闇HUGOでision

Assessing the economic and political environment in New Zealand

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Fractious on the left of politics

The Maori caucus is unhappy with Chris Hipkins and with the amount of attention Te Paati Maori is getting as a possible kingmaker in the Oct 14 election, while the Greens continue to reveal a divided and fractious underbelly. It's all good news for the centre-right and possibly for Winston Peters.

Hipkins sells 'affordable water' – who's buying?

The political graveyard that is three waters policy got a makeover this week, but the expansion from four to 10 water entities is unlikely to be enough on its own to reduce the heat in an issue where the real problem – the state of NZ's water infrastructure – continues to deteriorate. As we went to print, three councils announced they would appeal a High Court decision that found council ownership rights were preserved despite governance and balance sheet reforms.

Willie Jackson's attempted end-run

Broadcasting minister Willie Jackson has six weeks to appoint a new board for TVNZ, if that's his plan and he can get it through a Cabinet that is alert to his attempt to salvage what he can from the abandoned merger between TVNZ and RNZ. TVNZ CEO Simon Power's decision to depart in June indicates he doesn't like the look of it.

Forestry and the ETS

Private foresters are worried about what will happen if the govt moves to restrict the use of plantation exotic forests for carbon sequestration by NZ's major emitters. Consultations with Maori forest owners bear on the same issue, with non-Maori forest owners wondering what's happening. Meanwhile, carbon prices perked up on signs the govt may not ignore the Climate Change Commission's advice on reaching emissions targets a second time.

AUKUS charm offensive

Australian diplomacy in Wellington has gone into overdrive in recent weeks as visiting senior ministers and high commission staff make the argument for NZ joining AUKUS as a "pillar II' member, as other states are being invited to do, for access to high technology transfer in particular.

Interest rates

The RBNZ decided to try shock tactics again, raising the OCR by 50 rather than the expected 25 basis points at last week's monetary policy review, and taking the benchmark rate to 5.25% – just 25bps below the level previously regarded as the likely high point. House prices continued to sag in March.

Immigration loosening continues

The ad hoc loosening of immigration restrictions continues, with the govt announcing a pathway to residence for a wide range of skilled workers, most notably female-dominated health roles that were excluded in earlier green list announcements.

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A fractious left

If there's one theme that stands out in what has been a difficult fortnight for the govt, it's the growing evidence of fractious relations on left-of-centre in politics.

Instead of clear air since sacking Stuart Nash, Chris Hipkins has been fighting brush fires with his Maori MPs and announcing a lukewarm reheat of the three waters policy.

And to his left, the Greens have again looked to be in the grip of fringe elements. The party announced an 'ultra-woke' draft party list, followed by bad behaviour from the fourth-ranked person on that list, MP and gender rights activist Elizabeth Kerekere.

Coming a week after Marama Davidson's blaming "cis white males" for most of the violence in the world, Kerekere's outing over an internal message calling co-leader contender Chloe Swarbrick a "crybaby" was not what the Greens needed.

The Maori caucus has been smarting about the extent to which Hipkins has identified Maori policy issues as divisive and worthy of the policy bonfire.

This has made broadcasting and three waters policy into unlikely bedfellows in this dynamic.

The abandonment of the language, if not the reality, of co-governance in three waters policy follows the sacking of Nanaia Mahuta, the 'godmother' of the Labour Maori group.

That has hurt.

Meanwhile, the failure of the TVNZ-RNZ merger was in part because of concerns the agenda for abandoned new public media entity would stoke the politically damaging 'separatist' debate.

Kiri Allan's ill-advised outburst accusing RNZ of failing to promote her partner, Mani Dunlop, to be a lead presenter Morning Report is part of this dynamic.

Kelvin Davis, as leader of the Maori caucus and third in the Cabinet, is understood to be deeply frustrated at the fact that Maori MP colleagues are challenging the political discipline that policy defeats require of the vanquished.

Chris Hipkins has made a calculated and somewhat cynical calculation that Labour's chances improve if policies seen to be too pro-Maori or "woke" are cut back.

Hipkins's clumsy admission that the Cabinet had collectively let Mahuta down by not helping her to defend three waters was, in this context, an acknowledgement of this underlying tension in the Labour caucus.

Meanwhile, polls continuing to show Te Paati Maori could be a kingmaker for the left has kept media attention on the Labour Maori caucus's greatest political enemies.

It is difficult not to see this as fertile ground for a resurgent NZ First's appeal to left-leaning, socially conservative voters. Shane Jones launches his campaign for Northland this weekend.

Hipkins may be banking on a generous Budget for low income NZers tamping down this particular flame.

Three waters joins the 'bonfire'

The govt renamed 'three waters' an 'affordable water' policy, and attempted to blunt one of the three main public objections - the loss of local voice.

This is done by moving from a proposed four 'mega' water entities covering the whole country to 10 such entities.

However, other parts of the policy show no substantive alteration and the compromise on entity scale and number reduces the extent of savings that consultants believed were achievable.

Perhaps more of an issue will be finding 10 CEOs for what will be less substantial and therefore less enticing prospects for top international talent that had been sniffing around - and in some cases turning down - opportunities to lead the four entities originally proposed.

The so-called "sweetener' offered to local councils under the original deal also disappears. \$1b of that was the councils' own money to start with, but the remaining \$500m from the Crown has gone. That seems a fair compromise for the sector's opposition to being sweetened forcing a policy change.

There is now a challenge for National to chart a response that gives sufficient certainty for the process not to stall for a year while an election is held and new policy finalised.

The urgency of the capital infrastructure upgrades to NZ's water services is growing and there is enough broad consensus between the two main parties of govt to allow progress.

Both parties endorse the same regulatory approaches to water quality and monopoly pricing rules, which will force amalgamations anyway.

The new timetable already acknowledges some inevitable delay, being pushed two years out to 2026.

Balance sheet separation, co-goverance remain

Balance sheet separation remains in order to allow

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the entities to load up with debt in a way that most can't under council ownership. Some opponents of the policy are calling a form of expropriation because of how weak it makes the ownership rights that attach to the shares in the entities that local councils will still own.

Likewise, the two-layered governance structure remains in place with equal joint local govt/iwi presence, as previously proposed, in the Regional Representative Groups that sit at the top of the governance apex as a **strategic community voice**.

As before, a corporate board with infrastructure experience will be appointed on merit for operations.

The govt timed this week's announcement to coincide with the release of MfE's latest assessment NZ freshwater assessment. The report made grim reading, but allowed the govt to connect the water infrastructure reform programme with a pressing political and environmental issue.

Key findings included:

• 36% of lake monitoring sites improved while 45% worsened between 2011 and 2020.

• Farmers reduced fertiliser use and kept more stock out of waterways, reducing phosphorus and sediment reaching rivers between 1995 and 2015, but farming intensification's impact was greater, with estimated nitrogen loadings higher.

• Estimated 45% of NZ total river length is unsuitable for swimming etc.

Broadcasting politics

Having lost the Aotearoa Public Media entity in the 'policy bonfire', it appears the Broadcasting Minister, Willie Jackson, is trying to achieve as much of the intended policy as possible, using other means.

In particular, it appears Jackson has been making plans to appoint a new TVNZ board to enact his vision for more inclusive, less commercial content.

This is the primary reason behind the unexpected resignation of TVNZ CEO Simon Power, who is understood to have looked at the lay of the land decided it wasn't for him.

The exact state of play on this attempted endrun around the decision not to proceed with the TVNZ-RNZ merger is hard to read. **Media reports of this thinking may have alerted the PM to the potential for another political brushfire** requiring extinguishing.

Meanwhile, TVNZ's existing directors, chaired by Andy Coupe, had their terms extended from April 30 to June 30. The last date for new govt entity board appointments is July 14, three months from the general election.

Tracey Martin, who chaired the APM establishment board, **looks a prime candidate for the TVNZ chair**.

Cabinet reshuffle

Chris Hipkins filled the seat vacated by Stuart Nash's sacking and reallocated his former portfolios with an eye to preserving caucus unity.

Minister outside of Cabinet, Willow-Jean Prime was elevated to Cabinet, though her portfolio responsibilities of conservation and youth were unchanged, while highly rated former parliamentary senior staffer Barbara Edmonds takes the economic development portfolio. Also worth noting that **Prime** is the co-chair of the Māori caucus with Jackson.

Finance and expenditure committee chair Rachel Brooking was elevated to the executive, picking up the Oceans and Fisheries portfolio.

The weekend before Easter, Hipkins appeared unsure whether he would promote an additional minister into Cabinet or leave membership at 19 as a signal to the backbench that promotion to the top table was not automatic.

The fact that Hipkins opted to keep a 20 person Cabinet and give Henare his forestry portfolio signals something of the strength of the post-reprioritisaiton Māori caucus (*see separate item*).

Henare's forestry challenge

Peeni Henare, who was disgruntled at being passed over for the deputy leadership when Hipkins took over in Jan, gets a hefty task in the forestry portfolio. The post-Cyclone slash inquiry is the most visible issue in that sector, but the consultations occurring with Maori forest owners on carbon sequestration and ETS reforms are equally, if not more, contentious.

Private, non-Maori forest owners are both nervous about the prospect of a carveout to protect Maori forest owners' interests in the event of a policy change that weakens forestry's capacity to contribute to meeting emissions reductions goals. Consulting with Maori, but not other foresters seems unlikely to be sustainable.

Among options understood to be being examined is the potential to restrict the proportion of offsets that major emitters can buy via domestic forest-based carbon credits.

The PM's Office did apparently consider whether the forestry portfolio would sit awkwardly with a Māori

Wage pressure

The living wage will increase by nearly 10%, or \$2.35 an hour, to \$26 per hour from Sept this year.

The minimum wage recently increased by \$1.50 to \$22.70.

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MP because the industry is so intertwined with iwi business and land interests.

In the same way Māori ministers do not hold the Treaty negotiations portfolio to avoid conflicts of interest, it was thought that putting a Maori MP into the Forestry job may condemn them to a quagmire of awkward calls regarding potential conflicts. It was also known, however, that Henere had been keen on the forestry portfolio for some time. He is not the first Māori MP to hold the portfolio, with Shane Jones having it in Labour's first term.

Rising stars

Edmonds and Brooking are rising stars from the 2020 intake (if you exclude straight-to-Cabinet Ayesha Verrall). One looming question for Edmonds is what to do with the expensive Screen Production Grant

CEO Retreat 2023

The next Hugo Group CEO Retreat is scheduled to run from dinner on Thursday September 7 to lunch on Saturday September 9 at Millbrook Resort.

The programme will again bring members a mixture of actionable business insights and the traditional Retreat "deep dive" into domestic and global affairs.

Mark your calendar now.

that sees the govt offer a rebate of 20-25 cents on every dollar spent in NZ on film and TV productions. Decisions on options for reform are due this year. The film industry's capacity to maintain this level of subsidy, unseen in any other sector, is a testament to the domestic political appeal of its output. The active, but so far largely ineffectual, lobbying by the video gaming industry – which fears Australian govt subsidies are drawing talent from NZ - will now be directed Edmonds's way too.

Brooking also gets an associate immigration role and associate

environment, which gives her some oversight on RMA reforms. An environmental lawyer by trade, Brooking was a member of the working group that proposed options for RMA reform in the govt's first term.

Asked this week whether the govt still intended to pass RMA reforms before the election, Hipkins said it was still the govt's intention to "progress that legislation".

Parker's 'Piketty unit' report close

One of the last pieces of election tax policy will fall into place later this month when David Parker releases Inland Revenue's research into the amount of tax paid by High Net Worth Individuals in NZ, possibly on April 26.

Parker got \$5m in the 2021 Budget to set up what Nicola Willis calls the "Piketty Unit" into the amount of tax paid by the ultra-wealthy.

That followed poorly backed estimates by IRD and Treasury in 2020 that NZ's wealthiest paid about 12% of their total economic income in tax, versus about 16-18% for people on incomes of \$55,000-\$60,000. 42% high wealth individuals paid less than 10% of their incomes in tax. However, the Piketty unit's findings are not too dissimilar.

Coming less than a month before the Budget, the report is undoubtedly intended as mood music for tax announcements that target the wealthy. Options include a cyclone recovery levy.

Another, less talked about, piece of this puzzle will also land soon: Treasury analysis using similar methodology to IRD's high net worth research to determine how much of 'normal' peoples' income is disappearing as GST and income tax. This should allow an apples-for-apples comparison between the "economic" income of the ultra wealthy and middleincome and less-well-off people. The papers are slated for release at roughly the same time.

Budget decisions bedded down

A swathe of final Budget decisions made their way through Cabinet this week, with Robertson constrained by a relatively light \$4.5b additional annual operating allowance. Inflation-induced cost pressures could eat up \$3.5b of this.

Likely to feature is a boost to Working for Families, following a two year review, which may seek to reduce effective marginal tax rates for people whose paid hours increase.

Changes at the low income end to tax thresholds may also be on the cards, or be announced as Labour election policy, close to the Budget.

Australia hits the phones for **AUKUS**

Australia's diplomats have been on a charm offensive, flooding cafes around the Beehive and hosting at Bellamy's. Last week, Australia's Deputy Prime Minister and Minister of Defence Richard Marles paid a visit to Wellington.

Australia is keen to entice NZ into "pillar II" of AUKUS, which other countries have also been invited to join. This opens the door to advanced technology sharing of **potentially significant** economic as well as security benefit to NZ. It would also not compromise NZ's nuclear-free legislation.

Among AUKUS detractors in NZ are former PMs Jim Bolger and Helen Clark, the latter particularly vocal.

Little is warm on the joining up to Pillar II. The Greens are vehemently opposed.

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DOMESTIC ECONOMY

Monetary policy

The RBNZ hiked the OCR by 50 basis points. Market commentators had expected a rate hike of 25 basis points to 5.25%. The monetary policy committee said inflation was too high (7.2% in the Dec quarter) and employment was beyond its maximum sustainable level. The bank began the first of its 11 increases in Oct 2021.

The March CPI figure is due April 20.

Household spending and assets

Worldline said **retail card spending** it processed in March was \$3.137b up 19.2% on the same month in 2019 (pre-covid), a record increase but just above inflation for that period.

Household saving was \$2.1b in the Dec 2022 quarter, the same level as in the Sept quarter but well above pre-pandemic levels, Stats NZ said. Household net disposable income increased by 1.8% to \$57.4b, while household spending increased by 1.7% to \$55.3b. The increase in household spending largely reflected price increases, with little change in the volume of goods and services consumed.

However, **household net worth** fell \$10.3b in the Dec 2022 quarter, Stats NZ said. The net worth fall of 0.5% follows falls in the previous three quarters, however the rate of decline has eased in the current quarter. The four quarters of decline in household net worth have resulted in an annual fall of \$176b, or 7.3%, from the peak in Dec 2021, roughly when the residential property market last peaked.

Credit bureau Centrix said 2.04% (up 23%) of all home loan holders in Feb were **behind on their monthly payments**. Overall consumer lending was up 19% year-on-year for the month at \$492m, on increased personal loans and vehicle finance.

Housing

CoreLogic's latest house price index showed values fell 1.1% in March, down 10.5% from a year ago. It represented a fall of \$109,000 over the past year, with the national average value at just under \$934,000.

Barfoot & Thompson said buyers started trickling back with the Auckland firm's sales hitting a 10-month peak with a slight recovery in house prices on the prior two months.

Rabobank first-quarter confidence survey showed rural confidence was still low, but were up on the prior quarter to Dec, with a net confidence reading of -58%, up from -71%.

Commodities

ANZ's world commodity price index rose 1.3%

month on month in March – in local currency terms it gained 2.7% – with a mixed picture across products. Export freight prices were still generally softening but **global shipping prices had generally trended higher** and recent energy price increase are likely to stem further falls in costs.

The latest **Global Dairy Trade Index fell 4.7**% to an average of US\$3,227 (NZ\$5,112) per metric tonne. It's the seventh fall in the past eight auctions. Whole milk powder – the biggest influence on Fonterra's milk price – fell 5.2% to \$3,053/MT while skim milk powder –the second reference for Fonterra – fell 2.5% to \$2,579/MT.

NZ exported about \$885m worth of red meat products during March, a decline of 18% compared with the same time last year. Exports to NZ's top-10 markets decreased, including a significant drop in sheep meat to the UK.

Immigration

NZ migration numbers are pushing back to pre-covid lockdown levels. The country gained 12,000 more non-tourist migrants than it lost in Feb.

There were 21,400 arrivals to just under 10,000 departures in Feb. In Feb 2020, before the first covid lockdown in March that year, there were 21,073 arrivals and 14,627 departures.

Confidence

NZIER's latest quarterly business outlook survey said 41% of firms report sales as their primary constraint, above the 26% saying this was their main constraint a year ago. The **proportion of firms** finding labour was their main constraint was 29%, versus 36% a year ago.

About 38% of NZ SME leaders could only sustain their businesses for up to six months before they needed to look for additional funds, a MYOB survey said.

Carbon

Current **ETS price settings are preventing the** scheme from helping reduce emissions, the Climate Change Commission's latest advice to the govt says. It advises reducing the supply of NZUs, raising the trigger price for the cost containment reserve and auction reserve price, and changing to a two-tier cost containment reserve.

The govt's decision not to follow this advice is a primary cause of a collapse in NZU prices this year. James Shaw's response to the warning suggests the govt is listening.

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Primary Sector

Total cow numbers fell by 1.26% in the 2021-22 season, according to DairyNZ statistics. The total herd came in at 10,796. The average herd size grew to 449, from 445 the previous season. More than 50% of farms have smaller herds. Total milk production was down 4.3% at 20.78b litres.

Scales Corp reinstated its guidance for the full 2023 financial year and expects underlying net profit after tax to be between \$14m and \$19m. The company estimates total tree losses across owned and leased orchards will be about 5% of its total planted orchard area - but due to expiring leases, less than 50% will need to be replaced.

Energy and resources

Meridian Energy agreed a new deal with the Tiwai Point aluminium smelter on cutting back its electricity demand in times of need. The contract is seen as positive for the dynamics between the two largest parties to the smelter's electricity demand.

Mercury agreed a power purchase agreement with Amazon for its Auckland data centres, due to launch next year. Amazon Web Services will purchase about half of the 100MW capacity of the southern section of Mercury's Turitea wind farm near Palmerston North, for 15 years.

Stats NZ said greenhouse gas emissions have fallen to their lowest levels in eight years driven largely by more renewable electricity generation.

Energy Minister Megan Woods continued to keep Project Onslow in the mix at a BusinessNZ Energy Council breakfast last week.

Banking, finance and insurance

The RBNZ told banks to ready their systems within 12 months so they can comply with the possible future use of debt-to-income restrictions on bank mortgage lending.

Almost 100,000 claims totalling \$2.47b have been lodged for Auckland anniversary flooding and Cyclone Gabrille. About a third of those have been cleared.

Fisher Funds announced it was removing performance fees from all its KiwiSaver and managed fund multi-asset products.

Du Val Capital Partners is seeking to reassure investors that it is working to resume quarterly dividend payments following a suspension in the Dec quarter.

Telecommunications, media and entertainment

Spark's three-year strategy for financial 2024-26 predicted five key trends that will impact the company's future. The first three are specifically tech-related - continued growth of data, network virtualisation and the convergence of technology. The other two are macroeconomic: political volatility and economic uncertainty, and greater sustainability expectations.

One NZ (formerly Vodafone) reached an agreement with Elon Musk's **SpaceX** satellite business to provide mobile coverage of the whole country for its customers via Starlink.

Australian super fund UniSuper became the third entity permitted to own more than 10% of Chorus.

An AUT survey shows trust in NZ's media has declined for a fourth year, with just 42% of NZers generally trusting the media, down from 45% in 2022, and 53% in 2020. RNZ and TVNZ topped the trust rankings, although the radio broadcaster shed a lot of ground in the year. The data suggests many responseents associated trust with 'familiarity' and scale.

RNZ has received a significant boost to its ongoing funding, with \$25.7m of additional annual support, about half of which is to cover broadcasting infrastructure upgrades.

Simon Power resigned as CEO of TVNZ, effective June 30.

The Dominion Post newspaper is to become just The Post. Its owner, Stuff, appears likely to formally announce a paywall strategy at Parliament on April 27.

Listener editor Karyn Scherer has resigned and will be replaced by North & South editor Kirsty Cameron. N&S is for sale by its private German owners.

Wholesale and retail

Craigs Investment Partners halved its share price target for MyFoodBag to 30cps, based on the weakening outlook for consumer spending.

Transport and infrastructure

Downer, Higgins and Fulton Hogan have been chosen for planning the restoration of transport services in Tairawhiti following Cyclone Gabrielle. Both rail and road links are badly affected. KiwiRail and Waka Kotahi will lead procurement. Contracting models used successfully after the 2016 Kaikoura earthquake will be the template.

The Commerce Commission opened investigations

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into both Cook Strait ferry companies after months of cancelled and delayed sailings.

Novel analysis by **NZIER**'s Derek Gill and others suggests that politicians, subject matter experts and members of the public have sufficiently similar views about the value of **NZ naval capabilities** to make future investment politically palatable.

Uber will pay \$7.5m service fee discounts to encourage its drivers to invest in EVs in NZ.

Manufacturing and construction

Scarbro Construction Holdings, Scarbro Build, and Scarbro Construction were put into liquidation following a shareholders' vote.

Total **standalone housing consents** fell by more than a quarter to 1,067 in Jan, bringing the yoy total of new homes consented down 2% on the previous year, to 2,777 homes. Consents for multi-unit homes, including apartments and townhouses, grew by 22% to 1,710.

The BNZ-BusinessNZ **performance of manufacturing index** (PMI) was clearly recessionary in March at 48.1, down 3.6 from Feb, when a net positive reading of 53.0 was recorded. Production dropped to its lowest index score since the March 2020 covid lockdown and new orders contracted sharply.

Courts, legal and regulation

Auckland and Queenstown law firm **Wynn Williams** has thrown its hat in the ring for appointment of Christchurch's Crown solicitor following the resignation of **Raymond Donnelly & Co** partner **Mark Zarifeh.** RD&Co has held the warrant for 109 years.

Technology and IT

Scott Technology reported 20% ebitda improvement to \$15m in the six months to Feb 28, on 11% revenue improvement. NPAT was \$7.8m.

Aroa Biosurgery gained **FDA** pre-market approval for its **Enivo** treatment to prevent under-skin fluid build-up.

Payroll software provider **PaySauce** lifted annual recurring revenue by 50% in the year to March, benefiting from a hot labour market.

Receivers of tech company **Protempo** sold the company's intellectual property and assets.

Dawn Aerospace successfully ran its first tests of rocket-powered engines with its winged space plane in Canterbury. Its remotely piloted Mark-II Aurora suborbital vehicle had previously been tested with jet engines. **TradeWindow** revised its 2024 financial year revenue projections down to \$7m to \$8m, from \$10.4m and said job losses will be at the lower end of the 25-35 range as it looks to cut costs. Following the cost reductions, TradeWindow anticipates sufficient funding for the 2024 financial year, before any new capital receipts.

Service industries and healthcare

Cleaners union **E Tu** has lodged application for a **Fair Pay Agreement for the sector.**

Tourism

Documents released under the Official Information Act show that the now-shuttered **Chateau Tongariro** hotel made money only one year in 17 between 1991 and 2017 and that seismic and other remedial works would cost \$15m-plus.

Property

Nasdaq-listed **Colliers** has bought a controlling stake in NZ property advisory firm **Greenstone Group** for an undisclosed sum.

Corporate actions

The rate of business failures appears to be on the rise, with 265 insolvent liquidations in the year to March, compared with 206 last year, and some 308 appointments of receivers and administrators, including liquidations, compared with 295 the previous March year. The statistics are from **RITANZ**, the regulatory body for the insolvency profession.

People

A new high-net-worth investor visa attracted 14 applications since its launch about six months ago. That compares to 492 applicants to the old program in 2021, before requiring larger investments and **ruled out real estate.**

Everyone currently in NZ on a **working holiday visa** due to expire before Sept 30 will receive an automatic six-month visa extension and open work rights.

Wellington KC **Paul James Radich** was appointed a Judge of the High Court, and Wellington barrister **Andrew Cunningham Skelton** was appointed an Associate Judge of the High Court.

Anthony Quirk will take over as Milford Asset Management chair after the sudden departure of chair Gavin Walker. Quirk joined the board in Dec 2021.

US billionaire **Bill Foley** resigned as director and chair of Foley Wines, following his recent acquisition of UK football club AFC Bournemouth. He will be replaced as chair by deputy chair **Paul Brock**.

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LEGISLATION

Picking up pace

The govt has been picking up the pace on its big legislative programme over the last month. After PM Hipkins' policy reset, **ministers were told to resubmit their bids for legislative priorities in line with the new policy direction by April 17.** Following this, Cabinet will agree on what bills will pass and what will not before the House rises for the election.

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

Bills introduced

Child Support (Pass On) Acts Amendment Bill -

Introduced March 27. Seeks to ensure equal treatment of beneficiaries receiving a sole parent rate of main benefit. First reading March 29 with all parties in favour and referred to the social services and community committee.

Immigration (Mass Arrivals) Amendment Bill -

Introduced March 28. New provisions to deal with mass illegal migrant arrivals. First reading March 29, opposed by the Greens and Te Paati Māori and referred to the foreign affairs, defence and trade committee.

Integrity Sport and Recreation Bill - Introduced March 28. Sets up the Integrity Sport and Recreation Commission. First reading April 4, opposed by Act and sent to the social services and community committee.

Land Transport Management (Regulation of Public Transport) Amendment Bill - Introduced March 16. Establishes the Sustainable Public Transport Framework to replace the Public Transport Operating Model. First reading March 29 with National and Act opposed and sent to the transport and infrastructure committee.

Regulatory Systems (Education) Amendment Bill - Introduced March 23. An omnibus bill mainly making administrative amendments. First reading March 29 with

administrative amendments. First reading March 29 with National and Act opposed. Education committee.

Resale Right for Visual Artists Bill - Introduced March 28. Establishes an Artist Resale Royalty scheme for their qualifying artwork sold on the secondary art market. A requirement under the UK FTA. First reading March 29, all parties supporting. Social services committee.

Bills in progress

Counter-Terrorism Acts (Designations and Control Orders) Amendment Bill - Introduced Oct 20. *Reported back March 13 and second reading April 4 with the Greens and Te Paati Māori opposed.*

Employment Relations (Extended Time for Personal Grievance for Sexual Harassment) Amendment Bill - Bill of Labour MP Deborah Russell (now Marja Lubeck), introduced Oct 21. Committee stage completed April 5.

Family Court (Family Court Associates) Legislation Bill - Introduced July 5. Reforms Family Court proceedings. Second reading April 4, all parties in support.

Bills passed/defeated/stalled

Civil Aviation Bill - Introduced Sept 8 2021. *Committee* stage and third reading March 29 with Greens still opposed.

Construction Contracts (Retention Money) Amendment Bill - Committee stage and third reading completed March 29 with all parties in favour.

Coroners Amendment Bill - Introduced Aug 24. *Passed* through all remaining stages March 29 with all parties in favour.

Criminal Proceeds (Recovery) Amendment Bill -Introduced Sept 12. *Third reading on March 28 with the Greens and Te Paati Māori opposed.*

Criminal Activity Intervention Legislation Bill -Introduced Sept 20. *Committee stage March 28, third reading on March 29. Parties unchanged.*

Digital Identity Services Trust Framework Bill -Introduced Sept 29. *Remaining stages completed March 30 with all parties in favour.*

Fire and Emergency New Zealand (Levy) Amendment Bill - Introduced Sept 20. *Committee stage March 30, third reading April 5 with the Greens opposed.*

Increased Penalties for Breach of Biosecurity Bill - Member's bill of Jacqui Dean. Voted down at second reading on April 5 with Labour and the Greens opposed.

Organic Products Bill – Introduced Feb 27 2020. *Remaining stages completed March 30 with Act opposed.*

Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill - Member's bill from Chlöe Swarbrick introduced on June 30. *Voted down at first reading April 5 with the Ayes 29, Noes 85 in a personal vote.*

Severe Weather Emergency Recovery Legislation Bill - Introduced March 17. Second bill in response to cyclones in Jan and Feb. Temporarily amends RMA to allow emergency rebuilding etc. First reading March 28 with Act opposed. Passed through all remaining stages on April 6 with Greens, Act and Te Paati Māori opposed.

Taxation (Annual Rates for 2022-23, Platform Economy, and Remedial Matters) Bill - Omnibus tax bill introduced Aug 30. Reported back March 1 with a number of changes, particularly the regime for charging GST on the "platform economy", taxation of cross-border workers, and allowing build-to-rent housing to claim interest. Second reading on March 8 with National and Act opposed. Committee stage completed on March 14 with the govt making a last minute change exempting bikes, electric bikes and scooters from fringe benefit tax when used for work commuting. Committee stage March 14 and third reading March 31 with no change in positions.

