(DPMC, 2023: 70-71, 81, 84, 95-98, 100)



# CABINET MANUAL

2023

Cabinet Office

Department of the Prime Minister and Cabinet

Wellington, New Zealand

Published in 2023 by the Cabinet Office, Department of the Prime Minister and Cabinet, Parliament Buildings, Wellington, New Zealand

## © Crown Copyright



This work is licensed under the Creative Commons Attribution 4.0 International licence. In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to the Crown and abide by the other licence terms.

To view a copy of this licence, visit https://creativecommons.org/licenses/by/4.0/. Please note that no departmental or governmental emblem, logo or Coat of Arms may be used in any way which infringes any provision of the Flags, Emblems, and Names Protection Act 1981. Attribution to the Crown should be in written form and not by reproduction of any such emblem, logo or Coat of Arms.

ISBN 978-0-473-66053-6 (Paperback)

ISBN 978-0-473-66054-3 (dpmc.govt.nz/cabinet-manual)

# **Summary of Contents**

Fore	Foreword	
Prefa	ice	xv
	ne Constitution of New Zealand: An Introduction to the Foundations f the Current Form of Government	1
1	Sovereign, Governor-General, and Executive Council	7
2	Ministers of the Crown: Appointment, Role, and Conduct	19
3	Ministers of the Crown and the Public Sector	41
4	Ministers, the Law, and Inquiries	59
5	Cabinet Decision-making	77
6	Elections, Transitions, and Government Formation	93
7	The Executive, Legislation, and the House	105
8	Official Information and Public Records	129
Appe	endix A: he Treaty of Waitangi/Te Tiriti o Waitangi endix B: etters Patent Constituting the Office of Governor-General of New Zealand 1983	155 161
Index	ζ	171

Summary of Contents iii

Forew	ord	xiii
Prefac	e	xv
	Constitution of New Zealand: An Introduction to the Foundations of the rrent Form of Government	1
1	Sovereign, Governor-General, and Executive Council	7
Introdu	uction	7
Sovere	eign of New Zealand	7
	References to "the Crown"	7
Gover	nor-General	7
	Office of Governor-General	7
	Formal powers and functions of office	8
	Royal prerogative	8
	International role	8
	Exercising the powers and functions of office	9
	Administrator of the Government	9
Execu	tive Council	9
	Powers	9
	Membership of Executive Council	10
	Resignations and dismissals of members of the Executive Council	10
Clerk	of the Executive Council	11
Meetir	ngs of Executive Council	11
	Items for consideration by Executive Council	11
	Preparing items for Executive Council	12
	Meetings, quorum, and attendance	12
	Confidentiality	13
Gazett	ing and entry into force	13
Annou	incement	13
New Z	Zealand Royal Honours System	14
	General	14
	Administration	14
	Nominations	14
	New Zealand Royal Honours for non-New Zealand citizens	15
	Forfeiture of honours	15
	"The Right Honourable" and "The Honourable"	15
	Acceptance of foreign honours by New Zealand citizens	16
Herald		16
	of Precedence	16
	d information	17

2 Ministers of the Crown: Appointment, Role, and Conduct	19
Introduction	19
Prime Minister	19
Appointment	19
Role	19
Deputy Prime Minister	20
Ministers	21
Appointment	21
Resignation and dismissal	21
Legal power for Ministers to act for other Ministers	22
Role and powers of Ministers	22
Financial responsibility of Ministers	23
Cabinet Ministers, Ministers outside Cabinet, and Ministers of State	23
Ministerial portfolios	24
Associate Ministers	25
Acting Ministers	25
Duty Ministers	26
Parliamentary Under-Secretaries	26
Parliamentary Private Secretaries	27
Conduct, public duty, and personal interests	27
General	27
Conduct of Ministers	27
Register of Pecuniary and Other Specified Interests of Members of Parliame	ent 28
Ministers' interests	28
Identifying conflicts of interest	29
Managing conflicts of interest	31
Conflicts of interest in the House	32
Constituency interests	32
Interactions with representatives from non-government or commercial organisatio	ns 33
Personal email accounts and phone numbers	33
Gifts and awards	33
General	33
Gifts from foreign governments	34
Gifts from non-government or commercial organisations	34
Cultural gifts	34
Awards and other recognition	35
Candidate and party donations to a Minister	35
Speaking engagements, endorsements, and non-ministerial activities	35
Speaking engagements	35
Endorsement of products, services, or organisations	36
Charitable fundraising	36
Business and professional activities	36
Provision of references	36
Use of information after leaving office	37
Post-ministerial employment	37

vi

Government advertising and publicity guidelines	37
Ministerial travel	
Overseas travel	37
Travel within New Zealand	40
Related information	40
3 Ministers of the Crown and the Public Sector	41
Introduction	41
The public service and the public sector	41
Public service	41
Public sector	41
Ministers and the public service	
Roles and responsibilities	42
Ministers' relationships with chief executives	43
Accountability documents	43
Briefing for incoming Ministers	44
Long-term insights briefings	45
Ministers and officials	45
Individual ministerial responsibility for agency actions	46
Appointment and review of chief executives	47
Chief executives as employers	47
Ministers and Crown entities	48
General	48
Role of Ministers	48
Directions to support a whole of government approach	49
Role of Crown entity boards	50
Role of monitoring departments	50
Ministers and companies in the public sector	50
General principles	50
Crown entity companies and Public Finance Act 1989 Schedule 4A companies	51
State-owned enterprises	52
Integrity and conduct throughout the public sector	52
Principles of public service	52
Processes for upholding the principles of public service	54
Public comment on government policy	55
Public servants' contact with the House of Representatives and political parties	55
Related information	57
4 Ministers, the Law, and Inquiries	59
Introduction	59
Attorney-General	59
General	59
Role of the Attorney-General	59
Attorney-General's functions and section 7 of the Constitution Act 1986	60

Com	ment by Ministers on judicial decisions	60
Crow	n legal business	61
Litiga	ation involving Ministers	61
	Judicial review	61
	Production or discovery of documents and appearance in court by Ministers	
	to give evidence	63
	Service of court documents	64
	Indemnity of Minister as a defendant	64
	Indemnity of Minister as plaintiff	67
Legal	l advice and legal professional privilege	67
	General	67
	Legal professional privilege	67
	Guidelines for the presentation of legal advice	68
	Waiver of legal privilege	68
	Release of legal advice	69
Inqui	ries	70
	General	70
	Statutory inquiries	70
	Duties, powers, immunities, and privileges of statutory inquiries	71
	Administrative support for inquiries	72
	Establishing an inquiry	72
	Other inquiries	74
Relat	red information	75
_	Cabinet Designar making	77
5	Cabinet Decision-making	77
Intro Cabir	duction	77
	net committees	77
	iples of Cabinet decision-making	77 78
	Items for consideration by Cabinet	78 78
	Consultation	79
	Confidentiality	81
	Collective responsibility	81
	Exercise of Ministers' statutory powers and functions in the collective Cabinet context	82
Cabir	net and Cabinet committee procedures	83
Cuon	Preparing and submitting Cabinet papers	83
	Deadlines and late papers	84
	Amendments to papers	84
	Withdrawal of papers	85
	Agendas	85
	Oral items	85
	Minutes	85
	Meetings	86
	Chairs of meetings	86
	Attendance of Ministers	86
	Quorum	86

viii

Attendance of officials and visiting dignitaries at Cabinet	87
Attendance of officials at Cabinet committee meetings	87
Financial matters and Cabinet	87
Impact analysis for regulatory proposals	88
Constitutional issues and Cabinet	88
International treaties and Cabinet	89
Referral to Cabinet of decisions taken outside the Cabinet process	89
Secretary of the Cabinet and the Cabinet Office	90
Related information	91
6 Elections, Transitions, and Government Formation	93
Introduction	93
The electoral cycle	93
General	93
Cabinet and Ministers' decision-making before and after an election	94
Pre-election period	94
Transitions following an election	95
General	95
Outcome of elections	95
Caretaker convention	96
General	96
Principles of the caretaker convention	96
Decision-making process under the caretaker convention	98
Government formation	100
General	100
Principles and processes of government formation	100
Outgoing Ministers	100
Appointment of a new government	101
Mid-term transitions	101
General	101
Mid-term change of Prime Minister with no change of government	101
Mid-term change of government	102
Early election	102
Provision of information by the public sector during transitions Related information	102 103
7 The Executive, Legislation, and the House	105
Introduction	105
Speech from the Throne	106
Prime Minister's statement	106
Government legislation programme	106
Purpose of the legislation programme	106
Confidentiality	106
Development of the legislation programme	107
Monitoring the legislation programme	107
Legislation Coordinator	107

Revision bills	108
Law Commission work programme	108
Development and approval of bills	
From policy to enactment	109
Process for developing bills	109
Drafting legislation	113
Consideration by Cabinet Legislation Committee and Cabinet	114
Reference to caucus(es)	115
Consultation with non-government parliamentary parties	115
Compliance with legal principles and obligations	116
Omnibus bills	116
Policy changes to a bill after introduction	117
Non-government legislative proposals	118
Secondary legislation	118
Authority to make secondary legislation	118
Scrutiny of secondary legislation	119
Planning for the development of secondary legislation	119
Process for developing secondary legislation to be made by Order in Council	120
The 28-day rule	121
Publishing secondary legislation	122
Ministers and the House	122
Questions for oral or written answer	122
Ministers and select committees	123
General	123
Consideration of bills	123
Submissions on bills by agencies	124
Government responses to reports of select committees	124
Parliamentary treaty examination	125
General	125
National interest analysis	125
Select committee consideration	125
Related bills	126
Further information	126
Crown's financial veto	126
Citizens initiated referenda	126
Declarations of inconsistency	127
Related information	128
8 Official Information and Public Records	129
Introduction	129
Information held by government	129
Security classification of government documents	130
Improper release or use of information held by the government	130
Proactive release of information, including Cabinet material	131

Official Information Act 1982	132
Purpose of the Act	132
What is official information?	132
Complying with the Official Information Act 1982	133
Advice and training	134
Requests for Cabinet material under the Official Information Act 1982	134
Security classifications and endorsements and the Official Information Act 1982	135
Consultation on Official Information Act 1982 requests	135
Coordinating Official Information Act 1982 requests	137
Charging for official information	137
Review of decisions to withhold official information	137
Privacy Act 2020	139
Purpose of the Act	139
Compliance	139
Ministerial access to and use of personal information	140
Role of the Privacy Commissioner	141
Ombudsmen Act 1975	142
Providing information to select committees	142
Production or discovery of official documents	143
Requests for parliamentary information	143
Ministers and public records	144
Creating and maintaining records	144
Management of records	145
Deposit of Ministers' papers with Archives New Zealand	146
Assessing requests for public access to Ministers' papers	146
Deposit of personal records	147
Disclosure and use of official information by former Ministers	147
Convention on access to Cabinet records of a previous administration	148
General	148
Access to Cabinet records by incumbent Ministers	149
Former Ministers	150
Releasing Cabinet documents of a previous opposition administration	150
Related information	151
Appendix A The Treaty of Waitangi/Te Tiriti o Waitangi	155
Appendix B  Lotters Petent Constituting the Office of Governor Constal of New Zooland 1082	171
Letters Patent Constituting the Office of Governor-General of New Zealand 1983	161
Index	171

## **Foreword**

The *Cabinet Manual* is the primary authority on the conduct of Cabinet government in New Zealand. It covers Cabinet procedure and provides guidance for Ministers, their offices and those working within the public service. It is part of New Zealand's constitutional arrangements, documenting the executive's view of how it functions and the main conventions that operate within government. The Manual provides guidance rather than prescribing rules, and generally contains settled understandings of government practice rather than leading change. The first item of business on the agenda of successive governments has been to endorse the *Cabinet Manual* as the basis on which they will operate.

This 2023 edition incorporates changes made to government processes since the previous version was published in 2017, including updated guidance on the importance of privacy, the modernised principles governing the public service, and changes to legislative processes following the passing of the Legislation Act 2019 and Secondary Legislation Act 2021.

Cabinet has approved the content of the *Cabinet Manual* 2023. I encourage all those working in government to consult the latest version and follow the guidance it contains.

Rt Hon Chris Hipkins Prime Minister

Foreword

## **Preface**

The *Cabinet Manual* has been an authoritative guide to New Zealand's system of central government decision making since the publication of the first edition, then known as the *Cabinet Office Manual*, in 1979. This is the seventh edition of the *Cabinet Manual*. Successive governments have recognised the need for guidance to provide the basis on which they will conduct themselves while in office. The *Cabinet Manual* fulfils this need.

One of the great strengths of the *Cabinet Manual* is that it is not set in stone: it is updated periodically, and as a result reflects changes in political, administrative, legislative and constitutional arrangements and language. The content of this edition of the *Cabinet Manual* represents an orderly and continuous development of the conventions and procedures of Cabinet government.

In this edition, some guidance, such as that concerning the principles of the public service and consultation process during development of bills, has been clarified and expanded. Other guidance has been updated to reflect new legislation, such as the Privacy Act 2020, or to reflect changes in practice, like the ability for Cabinet and Cabinet committees to meet remotely if required. For the first time, the texts of the Treaty of Waitangi / Te Tiriti o Waitangi are appended to the *Cabinet Manual*.

The *Cabinet Manual* focuses on principles. It provides guidance, rather than prescribing rules. Detailed guidance and information on Executive Council, Cabinet, and Cabinet committee processes is contained in the *CabGuide*, an online resource at dpmc.govt.nz/publications/cabguide.

The *Cabinet Manual* is produced in hard copy, and published online on the Department of the Prime Minister and Cabinet's website. Any substantial updates required before the next review will be incorporated into the online version. Users of the *Cabinet Manual* in hard copy are encouraged to check the website for updates regularly.

The review of the *Cabinet Manual* has been a significant task for the Cabinet Office over the past few years. I would like to acknowledge and thank all those who have contributed to the review, whether by revising existing text, or drafting new material. My particular thanks to the Cabinet Office team who coordinated the review project, and to our late friend and colleague Catherine Parkin.

The *Cabinet Manual* is a valuable guide, not just for those working in or with executive government, but for anyone who has an interest in New Zealand's constitutional arrangements and the systems and processes of executive government. I know that this latest edition will continue to be an important work of reference for all those with an interest in the governance of Aotearoa New Zealand.

Rachel Hayward

Secretary of the Cabinet and Clerk of the Executive Council

Preface xv

## Updates and further guidance

The Cabinet Manual 2023 is produced in book form and published online at dpmc.govt.nz/cabinet-manual.

The *Cabinet Manual* is reviewed periodically. Any substantial updates required before the next review will be incorporated into the website version. Users of the *Cabinet Manual 2023* in book form are encouraged to check the website for updates regularly.

From time to time the Cabinet Office may issue Cabinet Office circulars to supplement or update guidance in the *Cabinet Manual*. The *Cabinet Manual 2023* refers to some current Cabinet Office circulars. These and other current circulars are available on the Department of the Prime Minister and Cabinet's website dpmc.govt.nz/cabinet-office-circulars.

Agencies are encouraged to consult the *CabGuide*, available at dpmc.govt.nz/cabguide, for current guidance on Cabinet and Executive Council processes.

## Inquiries

#### General

- 4.74 This guidance provides information on the different types of inquiry, and the principles that apply to their establishment.
- 4.75 Statutory inquiries, non-statutory ministerial inquiries, and standing statutory bodies with powers of inquiry have different powers and privileges, which should be considered when deciding on the most appropriate form of inquiry. Ministers and agencies may seek advice from the Attorney-General or Solicitor-General, and from the Cabinet Office and the Department of Internal Affairs, on matters relating to the establishment of an inquiry. Further guidance on statutory inquiries can be found in the Inquiries Act 2013 and on the Department of Internal Affairs' website.
- 4.76 All inquiries act independently of the government. Those conducting an inquiry may nonetheless consult with officials on technical matters and on the practical implications of any draft proposals.
- 4.77 All inquiries must follow the principles of natural justice.

## Statutory inquiries

- P 4.78 The Inquiries Act 2013 provides for three types of inquiry:
  - (a) Royal commissions;
  - (b) public inquiries; and
  - (c) government inquiries.
  - 4.79 These three types of inquiry have identical powers, and differ only in status, method of appointment, and the way they report back. The options allow a flexibility of approach in establishing an inquiry.
  - 4.80 The Inquiries Act 2013 is largely enabling. Where Ministers are satisfied that a matter of public importance requires an inquiry, the decision to then establish an inquiry is a judgement made by Ministers. There is no statutory threshold that determines whether or not an inquiry will be held.
  - 4.81 The Inquiries Act 2013 distinguishes between the roles of the appointing and the appropriate Minister. In the case of a government inquiry, the Minister who establishes the inquiry under section 6(3) of the Inquiries Act 2013 is known as the "appointing Minister". A government inquiry reports to the appointing Minister, and the appointing Minister makes the decision about any public release of the inquiry's report.
  - 4.82 The "appropriate Minister" in relation to any type of inquiry is the Minister who, under the authority of any warrant or with the authority of the Prime Minister, is responsible for the relevant agency administering the inquiry. The choice of appropriate Minister may simply follow from the choice of the relevant agency best suited to support the inquiry. In the case of a government inquiry, a Minister may be both the appointing Minister and the appropriate Minister.
  - 4.83 Which Minister will take responsibility for an inquiry is ultimately a matter for the Prime Minister to decide.

#### Royal commissions

- Q 4.84 Royal commissions are typically reserved for the most serious matters of public importance. They are appointed by the Governor-General, in the name of the Sovereign and on the advice of the Executive Council, under clause X of the Letters Patent Constituting the Office of Governor-General of New Zealand 1983 (see appendix B).
  - 4.85 The Inquiries Act 2013 applies to Royal commissions as if they were public inquiries.

### **Public inquiries**

- 4.86 Public inquiries may be established under the Inquiries Act 2013 for the purpose of inquiring into, and reporting on, any matter of public importance. A matter may require a public inquiry when it pertains to a particularly significant or wide-reaching issue that causes a high level of concern to the public and to Ministers.
- 4.87 A public inquiry is established by the Governor-General by Order in Council. The final report of a public inquiry is presented to the Governor-General, and must be presented by the appropriate Minister to the House of Representatives as soon as practicable thereafter.

#### **Government inquiries**

- 4.88 Government inquiries may be established under the Inquiries Act 2013 for the purpose of inquiring into, and reporting on, any matter of public importance. In practice, government inquiries typically deal with smaller and more immediate issues where a quick and authoritative answer is required from an independent inquirer.
- 4.89 A government inquiry is established by one or more Ministers by notice in the *New Zealand Gazette* and reports directly to the appointing Minister(s). There is no requirement that the report of a government inquiry be tabled in Parliament.

## Duties, powers, immunities, and privileges of statutory inquiries

- 4.90 All inquiries must act independently, impartially, and fairly.
- 4.91 An inquiry may regulate its own procedures as it considers appropriate, unless otherwise specified by the Inquiries Act 2013 or by the inquiry's terms of reference. This broad discretion allows a degree of flexibility in the level of formality required.
- 4.92 However, all public inquiries and government inquiries have statutory powers to require the production of evidence, to compel witnesses, and to take evidence on oath. Where powers of search and seizure are considered necessary, investigation by a specialist agency with these powers is more appropriate.
- 4.93 Where an inquiry is established under the Inquiries Act 2013, the exercise of statutory powers in relation to members of Parliament and parliamentary agencies will require the recognition of parliamentary privilege.
- 4.94 Witnesses and counsel are protected by the same immunities and privileges that they would have before the courts. Commissioners are also protected.
- 4.95 Inquiries may refer questions of law for determination by a court.

## Confidentiality

5.23 Discussion at Cabinet and Cabinet committee meetings is informal and confidential. Ministers and officials should not disclose proposals likely to be considered at forthcoming meetings, outside Cabinet-approved consultation procedures. Nor should they disclose or record the nature or content of the discussions or the views of individual Ministers or officials expressed at the meeting itself. The detail of discussion at Cabinet and Cabinet committee meetings is not formally recorded, or included in the minutes.

## Collective responsibility

## Principle of collective responsibility

- 5.24 The principle of collective responsibility underpins the system of Cabinet government. It reflects democratic principle: the House expresses its confidence in the collective whole of government, rather than in individual Ministers. Similarly, the Governor-General, in acting on ministerial advice, needs to be confident that individual Ministers represent official government policy. In all areas of their work, therefore, Ministers represent and implement government policy.
- 5.25 Acceptance of ministerial office (whether inside or outside Cabinet) means accepting collective responsibility. Issues are often debated vigorously in the confidential setting of Cabinet meetings, although consensus is usually reached and votes are rarely taken. Once Cabinet makes a decision, Ministers must support it (except as provided in paragraphs 5.27 5.29), regardless of their personal views and whether or not they were at the meeting concerned.

#### **Collective responsibility and coalition Ministers**

- 5.26 In a coalition government, Ministers are expected to show careful judgement when referring to party policy that differs from government policy. Subject to paragraphs 5.27 5.30 a Minister's support and responsibility for the collective government position must always be clear (see paragraph 6.18 on the difference between coalition and other formal arrangements between political parties).
- Coalition governments may decide to establish "agree to disagree" processes, which may allow Ministers within the coalition to maintain, in public, different party positions on particular issues or policies. Once the final outcome of any "agree to disagree" issue or policy has been determined (either at the Cabinet level or through some other agreed process), Ministers must implement the resulting decision or legislation, regardless of their position throughout the decision-making process.
  - 5.28 "Agree to disagree" processes may only be used in relation to differing party positions within a coalition. Any public dissociation from Cabinet decisions by individual coalition Ministers outside the agreed processes is unacceptable.

## Collective responsibility and Ministers from other political parties

- 5.29 Ministers from parliamentary parties supporting the government may be bound by collective responsibility only in relation to their particular portfolios, including any specific delegated responsibilities. Political parties may by agreement specify the circumstances in which a Cabinet or Cabinet committee minute records that a decision relating to the Minister's portfolio area is not consistent with a party's position. Outside of any such agreement, when such Ministers speak about issues within their portfolios, they speak for the government and as part of the government. When they speak about matters outside their portfolios, however, they may speak as political party leaders or members of Parliament rather than as Ministers, and do not necessarily represent the government position.
- 5.30 When such Ministers represent the government internationally, they speak for the government on any issues that foreign governments may raise with them in their capacity as Ministers. When they are overseas in a personal capacity, for example as party leaders, they are not bound by collective responsibility. The capacity in which they are speaking must always be clear to those present.

#### **Collective responsibility and Parliamentary Under-Secretaries**

5.31 Parliamentary Under-Secretaries are also bound by the principle of collective responsibility, except as provided in paragraphs 5.26 – 5.30. See paragraphs 2.48 – 2.50 for detail on the appointment of Parliamentary Under-Secretaries.

## Law officer function

5.32 Special provisions apply to the exercise of the Attorney-General's law officer function in the collective context (see paragraph 4.4).

#### Collective decision-making and government agencies

5.33 Once a decision is reached by Cabinet, particularly on a matter on which agencies hold differing views, both officials and Ministers need to take care when making comments or statements about the matter in the public arena. Comments or statements should reflect the fact that a collective government decision has been made. Officials may be required to comment publicly (for example, at a select committee hearing) on the effect of a particular decision on their area of operation. It is important that such comments are shaped as factually and neutrally as possible.

# **Exercise of Ministers' statutory powers and functions in the collective Cabinet context**

## Statutory decisions

5.34 Many statutes provide for individual Ministers to take certain actions or make certain decisions. In each case, the Minister must ensure that they consider all relevant matters and do not take into account irrelevant matters. Relevant matters will vary depending on the particular statute under which the decision is to be made. They may be expressly stated in the statute or implied (for example, in the purpose of the Act). If the Minister fails to consider all relevant matters in making a decision, or takes into account irrelevant matters, the decision may be susceptible to judicial review.

- 5.35 Ministers should, however, inform Cabinet of any exercise of an individual statutory power that merits attention at the Cabinet level (see paragraph 5.12 for a list of matters that should be taken to Cabinet). Informing Cabinet of the intended decision enables a Minister's colleagues to understand the basis on which the Minister intends to make the decision, and to defend the decision publicly and collectively.
- 5.36 Special considerations apply to protect the integrity of the statutory decision-making process when a Minister brings an item to Cabinet on a statutory decision or action they intend to make. Cabinet cannot make, or appear to make, a decision that the statute requires a Minister to make. Accordingly:
  - (a) the Cabinet paper should be presented in the form of an informative briefing for Ministers;
  - (b) Cabinet may provide a forum for Ministers other than the decision-maker to comment on and provide information on the intended decision, but the decision-making Minister may legitimately take into account only the information and comments that are relevant; and
  - (c) the Minister's intended decision should be noted rather than agreed to by Cabinet.
- 5.37 If Ministers are unsure about whether to take an issue concerning the exercise of a statutory power or function to Cabinet, they should seek guidance from the Prime Minister or the Secretary of the Cabinet. For further information about ministerial decision-making and judicial review, see paragraphs 4.19 4.26.

## **Statutory decisions and Executive Council**

5.38 In some cases, a Minister's statutory decision can be effected only by the Governor-General acting on the advice and with the consent of the Executive Council. The Executive Council is the formal institution through which the government collectively advises the Governor-General, and it is Cabinet that authorises the submission of items to the Executive Council. An individual Minister, therefore, can take an item to Executive Council only with Cabinet's collective agreement. See paragraphs 1.21 – 1.49 and the *CabGuide* for further information on the Executive Council.

# Cabinet and Cabinet committee procedures

## **Preparing and submitting Cabinet papers**

5.39 Papers are submitted to Cabinet committees and Cabinet to enable Ministers to make collective decisions based on sound information and analysis. Good papers reflect robust policy development and consultation processes, are informed by evidence and insights from diverse perspectives, and are analytically sound. They are succinct yet sufficiently comprehensive to provide Ministers with all the information they need to reach an informed decision. See the *CabGuide* for further information on the qualities of good policy advice and papers.

- Papers classified up to Sensitive or Restricted are submitted through the CabNet system, which is a secure electronic system for managing papers through the Cabinet and Cabinet committee process. CabNet is administered by the Cabinet Office, and access to CabNet material is limited to authorised users in Ministers' offices and agencies in accordance with specified access permissions. More highly classified papers or papers with Special Handling Required or Addressee Only endorsements are submitted in hard copy to the Cabinet Office, and are not handled or stored in CabNet (see the *CabGuide* for further information on CabNet).
- Ministers submit papers to Cabinet or Cabinet committees on issues concerning their own portfolios. All papers submitted through CabNet must be authorised for lodgement by the relevant portfolio Minister. Where a paper is submitted outside CabNet, the portfolio Minister's signature on the hard copy of the paper is required. If necessary, however, any Minister (including a Minister outside Cabinet but not a Parliamentary Under-Secretary) can sign a Cabinet or Cabinet committee paper on behalf of another. Ministers are responsible for the papers they submit to Cabinet and Cabinet committees and are expected to be fully conversant with them.
  - Associate Ministers may submit papers to Cabinet and Cabinet committees within their designated area of responsibility, provided that the portfolio Minister has been consulted and agrees that the paper may be lodged. This requirement may not apply if responsibility for the matter has been transferred to an Associate Minister because of a conflict of interest (see paragraph 2.76(c)).
  - 5.43 The Cabinet Office sets standards for the quality, preparation, and submission of papers for Cabinet and Cabinet committees. These standards are set out in the *CabGuide*.

## **Deadlines and late papers**

- 5.44 Cabinet and Cabinet committee papers must be lodged on CabNet, or submitted to the Cabinet Office as appropriate (see paragraph 5.40), before the relevant deadline, which is usually several days before a meeting. See the *CabGuide* for the current deadlines. Submitting papers on time ensures that Ministers have sufficient time to read and seek advice on papers, and to discuss them with colleagues if necessary.
- 5.45 If a Minister wishes to submit a late paper for Cabinet or a Cabinet committee, the Minister concerned should, by the deadline for the submission of the paper, seek the approval of the chair, through the Secretary of the Cabinet or the appropriate committee secretary, for acceptance of the paper, explaining why inclusion on the agenda is necessary (using the appropriate form set out in the *CabGuide*). The Secretary of the Cabinet or committee secretary will consult the Prime Minister or the chair of the committee, and advise the Minister of the outcome.

### Amendments to papers

Amendments to Cabinet or Cabinet committee papers already lodged on CabNet or with the Cabinet Office, as appropriate, will not be accepted unless the change is of a minor editorial nature. If a Minister wishes to make substantive amendments to a paper they have already submitted, the usual practice is to withdraw the original paper and submit a new one. For minor or technical amendments, a new version of the paper can be uploaded on CabNet.

- 6.19 Even when the composition of the government has not changed greatly, it has become standard for the government holding office before the election to be deemed the outgoing government and for all Ministers to formally resign, marking the end of that administration. The beginning of the new administration is then marked with a full appointment ceremony (see paragraphs 2.20 and 6.48).
- During the government formation process, before the incoming government is appointed, the outgoing government continues to govern, but it does so as a caretaker government governing under the caretaker convention (see paragraphs 6.24 6.40).

### Caretaker convention

#### General

- On occasion, it is necessary for a government to remain in office on an interim basis, when it has lost the confidence of the House or, after an election, until a new ministry is appointed following the government formation process. During such periods, the incumbent government is still the lawful executive authority, with all the powers and responsibilities that go with executive office. However, governments in this situation have traditionally constrained their actions until the political situation is resolved, in accordance with what is known as the convention on caretaker government.
- 6.22 There are two sets of circumstances in which the government would see itself bound by the caretaker convention.
  - (a) **After a general election**, one of the two arms of the caretaker convention applies until a new administration is appointed (see paragraph 6.24).
  - (b) If the government has clearly lost the confidence of the House, one of the two arms of the caretaker convention guides the government's actions until a new administration is appointed, following either negotiations between the parties represented in the current Parliament or a general election.
- 6.23 In both situations, the government is likely to state explicitly that it is to operate as a caretaker government until the political situation is resolved.

## P Principles of the caretaker convention

#### Two arms of the convention

- 6.24 There are two arms to the caretaker convention. Which arm applies depends on whether:
  - (a) it is not clear who will form the next government (see paragraphs 6.25 6.28); or
  - (b) it is clear who will form the next government, but they have not yet taken office (see paragraphs 6.29 6.30).

The principles that apply in each situation are set out in paragraphs 6.25 - 6.30.

Q

#### **Unclear outcome**

- 6.25 Where it is not clear which party or parties will form the next government after a general election or mid-term loss of confidence in the government, the following principles apply to government business (at every level).
  - (a) In general terms, the normal business of government and the day-to-day administration of the public sector may continue during the caretaker period.
  - (b) Decisions taken and specific policy determined before the start of the caretaker period may be implemented by a caretaker government (subject to paragraph 6.26).
  - (c) Matters may arise, however, that would usually require decisions, such as those concerning:
    - significant or potentially controversial issues;
    - issues with long-term implications that would be likely to limit the freedom of action of an incoming government (such as the signing of a major contract, or the making of a significant appointment);
    - national or local emergencies;
    - a major international event, crisis, or disruption;
    - new policy initiatives; or
    - changes to existing policy.
  - (d) Decisions relating to those matters should:
    - be deferred, if possible, until the political situation is resolved; or
    - if deferral is not possible (or is no longer possible), be handled by way of temporary or holding arrangements that do not commit the government in the longer term (for example, extending a board appointment or rolling over a contract for a short period); or
    - if neither deferral nor temporary arrangements are possible, be made only after consultation with other political parties, to establish whether the proposed action has the support of a majority of the House. The level of consultation might vary according to such factors as the complexity, urgency, and confidentiality of the issue (see also paragraph 6.37).
- 6.26 Occasionally a significant policy decision that was made before a caretaker period will need to be implemented during the caretaker period. Usually the implementation of such decisions can proceed during a caretaker period. If the proposed action would be difficult or impossible to reverse, however, it may be appropriate to consult other political parties about it.
- 6.27 The caretaker convention colours the whole conduct of government, and requires careful judgement by Ministers, public servants, Crown entities, and other public sector agencies as to whether particular decisions are affected.

6.28 There are no hard and fast rules. Ministers may need to take into account various considerations (including political considerations), in deciding whether it is appropriate or necessary to proceed on a matter and how the matter should be handled. Decisions will also be considered against the background that the incumbent caretaker government has lawful executive authority, until replaced or confirmed in office.

#### Clear outcome

- Where it is clear which party or parties will form the next government but Ministers have not yet been appointed, the outgoing government should:
  - (a) undertake no new policy initiatives; and
  - (b) act on the advice of the incoming government on any matter of such constitutional, economic, or other significance that it cannot be delayed until the new government formally takes office—even if the outgoing government disagrees with the course of action proposed.
- 6.30 Situations of this kind are likely to be relatively short-lived, as a swift transition between administrations is enabled by New Zealand's constitutional arrangements, including section 6(2)(a) of the Constitution Act 1986 (see paragraph 6.52).

## Decision-making process under the caretaker convention

#### **Public sector**

#### Day-to-day administration

6.31 The day-to-day administration of public service agencies and other agencies in the public sector will (in general terms) continue during the caretaker period. However, agency officials and board members and employees of other public sector agencies should always take into account the fact that they are operating in a caretaker environment, and exercise special care when making decisions during this time.

#### Public service agencies and non-public service departments

- Most decisions to which the caretaker convention applies are those relating to significant or potentially controversial issues, issues with long-term implications, new policy initiatives, or changes to existing policy. In the usual course of events, these decisions will be referred to the Minister. The Minister will decide (in consultation, if appropriate, with ministerial colleagues and/or the Prime Minister) how the convention applies and how the decision should be handled. The agency should be ready to provide advice (if required) on applying the caretaker convention, and the options for handling the decision in terms of the convention. The Secretary of the Cabinet is available for guidance.
- 6.33 On rare occasions, caretaker convention issues may arise in relation to matters that, under statute, fall solely within the decision-making authority of a chief executive or statutory officer. Where this happens, chief executives and statutory officers should observe the principles of the caretaker convention (see paragraphs 6.24 6.30) when making such decisions. The Secretary of the Cabinet is available for guidance.

#### **Government formation**

#### General

6.41 The process of government formation occurs most commonly following an election, but may be necessary if the government loses the confidence of the House mid-term. The principles and processes set out in paragraphs 6.42 – 6.47 apply in situations of both post-election and mid-term government formation.

## Principles and processes of government formation

- 6.42 The process of forming a government is political, and the decision to form a government must be arrived at by politicians. Government formation may involve one or more parties.
- In a case where government formation involves multiple parties, once the political parties have reached an adequate accommodation, and it is possible to form a government, it is expected that the parties will make appropriate public statements of their intentions. Where negotiations between parties are required, any agreement reached by the parties during their negotiations may need to be confirmed subsequently by the political parties involved, each following its own internal procedures.
- By convention, the role of the Governor-General in the government formation process is to ascertain where the confidence of the House lies, on the basis of the parties' public statements, so that a government can be appointed. It is not the Governor-General's role to form the government or to participate in any negotiations (although the Governor-General might wish to talk to party leaders if the talks were to have no clear outcome).
- 6.45 Accordingly, the Governor-General will, by convention, abide by the outcome of the government formation process in appointing a government. The Governor-General will also accept the political decision as to who will lead the government as Prime Minister.
- 6.46 During the government formation process, the Clerk of the Executive Council provides official, impartial support directly to the Governor-General, including liaising with party leaders as required on behalf of the Governor-General. The Clerk facilitates the transition between administrations if there is a change of government. The Clerk assists the outgoing and incoming Prime Ministers and provides constitutional advice, as appropriate, on any proposed government arrangements. See paragraphs 1.33 1.37 for further information about the role of the Clerk of the Executive Council.
- Parliament must meet not later than six weeks after the date fixed for the return of the writs for a general election (see section 19 of the Constitution Act 1986), although it may be summoned to meet earlier. If, following an election, a government has not yet been formed by the time that Parliament meets, the Address in Reply debate may resolve matters, as it provides an early opportunity for a confidence vote. If Parliament is in session following a mid-term government formation process, a vote of confidence may also usefully be initiated to demonstrate where the confidence of the House lies.

## **Outgoing Ministers**

Where a government formation process results in a change of administration, Ministers usually remain in office in a caretaker capacity until the new government is appointed, at which time the outgoing Prime Minister will advise the Governor-General to accept the resignations of the entire ministry.