



Cabinet

Amended Minute:
CAB Min (14) 34/1

Copy No:

Minute of Decision

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Process to Consider Changing the New Zealand Flag

Portfolio: Deputy Prime Minister

On 28 October 2014, Cabinet:

Background

- 1 **noted** that on 10 March 2014, Cabinet invited the Deputy Prime Minister to provide advice on a process to consider changing the New Zealand Flag (the flag), and determined that the process include the following aspects:
 - 1.1 all political parties represented in Parliament after the 2014 general election being invited to nominate a Member of Parliament (MP) to join a cross-party committee on the flag;
 - 1.2 public engagement, including the opportunity for people to submit designs and suggestions, and input from design experts;
 - 1.3 a commitment that any decision to change the flag be made through a referendum;
 - 1.4 a commitment that retaining the current flag will be a possible outcome and that there must be no presumption in favour of change;
 - 1.5 the overall process recommended to consider changing the flag needs to uphold the integrity of the final decision;

[CAB Min (14) 8/22]
- 2 **noted** that on 11 March 2014, the Prime Minister noted the need to discuss the flag formally, carefully and respectfully, allowing all New Zealanders to have their say, and indicated the timeframe for the process, as follows:
 - 2.1 the public engagement process to begin after Anzac Day 2015, following Gallipoli anniversary commemorations;
 - 2.2 the referendum process to be concluded suitably in advance of the 2017 general election, to allow this to proceed unimpeded;

Overall process and guiding principles

- 3 **agreed** that a process to consider changing the flag be undertaken;
- 4 **agreed** to the following principles to guide the overall process to consider changing the flag:

The process should be:

- 4.1 *independent*: the process is as apolitical as possible, with multi-party support and public input into decision-making;
- 4.2 *inclusive*: all perspectives are invited and considered from within New Zealand's diverse communities, including Maori as tangata whenua;
- 4.3 *enduring*: the outcome (whether change or status quo) is upheld and not revisited for a significant period;
- 4.4 *well-informed*: the public has access to information to enable it to make decisions;
- 4.5 *practical*: the process is workable, cost-effective, and implementation is possible;
- 4.6 *community-driven*: designs and suggestions come from the community;
- 4.7 *dignified*: upholds the importance of the flag as a symbol of our nationhood;
- 4.8 *legitimate*: all legislative and other requirements are followed;
- 4.9 *consistent*: with the Crown's Treaty of Waitangi obligations;

Governance

- 5 **noted** that the Deputy Prime Minister will be the Responsible Minister for the overall process, supported by the Department of the Prime Minister and Cabinet (DPMC) (project lead), the Ministry for Culture and Heritage, the Ministry of Justice, and other agencies as required;
- 6 **authorised** a group of Ministers, comprising the Responsible Minister, the Leader of the House, the Minister for Arts, Culture and Heritage, and the Minister of Justice, to have Power to Act to make decisions on policy, legislative and other issues that may be required throughout the process;
- 7 **agreed** to the establishment of a Project Secretariat based within DPMC, and reporting to the Clerk of the Executive Council;

New Zealand Flag Cross-Party MPs' Group

- 8 **agreed** to the Terms of Reference for the New Zealand Flag Cross-Party MPs' Group (CPG), attached at Appendix 2 to the paper under CAB (14) 541;
- 9 **noted** that the CPG, supported by officials, will:
- 9.1 nominate suitable candidates for the New Zealand Flag Consideration Panel and report to the Responsible Minister with nominations by 12 December 2014;

9.2 focus on the quality of the legislation enabling the referendum process, by reviewing the draft Bill to ensure that there are no gaps or issues of significant concern, and that the referendum questions and voting system are clearly expressed, and make recommendations to the Responsible Minister as necessary;

10 **noted** that the Prime Minister has written to all political parties represented in Parliament, inviting them to nominate a Member of Parliament to join the CPG;

New Zealand Flag Consideration Panel

11 **agreed** to the Terms of Reference for the New Zealand Flag Consideration Panel, attached at Appendix 3 to the paper under CAB (14) 541;

12 **noted** that the New Zealand Flag Consideration Panel, supported by the Project Secretariat, will:

12.1 design and lead the public engagement process, to commence after Anzac Day 2015, taking into account the guiding principles agreed by Cabinet;

12.2 undertake other research as required to ensure that a range of suitable alternative designs are available, that any proposed designs are workable, and that there are no legal or other impediments to the choice of proposed designs;

12.3 report to the Responsible Minister by 21 August 2015 with a shortlist of alternative flag designs, in time for Cabinet to approve the alternative flag designs to be voted on in the first referendum;

12.4 assist with ongoing communications to help provide information to the public about the alternative flag designs to be voted on in the first referendum;

Referendum structure

13 **agreed** that the first referendum be a single vote between three to four alternative flag designs, followed by a second referendum which is a single vote between the most preferred alternative flag design and the current flag;

New Zealand Flag Referendum Bill

14 **agreed** that a New Zealand Flag Referendum Bill (the Bill) be included in the 2014 Legislation Programme with a category 6 priority (drafting instructions to be issued to the Parliamentary Counsel Office in 2014);

15 **noted** that the Responsible Minister will seek to include the Bill in the 2015 Legislation Programme with a category 2 priority (must be passed in 2015);

16 **agreed** that the Bill provide for:

16.1 two postal referendums to consider the flag;

16.2 the outcome of the referendums to be binding;

16.3 the questions to be asked in each referendum;

16.4 the timing of the referendums;

- 16.5 eligibility to vote (only those persons eligible to enrol on the New Zealand electoral roll will be able to vote in the referendums);
- 16.6 all aspects of each referendum’s administration and voting paper other than the alternative flag designs;
- 16.7 a regulation-making power to insert the alternative flag designs into a ballot paper by Order in Council;
- 16.8 implementation and transitional arrangements;
- 17 **invited** the Responsible Minister to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above decisions;
- 18 **authorised** the Responsible Minister to make any necessary minor or technical decisions that arise during the drafting process;
- 19 **agreed** that the draft Bill as approved by the Responsible Minister be made available to the CPG for its consideration prior to finalisation and submission to the Cabinet Legislation Committee, and to make recommendations to the Responsible Minister if necessary;

Financial implications

- 20 **agreed** to establish the following new appropriation:

Vote	Appropriation Minister	Title	Type	Scope
Prime Minister and Cabinet	Deputy Prime Minister	Supporting Flag Consideration Process	Departmental Output Expense	This appropriation is limited to advice and services to support public engagement and decision-making in the process to consider New Zealand’s Flag.

- 21 **approved** the following changes to appropriations to give effect to the decisions in paragraphs 7, 8, 11, 13, 14, 16, and 19 above, with a corresponding impact on the operating balance:

	\$m – increase/(decrease)				
	2014/15	2015/16	2016/17	2016/17	2018/19 & Outyears
Vote Prime Minister and Cabinet					
Deputy Prime Minister					
Departmental Output Expense: Supporting Flag Consideration Process	4.886	-	-	-	-
Vote Justice					
Minister of Justice					
Multi-Category Expense: Justice Policy Advice and Related Services MCA		-	-	-	-
Departmental Output Expense: Justice Policy Advice	0.292				
Non-Departmental Output Expense: Electoral Services	0.75				
Vote Arts, Culture and Heritage					
Minister for Arts, Culture and Heritage					
Multi-Category Expense: Policy Advice	0.128				
Total operating	6.056	-	-	-	-

- 22 **agreed** that any of the additional funding approved in paragraph 21 above which is unspent in 2014/15 be available for transfer to 2015/16, as necessary;
- 23 **authorised** joint Ministers (i.e. the relevant appropriation Minister and the Minister of Finance) to confirm the transfer to 2015/16 of any underspends as described in paragraph 22 above, following finalisation of audited year-end accounts for 2014/15;
- 24 **agreed** that the changes to appropriations for 2014/15 above be included in the 2014/15 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 25 **agreed** that the expenses incurred under paragraph 21 above be a charge against the between-Budget operating contingency established as part of Budget 2014;
- 26 **agreed** to further funding in 2015/16 of up to \$19.668 million as a pre-commitment against the Budget 2015 operating allowance;

- 27 **noted** that this pre-commitment will reduce the operating allowance available for Budget 2015 by a commensurate amount;
- 28 **noted** that the final amount appropriated will be confirmed through the Budget 2015 Cabinet paper;

Publicity

- 29 **invited** the Prime Minister to release a media statement confirming the process and timeframe to consider changing the flag, and noting that the Prime Minister has written to all party leaders inviting them to nominate a representative for the CPG;
- 30 **noted** that the paper under CAB (14) 541 and its appendices will be made publicly available as soon as practicable after Cabinet decisions have been made.

Secretary of the Cabinet

Reference: CAB (14) 541

Secretary's note: This minute has been reissued to correct a technical error in the table in paragraph 21.
