



ANALYSIS

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1998, No. 9

An Act to amend the Earthquake Commission Act 1993

[27 March 1998]

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title and commencement—(1) This Act may be cited as the Earthquake Commission Amendment Act 1998, and is part of the Earthquake Commission Act 1993 (“the principal Act”).

(2) This Act comes into force on the day on which it receives the Royal assent.

2. Directions by Minister—(1) Section 12 of the principal Act is amended by inserting, after subsection (1), the following subsections:

“(1A) The Minister may, in giving any written directions under subsection (1) in relation to the exercise of the Commission’s functions under section 5 (1) (c) or section 5 (1) (d), or both, take account not only of the objects and policy of this Act, but also of 1 or more of the following matters:

“(a) The Crown’s current and possible future overall financial position, having regard to the requirement in section 16 to grant or advance public money to meet any deficiency in the Commission’s assets to meet its liabilities:

“(b) The Crown’s current and possible future overall financial position, taking into account the interests of the Crown in the bodies referred to in section 27 (3) (a) to (d) of the Public Finance Act 1989:

“(c) The Commission’s current and possible future overall financial position.

“(1B) Without limiting subsections (1) and (1A), written directions under subsection (1) may specify detailed requirements or prohibitions, or both, to which the Commission must give effect in exercising its functions under section 5 (1) (c) and section 5 (1) (d).”

(2) Section 12 of the principal Act is amended by inserting, after subsection (2), the following subsections:

“(2A) An action done or omitted by the Commission in giving effect to a direction under subsection (1) is valid.

“(2B) Subsection (2A) does not apply to the extent that a direction under subsection (1) permits the Commission to exercise a discretion, and the Commission does not exercise the discretion or does not exercise the discretion validly.”

3. Previous directions declared valid—Every direction given, or deemed to be given, under section 12 of the principal Act before the commencement of this Act, and every action done or omitted by the Commission to give effect to such a direction, is and has always been valid.

This Act is administered by the Earthquake Commission.
