a) is repealed.
- (2) Section 25(1)(f) is amended by omitting “(a),”.

*Amendment to Goods and Services Tax Act 1985***20A Amendment to Goods and Services Tax Act 1985** 5

- (1) This section amends the Goods and Services Tax Act 1985.
- (2) Section 6(3)(c)(i) is amended by adding “or the Governor-General Act 2010”.

*Amendments to Income Tax Act 2007***21 Amendments to Income Tax Act 2007** 10  
**Sections 22 to 24** amend the Income Tax Act 2007.**22 New section CW 16 substituted**

Section CW 16 is repealed and the following section substituted:

**“CW 16 Allowance of Governor-General and other benefits and privileges** 15

The following are exempt income:

“(a) the allowance of the Governor-General, paid under **section 6** of the **Governor-General Act 2010**:

“(b) any benefit or privilege provided under an agreement made under **section 11(1)** of the **Governor-General Act 2010** or an agreement referred to in **section 27(1)(d)** of that Act.” 20

**23 Salary or wages**

- (1) The heading above section RD 5(5) is amended by omitting “*members of Parliament and*” and substituting “*Governor-General, members of Parliament, and*”. 25
- (2) Section RD 5(5) is amended by inserting the following paragraph before paragraph (a):  
“(aa) salary made to the Governor-General:” 30
- (3) Section RD 5 is amended by inserting the following subsection after subsection (5):

“(5B) A payment to a person made under **section 7** of the **Governor-General Act 2010** is included in the salary and wages of that person.”

## 24 Definitions

The definition of **employment** in section YA 1 is amended by omitting “a member of Parliament or” and substituting “the Governor-General, a member of Parliament, or”.

### *Transitional and savings provisions in respect of incumbent Governor-General*

## 25 Continuation of incumbent Governor-General’s entitlements 10

- (1) This section applies to the person who held the office of Governor-General immediately before the commencement of this Act (the **incumbent Governor-General**), until that person no longer holds office as Governor-General. 15
- (2) The incumbent Governor-General’s entitlements and position in respect of salary, allowance, lump sum on leaving office, compensation for lost or adversely affected superannuation rights, and travelling expenses are as if this Act had not been passed. 20

## 26 Annuities payable in respect of incumbent Governor-General

To avoid doubt, the annuities payable in respect of the incumbent Governor-General and his or her spouse or partner after the incumbent Governor-General ceases to hold office as Governor-General are payable in accordance with this Act. 25

### *Validation provisions*

## 27 Validations

- (1) Nothing in this Act affects the validity of any of the following made before the commencement of this Act: 30
- (a) an Order in Council made under section 3 of the Civil List Act 1979:
- (b) a determination made by the Remuneration Authority under section 3 or 4 of the Civil List Act 1979:

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- (c) an agreement made under section 5 of the Civil List Act 1979:
  - (d) an agreement, as part of the terms of appointment of a person as Governor-General, for that person to be provided with specified privileges or benefits (whether by way of domestic air travel, the use of chauffeured cars, or any other benefit or privilege) when that person no longer held office as Governor-General. 5
- (2) Despite anything in this Act, every annuity in respect of which a determination by the Remuneration Authority has been made under section 4(1) of the Civil List Act 1979 must continue to be paid at the rate applicable at the commencement of this Act until the determination of the Remuneration Authority relating to that annuity has been superseded by a determination of the Remuneration Authority under **section 8** of this Act. 10 15
- (3) Despite anything in this Act, every annuity in respect of which a determination by the Remuneration Authority has been made under section 4(2) of the Civil List Act 1979 must continue to be paid to the spouse or partner of the former Governor-General at the rate applicable at the commencement of this Act until the Remuneration Authority has made a determination under **section 8** of this Act. 20

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**Legislative history**

29 June 2010	Introduction (Bill 163–1)
20 July 2010	First reading and referral to Government Administration Committee
8 September 2010	Reported from Government Administration Committee
13 October 2010	Second reading
26 October 2010	Committee of the whole House (Bill 163–2)

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