

Election 2020: a kind of phony war

Page 2

There is an air of ritual and unreality about the election campaign. Labour is releasing very little policy and running mainly on its covid record and trust in the PM, while National remains desperately weakened by its prolonged internal difficulties. Its policy platform is still in development, other than a lot of infrastructure detail. Even if NZ First makes it back to Parliament, it is hard to see it returning to the Treasury benches.

What would it take to change the govt?

Page 5

To get a sense of how high a hill National has to climb to hope to govern, we lay out six election night scenarios that roughly match the polling trends pre and post-covid outbreak. In only one of them does National appear capable of forming a govt, and it would need NZ First and Act to do so. While Act would work with NZ First, National so far has said it wouldn't.

Pressure at the border

Page 3

The govt is working behind the scenes on whether and how it can urgently provide more quarantine facilities, and whether it might build some itself. A confused range of pitches from various interest groups has muddied the most important need from the business community: both to be able to bring skilled migrants in to advance projects that will otherwise stall, and to retain workers whose temporary visas will otherwise expire in coming months.

RMA reform and climate change preparedness

Page 4

There is broad cross-party support for repealing the RMA although the Randerson working group's report is too detailed for any party to sign up to all of it. Its proposal to enact a compensation fund for land and assets lost to climate change impacts is important. The first formal assessment of climate change risks informs the debate.

Winston's last speech?

Page 8

Winston Peters turned in a stock-standard parliamentary speech in Thursday's Adjournment Debate to mark the end of this term of Parliament. It would have been easy to miss the possibility that it may be the last time he addresses the House, given NZ First's low polling. Meanwhile, the govt has passed a huge amount of important new legislation in the last month.

Set-piece election dates

The Labour Party election campaign launches tomorrow in Auckland and the National Party next Sunday. TVNZ will hold its first live leaders debate between Jacinda Ardern and Judith Collins on Aug 25. This will be followed by a multi-party debate on Sept 9 which will include NZ First, The Green Party and ACT. A final leaders debate will be on Sept 17.

Election and lockdowns

The general election may be able to go ahead even if parts of the country were experiencing covid-19 lockdown. The Electoral Commission has plans to deal with voters who are affected by covid clusters, with the election being planned on alert level 2 principles, with social distancing in place. There will be more advance voting booths, but no voting in supermarkets this year.

A phony election campaign?

With just four weeks until advance voting begins, and an expectation that close to two-thirds of votes will have been cast by Sept 19, there is an air unreality about the election campaign.

As the scenarios on page 4 seek to demonstrate, the path to power is heavily weighted to a Labour win, with the main question being whether or not Labour will be able to govern alone.

We do not expect the National Party to poll in the mid-20s, as the most pessimistic public polls suggest could happen.

However, given the turmoil in the party is ongoing behind the scenes, a sub-30% result cannot be ruled out. At those levels, only six to eight list MPs could hope to be elected. **National's list release is imminent.**

National's problems

The departure of Matthew Hooton from the Leader's Office appears to have been a mutual decision as Hooton struggled for traction after his original employer, Todd Muller, quit the leadership.

There are also concerns about one or two other electorate candidates' fitness, although those concerns may not emerge before the election and will be settled anyway if they do not win their seats.

Policy development is also in flux. **A new policy director, Paul Melville from DairyNZ, took up the reins on Monday this week.** He is almost certainly arriving too late in the piece to make any significant impact at this stage.

While Judith Collins said initially that National would retain its announced suite of policies, the range of policies available on its website has shrunk.

Infrastructure policy - mainly the slew of road, rail and public transport announcements made in recent days - is very full.

And there is economic policy, although key elements such as public debt targets and tax policy appear to be being made on the hoof. Paul Goldsmith's nomination of a return to net Crown debt below 30% of GDP within a decade and Collins's pledge not to raise taxes are perhaps not surprising. However, how both would be achieved simultaneously - bar the 'magic pudding' answer of stronger economic growth - is unclear.

There is also some education policy left from Nikki Kaye's efforts but environmental and social policy headings have no content. There are no other policy areas apart from these five available on the party website.

All of this simply underlines that **National's main task is to establish Judith Collins as an effective Opposition leader and drag National back into the mid-30s on election night.**

Her primary tactic in the last week of Parliament's sitting has been to **constantly press the PM on policy delivery failure.**

Labour running on record, not policy

Labour's policy cupboard is equally bare. Labour intends to run on a combination of its covid record - which has improved its credibility as an economic manager - and the immense popularity of the PM. It believes National is mistaken to bang the 'experienced team' drum because of the govt's improved economic credibility and **will be campaigning hard on this change in sentiment.**

The unemployment out-turn this week has scuttled National's expectation that a worsening economic outlook would start denting the public mood before Sept 19.

However, **Labour has no need to and will want to avoid being dragged into discussion of so-called 'transformational' policies until it has to.** That time won't likely come until it becomes clear whether and how closely it has to work with the Greens post-election.

One exception is likely to be the promotion of an EQC-style 'social insurance' scheme to build an explicit rainy day fund for future disasters of national scale. The success of the wage subsidy scheme, at least as an early cushion against job losses and recessionary gloom, is visible in this week's jobless numbers. However, no govt can count on being able to increase Crown debt as radically as is currently occurring on a regular basis without losing fiscal and financial market credibility - no matter what modern monetary theory enthusiasts say.

For the Greens - policy still matters

The Greens are the only party for whom a strong policy platform can make an electoral difference this year.

Accordingly, it is producing a lot of new policy and seeking to draw votes from Labour's left. It needs these votes to be sure of heading above 5% in the party vote. Its appeal as the only party able to push Labour to 'transformational' policies is **likely to be especially attractive to left-leaning voters, the more likely a Labour landslide appears to be.**

NZ First - bigger worries

Winston Peters has given more one-on-one interviews to political reporters in the last couple of weeks than in living memory.

These interviews have often had a **valedictory tone** in which he argues for the party's policy wins, that NZ First was right about things before the govt, and playing the argument that his party has been a handbrake on the govt's (and Greens') ambitions.

He has also taken to admitting that he has been his own worst enemy at times.

The party is **still at risk of the SFO laying charges over the NZ First Foundation**. There has been no change to the SFO's declaration in April that if charges were to be laid, that would occur prior to the election. The closer the election gets, however, the more controversial the laying of such charges would be politically. **An NZ version of a 'James Comey' moment could be looming.**

Border pressure grows

Pressure is building on the govt to allow **increased provision of quarantine facilities to allow workers with specialist skills to enter the country**. Restrictions on isolation capacity is increasingly frustrating businesses that are unable either to advance projects or create additional jobs for NZers because of the inability to accommodate more highly skilled migrant workers.

International education providers are adding to this pressure. Megan Woods, in charge of managed isolation, says the **govt is considering constructing new facilities itself**. Former PM Helen Clark called for more use of private facilities with govt agencies providing health and security services on a user pays basis as is already occurring.

Immigration NZ had received 28,081 applications for border exceptions as of July 30 and of those 5,763 have resulted in an invitation to apply for a visa. There were 4,704 critical purpose requests approved and 2,424 of those people are now in NZ.

China-NZ relations

The Chinese embassy in Wellington **protested that NZ was interfering in the country's internal politics by suspending the extradition treaty with Hong Kong** and reviewing treatment of military and other strategic exports into the city following China's passing of a national security law for the Chinese administrative region. However, NZ's policy is relatively tempered compared with other Western allies.

Fears NZ is overly reliant on trading with China ignore that there are few more attractive markets for many of the country's major exports, says a report by economic consultancy Sense Partners for the NZ China Council.

Labour market data - worst to come

June quarter labour market data showed the power of the initial wage subsidy and other measures to shore up economic activity during covid-19 lockdown. The official rate of unemployment fell slightly to 4.0%, from 4.2% in the March quarter, there was a minimal fall in employment (-0.4%) labour force participation at 69.7%, from 70.5%, remains high by international standards and resilient. While a welcome outcome, it must also be regarded as **an interim reading of the pandemic's labour market impact**. A better trend read may be the **6.2% unemployment rate recorded for the last week of June**. Unemployment pushing 10% by year-end remains likely.

Telling also was a **10.3% fall in hours worked**. There is little here to influence how the RBNZ approaches next Wednesday's full monetary policy statement.

Debt contest

A debate about debt repayment and austerity blew up this week with the govt challenging National to say how it would cut net debt back to 30% of GDP within a decade without \$80b worth of spending cuts.

Grant Robertson and Jacinda Ardern leapt on comments made to financiers by Paul Goldsmith that National wanted to cut debt from the current forecast peak of 54% of GDP by 2024 to around 30% within a decade. They accused National of secretly planning massive budget cuts, given economic growth alone would not be nearly enough to reduce net debt to those levels and National was not planning tax hikes.

Goldsmith rapidly backed away from a hard target and National Leader Judith Collins eventually conceded National would produce costed budget plans before the election. But the skirmish did flush out Labour's own approach on the budget outlook. Ardern recommitted to fiscal conservatism, saying Labour's debt track plan was the same as Treasury's in the May budget, and revealed this meant Labour didn't have any big spending policies up its sleeve release in the coming weeks. Treasury forecast net debt at 47.5% by 2030. That would still be well below New Zealand's other AAA peers. Updates will come in the PREFU on Aug 20. ■

Nod for CovidCard

Institutional and some political reluctance to trial the Sam Morgan-backed CovidCard has given way to permission for a **real-world trial involving 250-300 people in Rotorua**, an ethnically and socio-economically diverse population centre. The lack of fresh uptake of the official COVID-Tracer app may have spurred greater support for CovidCard: a wearable device with an 'always on' Bluetooth contact-capture capability.

RMA SPECIAL

The govt-appointed committee to propose reform of the RMA, led by former Environment Court judge Tony Randerson, has reported. Key elements and some proposals so far not widely reported are traversed here.

Two Acts to replace one + 1

A Natural and Built Environments Act and a Strategic Planning Act would replace the RMA, the latter enshrining the use of a national spatial planning approach to future land and resource use. That should help cut through case-by-case arguments about where particular activities should and should not be sited.

- The SPA would collapse the number of local govt planning documents from more than 100 nationally to just 14. Local authorities would retain decision-making rights but within the wider spatial plan constraints. The outcome should be fewer resource consent applications and faster process;
- While the 'sustainable management' concept that underpins the RMA remains, the NBEA will reformulate the RMA's focus on stopping harmful impacts to a focus on 'achieving positive outcomes'. Mandatory environmental 'bottom lines' remain, in principle;
- Existing National Policy Statement and National Environmental Standards would be maintained but in a context where there would be increased national direction used in future. Existing regulation powers and National Planning Standards would be redefined to prevent their use as substitutes for NPS/NESs;
- Maori rights and interests would be strengthened both by involvement at the strategic spatial planning stage and by requiring the new regime to "give effect to" rather than "have regard to" the provisions of the Treaty of Waitangi;
- And a new Managed Retreat and Climate Change Adaptation Act is also proposed. This is perhaps the most significant piece of proposed new policy and goes beyond Randerson committee's RMA reform brief. It proposes establishment of an EQC-style approach to compensating landowners for losses caused by climate change. Labour has yet to form a view on this while broadly endorsing the two Act solution for RMA reform.

Urban land use planning

- The report proposes including both availability and development capacity of urban land for housing and business use, and integration with infrastructure, as specified 'outcomes' in purpose and principles intended to improve the competitiveness of urban land markets;
- Regional spatial strategies will "allow identification of suitable areas for urban growth", with combined regional and district plans a key element of this;
- Changes to notification processes are proposed to increase certainty and reduce consenting costs.

Longer designations

- The default lapse period should extend from five years to 10, with extension for up to a total of 20 years, effectively doubling the life of designations for major infrastructure;
- Need for designations to be able to respond to

innovations and technology change that may occur during the intervening period by having a two stage designation process: concept footprint followed by construction and implementation plan;

- Designation of marine coastal space should be considered.

Environmental taxes & other charges

- The report strongly endorses empowering local govt to use environmental taxes and targeted rates, and proposes instituting royalties for use of coastal space water and making them mandatory. It acknowledges charging for water use is complicated by the absence of a settlement with Maori over rights and interests;
- It explores the concept of an **environmental footprint tax** that could be applied at high rates for activities with negative ecological impacts and at low or even negative rates for activities with beneficial impacts;
- The NBEA could be used to reinforce road pricing.

Removing status quo bias

- RMA processes have created 'pervasive' protections for existing land and resource use. Spatial planning is a key tool to overcome this;
- Tradable development rights are favoured and the report discusses the complexity and potential inequities that would need to be managed when changing existing use rights, particularly water use and discharge rights.

Climate change adaptation

Govt agencies and businesses are unprepared for the scale of adjustment that climate change will require. That is the overall takeout from the first National Climate Change Risk Assessment released this week by James Shaw.


The report lists 10 main risks for the economy, business, govt and society and 43 urgent risks overall. But the big focus was on how unprepared many in govt and business are, mostly because of a lack of inter-agency coordination and conflicting interest groups. Decision-makers are often relying on pre-set thresholds and one-dimensional indicators as guides when a systems and probabilities-driven approach would be better.

For example, councils using pre-set thresholds such as number of metres above sea level or expectations of one-in-100 year events for consenting new buildings and infrastructure could become exposed to litigation risk later.

The areas and assets most exposed to higher costs from drought, storms, sea-level rise, higher winds and warmer temperatures include; three waters infrastructure, coastal transport routes and hubs such as airports and ports, old landfills, electricity networks, farming on the east coasts and in Northland and coastal fishing.

It warns both central and local govts face litigation risk and political pressure from property owners, voters and ratepayers to make 'someone else' pay for adaptation.

This would create significant democratic pressures.

"Climate change is likely to exacerbate stressors that give rise to conflict and disruption, particularly as the value of assets changes and competition for resources intensifies." The value of some assets will fall while others will rise as climate change impacts bite. 

ELECTION SCENARIOS

Election scenarios

Below are six theoretical workings for election night outcomes based on two broad sets of assumptions that roughly equate with polling performance by the major parties over the life of the Parliament. A small wasted vote is also assumed.

Scenarios 1-3:

These are essentially post-covid scenarios, where:

- Labour = 50%
- National = 35%
- Greens and NZ First = 5% each + one fails + both fail to reach the 5% threshold and neither wins an electorate;
- Act = 4% and wins the Epsom electorate.

There is no path to power for National in any of

these scenarios. If both the Greens and NZ First are returned, Labour's bare majority is too small to make governing alone a wise option. Confidence and supply agreements with one, but probably not both, would be likely. Crucially, a coalition agreement would either would not be necessary.

Scenarios 4-6:

These are more akin to Lab/Nat pre-covid polling:

- Labour = 46%
- National = 40%
- Greens and NZ First = as in Scenarios 1-3
- Act = as in Scenarios 1-3.

In only one scenario does National have a path to power (#6), where the Greens fail to return to Parliament and a National/Act/NZ First coalition is formed. Act would work in such an arrangement. 🇳🇿

Scenario 1: NZF and Greens return

	120 seat Parliament – 61 seats = majority	
Labour	61	Bare majority
NZ First	6	Confidence and supply
Greens	6	Confidence and supply
National	42	No govt combination
ACT	5	

- Nats + ACT = 47
- Nats + ACT + NZ First = 53

Scenario 4 – new assumptions

	120 seats	
Labour	56	Coalition or C&S agreement with one party for majority
NZ First	6	Coalition or confidence
Greens	6	Coalition or confidence
National	47	- Still 3 short of majority even with NZ First onboard
ACT	5	Nat + ACT + NZF = 58

Scenario 2 – Greens returned, NZ First out

	120 seat Parliament – 61 seats = majority	
Labour	64	Clear majority
NZ First	0	
Greens	6	Confidence and supply
National	45	No governing combination
ACT	5	

Scenario 5 – new assumptions, but NZ First out

	120 seat Parliament	
Labour	58	Coalition with Greens delivers majority
NZ First	0	
Greens	6	
National	51	No governing combination
ACT	5	

- This outcome delivers a strongly Green-influenced Labour-led government
- National will highlight this possibility in its campaign

Scenario 3 – NZ First returned, Greens out

	120 seat Parliament – 61 seats = majority	
Labour	64	Clear majority
NZ First	6	Confidence and supply or Opposition
Greens	0	
National	45	No governing combination
ACT	4	

Nats + ACT + NZ First = 55

Scenario 6 – new assumptions, Greens out

	120 seat Parliament	
Labour	58	Requires NZ First
NZ First	6	kingmaker
Greens	0	
National	51	Requires NZ First
ACT	4	

- In this scenario, NZ First once again decides who will govern
- Likelihood is they will choose Labour, but ... as always, who can be sure?
- This is the scenario NZ First will hope for
- Labour + NZ First = 62 seats – 2 seat majority
- **National+ NZ First + ACT = 61 seats – 1 seat majority**
- **NZ elections tend to produce knife-edge majorities**

CORPORATE ROUND-UP

Energy and resources

The govt stunned generator-retailers and the upstream gas sector by announcing it will spend \$30m assessing the merits of a \$4b **pumped hydro** scheme at Lake Onslow in Central Otago. The announcement came out of nowhere and appears to have been accelerated by intense lobbying of Environment Minister **David Parker** by ex-Meridian ceo **Keith Turner**. The Onslow asset would be govt-owned and used as a 'regulatory tool' to balance wholesale market conditions, especially during otherwise dry years. Many industry commentators suggest thermal peaking capacity can create the same effect at far lower cost. However, the scheme appears to have found political favour as an emblematic decarbonisation project.

The govt is also to spend \$70m on **transmission line improvements** and enabling industrial heat processes in the South Island to electrify in the wake of the aluminium smelter closure.

Conflicting signs are emerging about the route to closure of the **Tiwai Pt** aluminium smelter. The NZ Herald reported the mothballed and relatively small fourth potline may come back into production and there was considerable industry chatter in the last fortnight about the possibility of a three to four year wind-down rather than closure next August. However, transmission charges remain a sticking point and the govt appears unmoved to intervene.

Refining NZ anticipates a \$158m post-tax impairment charge will be taken in its first-half earnings to be announced on Aug 17 as Marsden Point deals with covid-19 impacts and reduced refining margins.

Primary sector

The **Global Dairy Trade** index fell 5.1%, weighed down by a bigger-than-expected 7.5% fall in whole milk powder. The index fall is the largest since Dec 2019. Whole milk powder traded just above US\$3,000 a tonne, a level seen as profitable for most farmers, but larger volumes will test the market as seasonal dairy production lifts.

Wharf gate returns for **NZ logs** are 12% below the five-year average because of over-stocking, the summer slowdown in China and as spruce logs are dumped into Asia from Europe.

Early season sales of **kiwifruit** have seen a 40% increase in Sungold sales into Japan, pushing orchard gate returns to \$161,660 a hectare for that variety. Green kiwifruit sales were also at a record \$67,295 per hectare. **Zespri** is about to start legal action against a nursery in China to slow down illegal plantings of SunGold vines. Chinese plantings cover 4000ha to

NZ's 7500ha.

Scales Corp expects underlying net profit to be at the bottom end of its \$30m to \$36m guidance in calendar 2020. Underlying profit was \$36.4m in 2019.

MPI launched a \$4.5m recruitment campaign aiming to fill a 10,000-job hole across the agricultural and primary sectors left by NZ's extended border closures through the pandemic.

Telecommunications, media and entertainment

Facebook and **Google** may face regulatory pressure to pay news media companies such as NZME, Stuff and Mediaworks a fee for the exploitation of content they currently access at no charge if a new Labour-led govt follows through on the views of Broadcasting, Communications and Digital Media Minister **Kris Faafoi**. He has taken an interest in the **ACCC's** release last Friday of a draft mandatory code that would force the digital platforms to pay to use news articles. Faafoi is interested in seeing if the same approach could be adopted here. Australia's **Nine** and **News** hope to see A\$600m to A\$1b of payments or 10% of social media search's annual Australian revenues of A\$6b-A\$10b. In NZ, that might translate to around \$100m p.a. - a potentially transformative sum for struggling media businesses.

Faafoi still expects to reveal a **second media support package** before the election. It was blocked by NZ First in the May budget process.

NZME welcomed Auckland PR consultant **Matthew Hooton** back to its stable of contributors within days of his departure from Judith Collins's office as a senior adviser. **The Listener** magazine will return to newstands on Sept 28, produced by a skeleton staff.

Transport, tourism and logistics

Both **Air NZ** and **Jetstar** have significantly increased their services on domestic NZ routes to meet demand. **Wellington International Airport** expects its domestic capacity to be back at 75% in Aug based on current seat availability and is raising \$75m in a six-year fixed rate bond offer.

Air NZ stopped taking bookings to Australia until Aug 28 because of Australian restrictions due to covid-19. Australia has a cap of 30 arrivals per flight into Sydney and Brisbane, with no international passengers allowed into Melbourne until Aug 8. Air NZ also extended a freeze on international flight bookings into NZ to allow better managements of isolation facility numbers.

Auckland International Airport is creating two zones in its international terminal to allow NZ passengers to and from travel 'bubble' locations,

most likely starting with the Cook Islands. There is no timetable for this.

Plans for at least 25 major **hotel developments**, valued at \$2b, are on hold pending decisions on when and whether construction will commence in the wake of border closures. The two dozen or so projects – all of which have been consented and financed - represent about 4,400 rooms across the country.

Millennium Copthorne reported profit from its hotel operations dropped to \$3.7m, down from \$17.5m last year. It runs two isolation facilities which are keeping the business in ‘survival mode’. Another four of hotels will remain closed until borders reopen.

Some \$311m of tourism support funding was announced including \$230m in grants and loans for 126 tourism businesses employing 3,000.

Education

International education providers shouldn’t expect to get any foreign students for the rest of the year, Education Minister Chris Hipkins said. His comments came as the govt released a plan to help stabilise the international education sector, including \$51.6m to help keep skills and people employed and NZ’s brand visible.

Innovation, tech, and IT

Datacom’s net profit fell to \$19m in the year to March from \$40m a year earlier due to a doubling in its depreciation and amortisation bill to \$67m. Earnings were unchanged at \$93m, and revenues flat at \$1.34b. The company predicts accelerated adoption of digital platforms in response to the pandemic.

Fonterra is the first to sign up to Microsoft’s new data centres in NZ in a five-year deal which will see it shift many of its functions onto Microsoft’s Azure cloud platform. **Canberra Data Centres** – half owned by Infratil – is a provider to Microsoft and plans to have two data centres operating in Auckland by the end of 2022.

Nanotech company Izon Science’s listing has been pushed out after a \$10.5m investment from Bolton Equities. The private equity investor has taken a 30.4% stake in the company. Izon had been planning to list this year.

Vector is partnering with cloud-computing specialist Amazon Web Services with the intention of developing a new platform to manage consumer data for the energy industry in Australia and NZ.

IkeGPS seeks almost \$20m in new capital after winning one of the largest communications infrastructure companies in the US as a customer.

BBC Technologies, which makes blueberry sorting machinery using AI is investing \$14m in a new research and development facility in Hamilton.

Capital markets

French bank **BNP Paribas** said it will become an NZX general clearing participant by the first half of next year allow direct members and remote brokers to use its model.

Plexure Group is firming up plans for an IPO and may shift its primary listing from the NZX to the ASX.

Courts and regulation

Mainzeal directors’ appeal against High Court awards against them has begun, with counsel for the directors, with the exception of Richard Yan, arguing the original trial judge “went rogue”.

The trial in Sydney of former **Blue Chip** principal **Mark Bryers** relating to a A\$17.5m tax evasion scheme has got under way and includes startling evidence from wire-taps of Bryers openly discussing how to structure his affairs to avoid detection by police or tax authorities.

The govt allocated \$40m to assist with the cost of mediation and arbitration for businesses and landlords to resolve issues about adjusting **commercial rent** due to the economic impacts of covid-19. Legislation for compulsory arbitration has been dropped.

Retail

Briscoe Group reported lifted second quarter sales by almost 30%yoy, with sporting goods recording growth of more than 33 percent for the period ended July 26. It posted sales of \$195.4m compared with \$152.3m for the same period in 2019. Homeware sales increased 25% yoy, while online sales accounted for 23% of sales in the quarter.

Restaurant Brands Q2 sales suffered material impact because of the covid lockdowns. Total sales for the KFC and Pizza Hutt operator in the three months to June 30 were \$183.3m, down 11% yoy. All stores in New Zealand were closed between March 25 and April 28 and only open for delivery and drive through until May 14.

Waste

The govt said six products will be a priority for regulated product stewardship schemes under the **Waste Minimisation Act** - plastic packaging, tyres, electrical and electronic products, agrichemicals and their containers, refrigerants and farm plastics. ■

LEGISLATION

Winston's last hurrah?

Parliament rose on Thursday with the traditional Adjournment Debate showcasing James Shaw's potential as a stand-up comic should he fail to return to Parliament and what may well have been Winston Peters's last ever speech in the House. There was nothing unusual about his performance and he talked confidently about outlasting other MPs, but the reality is that if NZ First does not win a seat or 5% support at this election, Peters will not be back. Never count him out, but NZ First has generally been punished after a term in govt.

The final weeks of this Parliament were dominated by the House sitting under Urgency and extended hours to pass a large amount of significant govt legislation and Members' Bills.

Some Members Bills created divisions within the usual party voting lines with the Greens backing National to progress a bill repealing the coalition govt's 'waka jumping bill' after they voted for it in the early days of this govt. Likewise NZ First joined National to support firearms control legislation which Labour and the Greens opposed.

After rising this Thursday, this Parliament is scheduled to be officially dissolved on Aug 12.

Other key dates for the election process:

- Aug 16: Writ Day - Governor-General formally instructs the Electoral Commission to hold the election;
- Aug 20: all nominations due;
- Sept 2: overseas voting starts;
- Sept 5: advance voting starts in NZ;
- Sept 19: election day;
- Oct 2: preliminary referendum results released;
- Oct 15: Return of Writ: final election outcome confirmed, assuming no recounts;
- Nov 26: last day by which Parliament must meet.
- *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

Companies (Limited Partnerships Identical Names Prohibition) Amendment Bill - A member's bill from Chris Penk, introduced July 28. Rectifies anomaly between the Companies and Limited Partnerships Acts re identical or nearly identical names across entity types.

Crown Pastoral Land Reform Bill - Introduced July 16. Ends tenure review and reforms the regulatory system covering Crown pastoral land leases. First reading July 22 National opposed. Sent to the Environment Committee.

Reserve Bank of New Zealand Bill - Introduced July 28. Follows addition of maximum sustainable employment as a monetary policy objective and creation of the monetary policy committee. Creates new governance board. The 1989 Act's bank registration and supervision framework is renamed the Banking (Prudential Supervision) Act with new foreign reserves regime.

Water Services Bill - Introduced July 28. Reforms the drinking water regulatory system, with targeted reforms of wastewater and stormwater regulation. Outlines powers of the new water regulator will work under.

Bills in progress

District Court (Protection of Judgment Debtors with Disabilities) Amendment Bill - Member's bill from Anahila Kanongata'a-Suisuiki drawn on June 18. First reading July 21 and sent to the Justice Committee with support of all parties, National's future support reserved.

Electoral (Integrity Repeal) Amendment Bill - Member's bill from David Carter drawn from the ballot July 2. Reverses the changes made by the Electoral (Integrity) Amendment Act 2018, the so-called 'waka jumping' law. First reading on July 29. Opposed by Labour and NZ First, supported by National and the Greens to the anger of NZ First MPs. Sent to the Justice Committee.

Holidays (Bereavement Leave for Miscarriage) Amendment Bill (No 2) - Introduced June 27. Member's bill from Ginny Andersen. Reported back on July 27 and second reading on July 29 with all parties in support.

Insurance (Prompt Settlement of Claims for Uninhabitable Residential Property) Bill - Member's bill from Stuart Smith. Introduced Dec 12. First reading on July 21 with the support of all parties and sent to the Governance and Administration Committee.

Land Transport (Drug Driving) Amendment Bill - Introduced July 30. Establishes a drug testing for drivers regime. First reading completed under Urgency on Aug 4 and sent to the Transport and Infrastructure Committee with the support of all parties.

Bills passed/failed

COVID-19 Public Health Response Amendment Bill - Introduced Aug 4 and passed through all stages under Urgency. Establishes a regulatory framework for the introduction of part-charges for managed isolation and quarantine. All parties supported the Bill though they differed over the regulatory settings for the charges.

COVID-19 Response (Further Management Measures) Legislation Bill (No 2) - Introduced Aug 4. Omnibus bill giving IRD more freedom to deal with the tax liabilities of covid-affected people and businesses. Extends the reporting requirements of a number of organisations including councils, Crown entities and SOEs. Passed all stages under Urgency Aug 5 with all parties in support.

Residential Tenancies Amendment Bill - Introduced Feb 17. Implements housing rental policy announced in Nov 2019. Removes the use of no cause terminations for tenancies, forbids rental bidding, limits regularity of rent increases to once annually. Second reading, committee stage and third reading completed under Urgency Aug 5 with govt changes including to notice periods in specific circumstances. Strongly opposed by National and ACT.

Fuel Industry Bill - Introduced June 30. Implements the govt's response to the Commerce Commission's market study on the liquid fuels sector. *Remaining stages completed under Urgency on Aug 5 with all parties in support but with National expressing reservations including the lack of detail around regulations.*

New Zealand Public Health and Disability Amendment Bill - Introduced Feb 13. Repeals the exclusion of resident family members from being paid for providing funded family care. *Reported back July 24. Passed through all remaining stages under Urgency on Aug 4 with the agreement of all parties.*

Dairy Industry Restructuring Amendment Bill (No 3) - Introduced Aug 22. Amends the Dairy Industry Restructuring Act 2001 to remove some regulatory requirements the govt says is merited considering Fonterra's market share coming down from 96% to 80%. *Second reading July 21, committee stage third reading under Urgency July 22 with one major govt change: removing all rights to open entry, supported by all parties.*

Education and Training Bill - Introduced Dec 2. Rewrites and updates the Education Act and related legislation. *Second reading June 24 with National and ACT opposed. Committee stage and third reading completed under Urgency July 27.*

Equal Pay Amendment Bill - Introduced Sept 19. Establishes a process for pay equity claims and prohibits differentiation based on sex in the pay offered to employees for work that is predominately performed by women and has been historically or currently undervalued. *Committee stage and third reading completed under Urgency on July 22 with all parties in support.*

Smokefree Environments and Regulated Products (Vaping) Amendment Bill - Introduced Feb 24 to regulate sale of vaping and e-cigarettes market. *Second reading July 22, supported by all parties. Remaining stages completed under Urgency Aug 4 with all parties in support. National amendments rejected.*

Films, Videos, and Publications Classification (Commercial Video on-Demand) Amendment Bill - Introduced Dec 10. Extends the censors regulation and classification regime to video on demand. *Committee stage and third reading completed under Urgency July 22.*

Forests (Regulation of Log Traders and Forestry Advisers) Amendment Bill - Introduced May 14. Establishes a registration system for log traders and forestry advisers with the intention of ensuring supply of timber for domestic processing and export. *Opposed by National and ACT. Committee stage and third reading completed under Urgency July 22.*

Infrastructure Funding and Financing Bill - Introduced Dec 12. Establishes an alternative funding model for housing and urban development infrastructure.

Second reading July 21 with committee stage and third reading completed under Urgency July 22.

Land Transport (NZTA) Legislation Amendment Bill - Introduced Dec 2. Omnibus bill amending the Land Transport Management Act, Land Transport Act and the Railways Act in response to a review of the NZ Transport Agency. *Committee stage and third reading completed on July 22 with all parties in support.*

Local Government (Customer Focus) Amendment Bill - Members bill from Jacqui Dean drawn on June 18. *First reading July 29 and voted down by Labour, NZ First and the Greens.*

NZ Superannuation and Veteran's Pension Legislation Amendment Bill - Introduced Oct 15. Omnibus bill to modernise and simplify superannuation and the veteran's pension by shifting toward an assessment of entitlement on an individual basis. *Third reading completed under Urgency July 21.*

Public Service Legislation Bill - Introduced Nov 18. Repeals the 1988 State Sector Act and amends the Public Finance Act. *Committee stage and third reading completed under Urgency July 22 with National and ACT opposed.*

Taumata Arowai - the Water Services Regulator Bill - Introduced Dec 11. Creates a new regulatory body for drinking water regulatory system. Part of a broader package of reforms to the three waters regulatory system. *Third reading completed July 22.*

Te Ture Whenua Maori (Succession, Dispute Resolution, and Related Matters) Amendment Bill - Omnibus bill introduced Sept 19 making many technical changes to Māori land law and Māori Land Court including a new dispute resolution mechanism for matters under the jurisdiction of the Court. *Committee stage and third reading completed under Urgency July 22.*

Urban Development Bill - Introduced Dec 6. Sets out the functions, powers, rights, and duties of the Crown entity Kāinga Ora-Homes and Communities. Includes a streamlined process for consenting complex urban developments including over-riding the RMA, build and change infrastructure and reconfigure reserves. The new agency also gets compulsory land acquisition powers. *Committee stage and third reading completed under Urgency on July 22, Labour, NZ First and Greens in support.*

Veterans' Support Amendment Bill (No 2) - Introduced March 20. Proposes to implement recommendations made by the Paterson Report to improve access to services for veterans. *First reading on May 27 and referred to the Social Services and Community Committee with a July 21 report back. Supported by all parties. Second reading, committee stage and third reading on July 30 supported by all parties.*