

Parker tries again for some sort of water tax

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David Parker's announcements of new Maori and wider stakeholder groups to consult on nutrient limits in freshwater bodies represent his latest attempt to have commercial water users pay for the privilege. A key consideration is the desire by owners of under-developed Maori land to have access to water rights, meaning they will need access to newly created nutrient budgets.

Lucky escape in nurses' decision

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The Beehive has become overly panicked by the Press Gallery's obsession with business confidence and the ferocity of employer groups' campaigns against labour law reform. It would have faced far greater political fallout if nurses had voted to strike rather than accept the DHBs' offer, just as teachers start their wage claims, which almost certainly will see strikes called. A nervous business community is one thing. Industrial anarchy in essential services is another.

NZ First's influence

Pages 3&6

Winston Peters pushed hard for the appointment of Greg Miller, CEO of Toll Holdings in NZ till earlier this week, to take over from Trevor Janes as chair of KiwiRail. Miller fits the 'shitkicker' mould that NZ First seeks for agencies it wants to use for economic impact. NZ First's hand is also visible in a much-changed approach to Landcorp and in SOE board changes.

Unwelcome advice

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The Beehive is tiring of the public commentary and unsolicited offers of advice coming from former Labour ministers, including former PM Helen Clark.

Trade tensions to weigh on currency

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Hopes earlier in the year that a full-blown international trade war would not develop appear now unlikely to be met. We see renewed pressure on the value of the NZ dollar if tariffs of the size and scale proposed against China by US President Donald Trump proceed.

Culture wars heating up

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The emergence of polarised debate on free speech should be a warning to the govt about the potential for so-called 'culture wars' to become a growing political issue. The focus on the Assistant Police Commissioner's attitudes to women, the banning of single use plastic bags and Don Brash's right to speak on a university campus all sit on the faultline between progressive social change and 'nanny state-ism'.

New Crown infrastructure decision-making body soon

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Proposals for a new, more strategic, accountable Crown infrastructure planning and funding body are almost ready to go to the Cabinet.

Parker tries again on Maori and freshwater

A year ago, David Parker was promoting the electorally damaging Labour policy – now abandoned – to apply a tax on water takes. It was the latest frustrated attempt to apply a price to water, which Parker first tried as Minister of Energy in the mid-2000s. His NZ Power policy, which some blamed for Labour's loss in 2014, was another attempt.

Now, it appears Parker is seeking to put a price on nutrient discharges to create a polluter pays tax that should also drive water allocation decisions towards cleaner freshwater bodies.

Parker is determined to show improvements in national freshwater quality within five years, so urgently needs progress on nutrient allocation – if not water allocation.

However, these remain issues that have been vexed to the point of near-insoluble for most of the last two decades, especially because he court-recognised Maori claims to rights and interests in freshwater are in the mix. **Labour will not risk another 'foreshore and seabed'-style rift with Maori voters.**

In the absence of the now-disbanded Land and Water Forum, and given the antipathy between the Iwi Chairs Forum and both the Labour and NZ First parties, Parker has now announced the creation of two new consultative bodies on freshwater.

The first, Kahui Wai Maori aka the Maori Freshwater Forum, explicitly reduces the influence of the Iwi Chairs' Form. Parker broke the news at a hui at Turanagawaewae where he told the forum – seen as too influential with the last govt – the new group was to “broaden the conversation with Maori on freshwater”. The group has yet to be appointed, as does a wider freshwater policy forum involving other stakeholder groups. The ICF is reserving the right to take the issue to court although so far that threat has been no more than bluster. Its statement on the new group supported Parker's desire to see nutrient allocation organised on a catchment-by-catchment basis.

Irrigators sought comfort in the announcements, which they see as further strengthening the case for 'water storage schemes' - aka irrigation initiatives.

Decisions close on Infrastructure Commission

A draft Cabinet paper on reorganising how govt infrastructure is planned for and procured has been revised and Cabinet is now expected to make a decision on an **Infrastructure Commission**

within a fortnight, with a keynote address by **Infrastructure Minister Shane Jones** scheduled for the **Infrastructure NZ Building Nations Symposium 16/17 August 2018** in Auckland.

The Cabinet decisions are understood to focus on: decision rights, the **commission's independence**, and how it will operate. The govt is expected to opt for full independence (as per Australia), although officials expect it could become an independent body in the future and its remit could ultimately include so-called '3 waters' infrastructure.

The commission is likely to borrow from the Infrastructure Australia model, which Jones has studied and which strategically audits Australia's nationally significant infrastructure and develops 15-year rolling infrastructure plans that specify national and state level priorities.

However, the **political risk created by the fragility of the construction industry** will only be mildly assuaged by such structural changes to govt procurement, which affect only part of the market and will take years to have enduring impact.

Treasury is consulting with companies, banks and Infrastructure NZ.

Nurses settlement – a lucky escape for returning Ardern

There were some mighty relieved govt strategists on Tuesday this week when the NZ Nurses Organisation voted to accept the half-billion dollar pay offer from DHBs.

There had been serious fears that nurses would call the govt's bluff over there being 'no more money' for nurses and strike anyway.

With teachers beginning talks on a claim for a 15% pay increase this week, the govt risked looking unable to control two of its hotbeds of traditional support – nursing and teaching.

A winter of hospital and school closures caused by strikes risked far greater political damage to Labour than the current, overblown focus by the political media (rather than the business press) on declining business confidence.

As TVNZ's latest Colmar-Brunton poll showed, Labour is failing to increase its popularity. That is notwithstanding PM Ardern's personal standing and the fact its two partner parties are now both back above the 5% MMP threshold for parliamentary representation.

Teachers determined to strike

The looming teacher pay talks are certain to be a

harder fought affair than the negotiation with the NZNO. The primary and secondary teachers' unions are well-organised – "a force of nature" as one senior NZEI executive member puts it – compared to the NZNO, which had trouble exerting authority over a fractious membership.

Both **Health and Education Ministers David Clark and Chris Hipkins** are said to be **seeing the hand of a band of youthful social justice activists** in social media agitation that proved effective in mobilising nurses' opinion against the NZNO's initial recommendations.

Budget figures indicate the **govt has plenty of fiscal headroom to make a substantial offer** to teachers.

Some \$760m of unallocated contingency funding was available in the current financial year for various costs, including unsettled wage claims. The nurses' settlement is understood to have claimed about \$170m of that. With contingency allocations running into future years, that leaves close to \$600m, of which a higher -than-forecast teachers' pay settlement could be drawn.

Next year's \$760m of unallocated contingencies is on top of the \$2.4b already earmarked as new spending in each of the next three fiscal years. That said, there are huge competing demands on these funds. Expect discussion to centre on the need to reposition teaching as a valued profession, and the emergence of top-up payments in areas, like Auckland, where housing is expensive.

National Party conference – in good heart, as well as denial

Political media have made much of the failure by Simon Bridges to build a stronger 'preferred PM' following than the gov't's stalled ratings. However, Bridges is polling no more poorly than various Labour party leaders of the last decade, or many other Opposition leaders early in their tenure.

Rather, National's continued standing above Labour in this widely watched poll and others is encouraging to National which appeared in good heart at its annual conference a fortnight ago. There is **no pressure to change leaders** and has no obvious replacement for Bridges anyway.

However, National has **no credible coalition partner** at the next election – a fact that seemed not to concern conference-goers. A large number of National MPs will argue National could hope to govern alone if either minor party fails to reach 5% in 2020 – **more or less the FPP electoral system strategy that failed for National last year**.

Others hope for and, in some cases are working for, the revival of the Maori or TOP parties. A few admit there is no obvious partner, other than NZ First.

The level of denial about this problem at the highest levels of the party was on display in party president **Peter Goodfellow's ad hominem attack on Winston Peters**, who claimed in his last press conference as Acting PM to have "given no thought" as yet to succession planning for the NZ First leadership.

Unis delighted with new student work rights

Universities have received everything they asked for in the gov't's new rules covering work rights for international students. Their biggest concern was the capacity for NZ employers – too often expat Indian and Chinese businesses – offering to sponsor students into jobs in exchange for substantial up-front sums.

By removing the employer sponsorship requirement, that door closes. Chris Hipkins also unveiled a refreshed international education strategy that places greater emphasis on student experience and quality of learning than in the past, where it was felt too much emphasis was placed on the sector's economic potential.

Peters's candidate gets KiwiRail chairmanship

Winston Peters lobbied hard for the appointment of outgoing **Toll Holdings CEO Greg Miller** to chair KiwiRail, precipitating the departure of incumbent CEO **Peter Reidy** to a senior role at **Fletcher Construction**.

Grant Robertson wasn't an early fan of the appointment either. Miller was ceo of **TranzRail** when the **Helen Clark** govt bought it back from Toll in 2003 and one of Peters's inner circle of business community contacts.

It is no accident that Miller as also appeared on the working group for the **Upper North Island Supply Chain Study**, announced this week and to be chaired by Northland corporate fixer **Wayne Brown**.

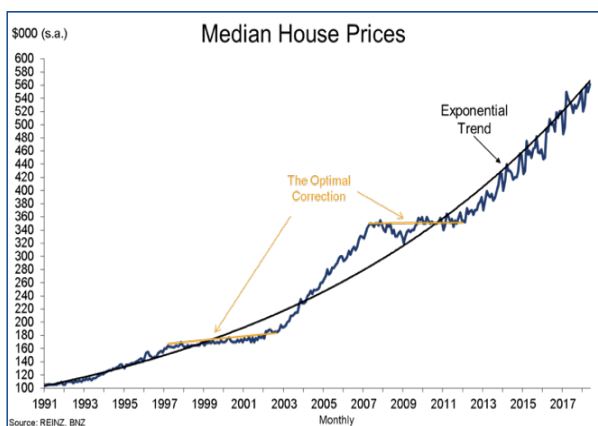
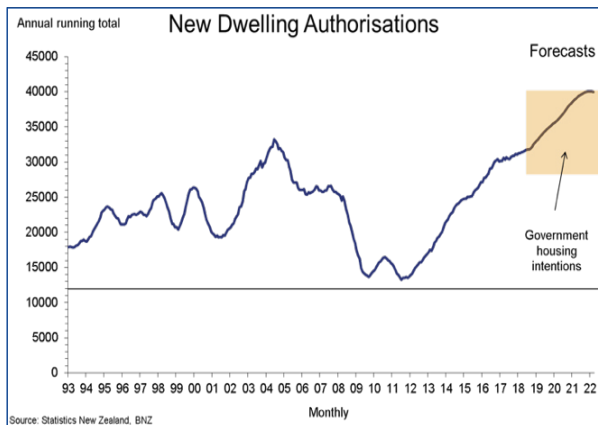
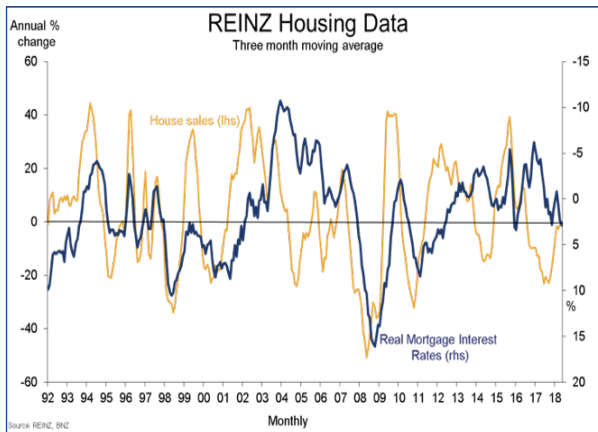
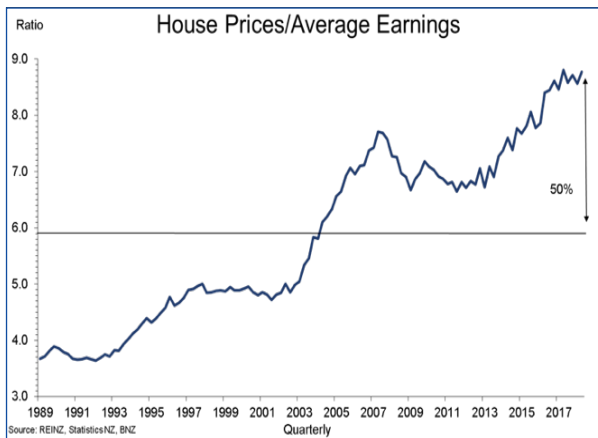
With the departure of **Trevor Janes** and **Paula Rebstock** as chair and deputy chair respectively, KiwiRail is facing a complete change of senior leadership at a critical time in its development as an

ComCom's focus

Priority areas of focus for the Commerce Commission in 2019 will be:

- retail telecommunications;
- responsible lending;
- online retailing;
- motor vehicle sales;
- non-notified mergers; and
- electricity distributors' service quality.

DOMESTIC ECONOMY



Housing boom over, capacity constraints dictate pace of building

The rate of new home construction is forecast to rise more slowly between now and 2020 than was expected a year ago, MBIE's newly published 2018 National Construction Pipeline Report shows. It now estimates it will take until 2022 for total construction sector activity to break through \$40b in one year, versus a prior forecast of 2020.

That outlook was characterised by **Housing Minister Jenny Salea** as signalling a mature cycle of activity rather than the usual NZ boom-bust cycle, but it equally indicates capacity constraints and low productivity in the construction sector is hampering the ability to meet unmet demand.

The report also showed a much swifter shift to apartment and multi-unit dwelling construction than forecast a year ago. However, residential building consents fell 7.6% in June after rising 6.9% in May.

For now, Auckland house price inflation has stalled. The median price for a house in Auckland was \$810,000 in July, unchanged on the year and the month, says **Barfoot & Thompson**. Volumes were 11% higher on the year but down 8% on month.

Trade tensions – getting serious

The likelihood of negative impacts on NZ from the scale and volatility of the emerging international trade war is growing. While counter-punching tariffs imposed in the fisticuffs so far have been modest, if the US proceeds with another 25% tariff on \$200b of Chinese imports, that adds a whole new level of risk for the global economy. Any final decision might come early-mid Sept and that will be crucial for the NZD outlook. A US tax on all Chinese imports is the next possible threat to be actioned. Meanwhile, the threat from President Trump that any country trading with Iran will face sanctions further complicates a world trading system under serious strain, particularly the inability of the WTO to appoint new adjudicators.

The govt here may find its arguments in favour of trade agreements easier to win among a sceptical public if export markets start to close or trade friction slows global growth appreciably.

The current NZD spot rate is about 6% below short-term fair value estimates, reflecting the more uncertain outlook. A further lurch down, perhaps below US65 cents, should be anticipated on any fresh tariffs on the scale proposed. On the other hand, a de-escalation of trade tensions could see the NZD recover towards 0.70.

No rates move before 2020: Orr

The RBNZ is anticipating a combination of weaker growth and higher inflation, and is putting greater weight on growth concerns than signs that inflation is reawakening. This week's monetary policy statement showed inflation forecasts were little changed from May and June but the RBNZ still lowered its interest rate track and used an openly dovish tone. Where the OCR was seen rising in late 2019, no adjustment before 2020 is now expected and the next move "could be up or down".

The central bank said it "welcomes early signs of core inflation rising", but would "look through" higher global oil prices, fuel excise increases and a weaker exchange rate. Under its higher inflation scenario, the bank raises the cash rate by 50 basis points more than its central scenario but would cut by up to 100 points if growth was weaker than anticipated.

If inflationary pressures are building more and last longer than the RBNZ is expecting, it may have backed itself unnecessarily into a corner with its current positioning and may be missing the chance to start normalising interest rates sooner rather than later. While earlier expectations of a rate rise in May 2019 require revision, a rate hike in August next year can't be ruled out, even if the anticipated peak in the OCR track now looks more like 2.75% than 3%.

Either way, slowing growth and falling inflationary pressures at the end of the economic cycle could remove any need to raise or lower rates for a very long time.

Well-being consultation

Stats NZ launched a formal consultation on how well-being is defined and should be measured. The work will feed into Treasury thinking on how to implement measures of well-being across four broad areas: natural, financial/physical, human and social capital in developing a Living Standards Framework, which in turn will inform the govt's first "Well-Being Budget", next year.

Economic indicators

Unemployment was 4.5% in the June quarter, above forecasts for 4.4%, and wage inflation remained tepid. **Stats NZ** measured private sector wage inflation at 0.6% in the quarter for a 2.1% annual increase.

The **ANZ commodity price index** fell 3.2% in July and is down 0.2% from a year earlier. Dairy prices drove weakness, down 6.5% in July with butter prices leading declines, down 8.9% from June.

New vehicle registrations increased 6% to 12,324 in July from the same month a year earlier. ■

Continued from page 3

agent of govt transport, regional development and climate change policy.

Ambitious plans to extend national rail services and an urgent need to upgrade elderly locomotives and rolling stock suggest **the SOE may seek as much as \$1b a year in ongoing additional funding**. However, even half that will be difficult for the Cabinet to fulfil.

Pipe down, Helen

The uninvited public musings of **former PM Helen Clark** on issues of the day are beginning to wear thin in the Beehive. Clark is one of several ministers of that era, including **Michael Cullen, Pete Hodgson** and **Annette King**, who still seek and carry serious clout with the Ardern-led govt.

However, the perception that Ardern is taking advice from Clark, particularly on NZ's foreign affairs stance, is becoming grating. Insiders suggest the phone traffic is mainly one-way: incoming to the PM's Office.

Talk is turning to finding her a diplomatic role, although London is filled by former G-G Sir Jerry Mataparae, who has his own mana and has been in-post for less than a year. Clearly, Clark's long-standing antipathy to US foreign policy would be a provocative choice to replace Tim Groser in Washington DC.

Groser's return to Wellington after only three years is being spun both as a 'recall' and a 'decision not to extend'. While failure to get exemptions on US steel and aluminium tariffs is cited among reasons for his return, there are a clutch of other issues at the Washington embassy, ranging from indiscreet Twitter activity by a senior staffer, the charging of a senior defence attache over a camera in the embassy's women's toilets, and displeasure over large payments to a DC lobbying firm who secured Trump fan and ageing film star **Jon Voight** to the embassy's widely noticed presidential inauguration party.

PGF funding guidelines

Guidelines for funding applications to the Provincial Growth Fund have been released and include encouragement of "co-investment with private investors and businesses".

The fund will consider proposals in three broad tiers: regional projects, capability-building and feasibility studies; sectors, including the One Billion Trees initiative; and infrastructure.

Applications are more likely to succeed if they refer to an existing regional action plan. ■

CORPORATE ROUND-UP

Primary sector

Fonterra cut its 2018 season milk price to farmers to \$6.70 per kilogram of milk solids from \$6.75/kgMS, citing global market weakness, the costs of a damages payment to **Danone**, and writedowns on its **Beingmate** investment. Its 2019 forecast for \$7/kgMS is unchanged.

A2 Milk will pay \$162m for another 8.2% of **Synlait Milk** at a small discount, lifting its holding in the dairy processor to 17.4%. The shares will come from Tokyo-listed **Mitsui & Co**. Views on the outlook for a2 Milk, the best performing stock on the S&P/NZX 50 Index last year, are widely divergent with one broking house this week reinstating an 'outperform' rating based on its potential for future global growth, while another downgraded it to 'sell' saying excess product is starting to build in Australia.

PGG Wrightson has agreed to sell its seed and grain business to Danish cooperative DLF Seeds for \$421m in cash and \$18m of debt repayment, and signalled it may return up to \$292m to its shareholders. The seed and grain unit is the largest of PGG Wrightson's three core businesses.

NZ's **beef cattle** herd increased by 1.9% over the past year to 3.6m, according to Beef + Lamb. Total sheep numbers eased 0.8% to 27.31m, due to a decrease in breeding ewes for all regions.

MyFarm Investments has launched a \$17.6m investment fund offering investors exposure to increasingly sought-after Kiwi hops used in both local and international craft beer brewing.

Landcorp – from zero to hero

The govt-owned farm SOE, **Landcorp**, struggled under a National-led govt to prosecute its desired agenda, which would see it **start moving out of traditional dairy** into sheepmilk, forestry and non-animal proteins.

That has all changed since the change of govt, crowned by the **Cabinet's recent rejection of Treasury advice** and supporting Landcorp's business case for investment in sheepmilk processing facilities in the Waikato.

Landcorp's Statement of Corporate Intent (SCI) for 2018/19, due shortly, is expected to give careful endorsement to the company's ventures into **farming in a world where cow-derived dairy goes into decline**.

At first, the **Treasury blindsided SOE Minister Winston Peters** into signing off an explicit instruction before Christmas 2017 to pursue dividends and curtail experimental activity. That caused some embarrassment. **Associate Minister, Shane Jones**,

who holds delegated authorities for Peters, is now driving policy for both Landcorp and KiwiRail, which the Ardern govt sees as **policy instruments to affect key elements of its economic change agenda**. That applies particularly to transport infrastructure, climate change, and freshwater policy goals.

Landcorp's long-held desire to rebrand as **PAMU** may also come to pass, with the primary production select committee recommending the change asap. That would be another win after years of objection from National, where the influence of Bill English – a climate change sceptic and fan of family over corporate farming – strengthened the Treasury's hand in pushing Landcorp to 'stick to its knitting'.

The previous govt's appetite for SOEs taking commercial risks also all but evaporated after the collapse of state-owned coal miner **Solid Energy**, in 2013.

Now, a bevy of key Ministers is engaged with Landcorp's plans, including **Grant Robertson, David Parker, Jones, James Shaw and Damien O'Connor**.

That is a remarkable turnaround from a couple of years ago, when the Greens in particular regarded Landcorp as a legitimate political target because of an earlier period of enthusiasm for dairy conversions. The SOE is now looking at how to return dairy land on the Canterbury Plains to other uses, including forestry and non-animal proteins.

Similar interest in new protein sources is rising across the dairy sector, albeit not as yet visibly from **Fonterra**. **Westland Milk** this week announced a strategic review, driven in part by an outlook for long term falling dairy production, while **Miraka** and **Synlait** are also evaluating non-animal protein options.

Underpinning its new positioning, Landcorp and conservation group **Forest & Bird** signed an MoU this week on jointly "researching, implementing, and promoting agricultural practices that protect the natural world".

Meanwhile, the hunt is on to **replace chair Traci Houpapa**, who was not reappointed when her term recently expired.

Telecommunications

Spark says it can build a 5G mobile network within its current capex plan and plans to divert funds from 4G and 4.5G plans as soon as it has spectrum for 5G. It would offer additional capacity at a lower incremental cost than 4G and 4.5G technology. CEO **Simon Moutter** strongly backed a competitive provision model for 5G, rather than the UFB-style shared network favoured by regulated network operator **Chorus**.

Energy

Former PM Jenny Shipley will step down as **Genesis Energy** chair in Oct, to be succeeded by ex-ASB Bank CEO **Barbara Chapman** in her first chairing role. Shipley was long-serving but the change comes as the new govt's clean-out of SOE and govt-controlled company boards continues. There are suggestions the reappointment of **Joan Withers** as chair **Mercury** cannot be taken for granted.

Contact Energy is selling its **Rockgas** LPG business to gas network operator **Gas Services NZ Midco** for \$260m. Contact will still offer LPG. It bought the unit from its former cornerstone shareholder, **Origin Energy**, for \$156m in 2007.

The **Commerce Commission** fired a shot across **electricity distribution companies'** bows about the quality and variety of the sector's asset management plans, which feed into regulated pricing.

OMV received ComCom permission to acquire the remaining assets of **Shell NZ**.

Construction

PwC's Lara Bennett, John Fisk and Richard Longman were appointed as receivers to Wellington-based **Ebert Construction**, after warnings a number of struggling projects in Auckland would face more pressure owing to substantially increasing costs.

Steel & Tube plans to raise about \$81m to repay debt and strengthen its balance sheet as it restructures its business under new management. Of that, \$21m will be raised in a placement at \$1.15/share followed by a fully underwritten pro rata 1 for 1.9 rights offer at \$1.05/share. The company expects to post a loss in the 2018 financial year to the end of June and won't pay a dividend. The capital-raising attracted several new NZ and Australian institutional investors.

Tourism and entertainment

Millennium & Copthorne Hotels NZ reported a 24% lift in 1H profit to \$31.8m as it benefited from growth at NZX-listed residential property developer CDL Investments and a steady tourism market. Revenue lifted 22% to \$127.5m as its average hotel occupancy rose to 83.2% from 81.3%.

SkyCity lifted FY earnings more than forecast as its high-roller business recovered and its flagship Auckland casino improved. It expects "modest growth" in earnings in the current financial year. Ebitda lifted 5.5% to \$338m in the year ended June 30, ahead of the company's forecast for growth of about 3%.

Banking, finance, and insurance

Suncorp says it is watching the govt's initiatives

to reform financial services regulation carefully, citing to insurance levy collection, financial advice licensing, insurer conduct, insurer licensing, and privacy regulation as areas of focus for an activist administration. The local division of the Brisbane-based insurer reported earnings to \$148m in the year to June 30 from \$87m a year earlier. Its major brands are **Vero, AA, and Asteron**.

Start-up KiwiSaver provider **Simplicity NZ** has shifted into positive cash flow after two years' operations and is now managing more than \$400m of assets, preponderantly in its 'aggressive' fund. It reported a deficit of \$380,000 in the year ended March 31, compared to a deficit of \$147,000 a year earlier.

Healthcare and retirement

Summerset Group CEO Julian Cook says the settlement between hospital nurses and DHB employers – coupled with current immigration settings – adds to growing pressure in the retirement sector and if steps aren't taken people may eventually have to be turned away. DHBs need to "look at this seriously and effectively pass on sufficient funding to allow us to match those wage increases," Cook said.

Private healthcare provider **Green Cross Health** will increase what it charges the govt for community health services as a result of recent pay equity and guaranteed hours legislation.

Technology and innovation

Gentrack Group completed its \$90m capital raise with a retail shortfall bookbuild conducted.

Pushpay delivered 1Q revenue within guidance and has reshuffled its senior management after another abrupt executive exit. The Auckland-domiciled, US-headquartered company's revenue for the 3 months ended June 30 was US\$21m, within its guidance and up 53% on the year earlier.

Manchester Management Co, a private US biotech and life sciences fund, will take a 1.7% stake in cancer diagnostics firm **Pacific Edge**.

Corporate actions

Air NZ chair Tony Carter will retire in Sept 2019 and be replaced by current director **Therese Walsh**. Carter has held the role of chairman since 2013 after joining the board in 2010 and had previously told the board that 2019 was likely to be his final year at the helm of the national carrier.

Kim Campbell will leave the **Employers and Manufacturers' Association** in Nov. after eight years at the helm. ■

LEGISLATION

Waka-jumping filibuster

Parliament completed the third week of a four week session, with govt legislation starting to outweigh bills left over from the last Parliament. **Legislation on new overseas investment rules and the Reserve Bank Act featured**, as did the 11 hour Estimates Debate. The Electoral (Integrity) Amendment or so-called 'waka-jumping' bill saw National filibuster and mock the Greens or supporting it and the **govt se extend sitting hours provision to progress the bill**. There was late controversy over the passage of Green MP Jan Logie's bill placing a **duty of care on employers for victims of domestic violence**, which had largely escaped media and employer notice.

Cannabis law reform, both the current bill on medicinal use and a proposed referendum on wider decriminalisation, are increasingly occupying MPs' minds, as is the **assisted suicide legislation**, with a select committee hearing thousands of submissions around the country.

- *Italics denote update from previous edition of Hugovision*
- *A full compendium of the legislation before the House is available on The Hugo Group website, www.thehugogroup.com*

Bills Introduced

Reserve Bank of New Zealand (Monetary Policy)

Amendment Bill: *Introduced July 23 following the first phase of govt's review of the Reserve Bank Act. Its two main objectives are: amending the objectives of monetary policy to require consideration of maximum sustainable employment alongside price stability; and establishing a monetary policy committee to make policy decisions, rather than Governor alone. First reading completed on July 26 with National and ACT opposed to watering down the focus of monetary policy. Referred to the Finance and Expenditure Committee with a report back due by Dec 3.*

Canterbury Earthquakes Insurance Tribunal Bill:

Introduced Aug 1 to establish the tribunal, to help resolve insurance claims between policyholders and insurers covered by the Earthquake Commission Act.

Regulatory Systems (Economic Development)

Amendment Bill: *Introduced July 11, one of three omnibus bills amending legislation administered by MBIE and addressing regulatory duplication, gaps, errors, and inconsistencies. The bills also update legislation and aim to reduce compliance costs.*

Bills in Progress

Financial Services Legislation Amendment Bill:

Introduced on Aug 3 2017. Creates a new regulatory

regime for financial advice. The new govt extended consultation for a new code of conduct for financial advice. *Reported back on July 31 with a wide range of changes.*

Overseas Investment Amendment Bill: Introduced on Dec 14. The bill class residential and lifestyle housing and land as sensitive under the Overseas Investment Act and only makes it sale possible to non-residents under limited circumstances. *Committee stage began on Aug with National strongly opposing and filibustering.*

Tribunals Powers and Procedures Legislation Bill

and Courts Matters Bill: Introduced Aug 1 2017. *Second reading completed on July 25 with all parties in agreement.*

Companies (Clarification of Dividend Rules in Companies) Amendment Bill

- Introduced April 5. Clarifies dividend rules re 'dry shares'. *All parties supported the bill at its first reading on Aug 8, referred to select committee.*

KiwiSaver (Foster Parents Opting in for Children in their Care) Amendment Bill:

Introduced April 5. A Member's Bill allowing foster parents to set up a KiwiSaver account for a foster child. *First reading debate interrupted Aug 8, Labour expressed doubts about the need for it, but supported to select committee.*

Arbitration Amendment Bill: A Member's Bill in the name of Paul Foster-Bell (now Andrew Bayly) introduced March 9 2017. On April 6, the committee released an interim report with wide-ranging recommendations for amendments to allow interested parties to make new submissions. *Report back deadline extended to Oct 1.*

Consumers' Right to Know (Country of Origin of Food) Bill:

A bill in the name of Green MP Steffan Browning (now Gareth Hughes) drawn from the ballot on Dec 8 2016. *Submissions on the interim report closed Aug 1, report back of the bill due on Aug 29.*

Misuse of Drugs (Medicinal Cannabis) Amendment

Bill: Introduced Dec 20. Creates an exception and a statutory defence for terminally ill people to possess and use illicit cannabis. *Reported back July 25 with the evenly divided committee unable to agree on changes. National's alternative draft bill on the same subject was refused leave and will have to go through the ballot process.*

Patents (Advancement Patents) Amendment

Bill: Introduced April 5. A Member's Bill to provide IP protection for novel advances that fall short of a patentable invention. *First reading again interrupted on July 25 with govt parties indicating opposition.*

Bills Passed or Discharged

Domestic Violence – Victims' Protection Bill: A Member's Bill in the name of Jan Logie (Gr), drawn from the ballot Dec 1 2016. Enhances legal protections for victims of domestic violence. *Completed third reading July 25 with National still opposed.* 🇳🇿