

National's pre-Christmas blitz plans Page 2

One of the biggest lessons National is taking from Labour's current political difficulties is that their opponents failed to create enough early momentum after the 2017 election to be showing results now. National is planning a four-phase approach to power, starting with a pre-Christmas blitz to repeal some Labour reforms and start a couple of its own.

Little in damage control on immigration failures Page 2

Andrew Little inherited the immigration portfolio from previously rising star Michael Wood and this week appeared to be moving into emergency damage control mode ahead of the election, publicly requiring advice from the Public Service Commission on how to investigate claims of failings in visa processing by Immigration NZ.

Labour's GST gambit Page 3

Labour has been trying to spin on a line that the early leak of its plan to drop GST on fresh and frozen fruit and vegetables helped it determine the policy would be popular with its base. It may be, but it does not look game-changing for Labour, particularly given the negative reaction it has engendered among mainstream political media.

NZ First might get 5% – does it matter? Page 3

Opinion polls are diverging, putting National on a weak upward trajectory and Labour sagging to 30% or lower support. Into this mix, NZ First now appears capable of nudging over the 5% mark and returning to Parliament. However, there are limited scenarios in which NZ First proves decisive for govt formation. It runs a greater risk of being an irrelevant rump party.

Double-dip recession baked in? Page 5

The weakness of global dairy prices, the sagging NZ dollar and the increasing evidence that higher interest rates are curtailing consumer activity and business investment are compounding to suggest the next 12 months or so could be more difficult than has been widely assumed. Uncontrollable events – a major trading partner recession or a drought – would make things worse.

Higher petrol excise ahead Page 7

The govt's policy statement on transport priorities envisages four years of petrol excise increases, to a total extra 12 cents a litre by 2027 to help pay for roading priorities. The GPS does anticipate building the Avondale to Wiri railway connection, which would join Northland rail to the rest of the freight network without sharing Auckland passenger rail routes.

RMA and 3 waters laws pass – repeal promised by Nats Page 8

David Parker delivered his five year project to replace the RMA with the Natural and Built Environments Act and the Spatial Planning Act. National promised to repeal both by Christmas and return to the RMA before trying reform again. A similar fate would await three waters reform legislation, also passed this week.

Nats prepare for pre-Xmas blitz

Assuming it will form the next govt, the National Party is planning a four-stage approach to its first term.

The first phase will be a pre-Christmas parliamentary blitz, with the House expected to sit from mid-November until Christmas Eve - far later than is normal. This will mainly be to start repealing recent Labour legislation and to put some early stakes in the ground for initiatives that National wants to see delivering results by the time of the 2026 election.

Reflecting Christopher Luxon's corporate disciplines and the evidence of Labour's failure to initiate some major, promised infrastructure projects in its first term, National is highly focused on creating momentum.

The most urgent legislation for repeal would be the Natural and Built Environments Act and the Spatial Planning Act, both of which passed into law this week to replace the Resource Management Act.

With their passage firing the starting pistol on a mammoth 10 year transition to new environmental

protection and planning regimes, National is anxious to stop what RMA spokesman Chris Bishop said was an "army of officials" who would now be working on that changeover.

Next, National would legislate some changes of its own to the RMA, which would come back into force.

A third, far longer term project, would be to introduce its own substantive reform of the RMA. Elements of the Labour package, including a simplified approach to regional plans, are likely to survive.

National would also likely repeal or significantly amend the NPS on freshwater management. Fair Pay Agreements would not be expected to last long.

Project Onslow would also be officially cancelled before Christmas.

Seeking to free up land for housing by abolishing rural/urban boundaries would also be an early priority. How swiftly National would move to restore interest deductibility for residential rental properties and shrink the brightline test back from 10 to two years is not clear.

National is thinking of its second phase of activity as a "first 100 days" approach. Among priorities in that phase would be repeal and replacement of the Water Services Entities Act, which also became law this

week, to undo Labour's approach to 'three waters' entity ownership.

Within the first year, National would want to be showing progress on four large-scale roading and infrastructure projects to support new housing developments. These would be: extension to SH29 north of Tauranga, using value capture mechanisms to help fund the work; the Petone-Grenada link road in Wellington; the Hamilton southern links project; and a Kumeu bypass development in west Auckland.

National is not speculating publicly about what policy concessions it might make to Act, one that is not on the table is Act's desire to share GST revenues from land development with local govt.

Fiscal plans coming

National's updated tax policy will also shortly be released, before the Sept 12 Pre-Election Economic and Fiscal Update. National says it will wait until after PREFU before publishing a full fiscal plan, meaning that while it will be committed to whatever tax relief it intends, it will have room to manoeuvre on spending commitments, or to justify cuts.

Particularly nervous are MBIE officials and private sector recipients of the current r+d incentives administered by MBIE and Callaghan Innovation.

Labour will publish a fiscal plan (as it did last year), rather than simply presenting Treasury's PREFU as the fiscal plan, as some governments have done in the past.

The PREFU forecasts have not yet been finalised. As of this week, the govt could still axe projects and agree cost savings that the PREFU could include. **If the forecast surplus is delayed from 2026, as is likely, it will be the longest period of sustained deficits since the 1980s.**

Immigration whistleblower

Immigration Minister Andrew Little appears to be trying to get ahead of another source of potential political embarrassment for the govt, following allegations by a whistleblower.

Little made a high profile announcement on Thursday evening that he was seeking advice from Public Service Commission CEO Peter Hughes on an investigation into the immigration service's handling of visa applications.

The investigation has the potential to widen into a broader inquiry into not only the practices, but the culture and productivity of Immigration NZ.

Unspoken, but lurking, is the potential for the inquiry to uncover problems that went unaddressed

Nats on foreign buyers

Claims that National will fully roll back Labour's ban on foreign purchasers of residential properties appear to be overblown.

While a policy promising partial repeal is very likely, Christopher Luxon this week indicated that he believed "some restrictions" were justified.

by Little's predecessor, Michael Wood, whose ejection from Cabinet for failing to deal with personal investments appropriately hints required his portfolios to be shared among more experienced Labour ministers.

Labour's GST/WFF gambit

The political commentariat has largely written off Labour's promise to remove GST from fresh and frozen fruit and vegetables as an act of political desperation.

That assessment may be correct, and the initiative is unlikely on its own to transform Labour's currently weak electoral position. However, it remains to be seen whether it is actually unpopular. The proposed increase in Working for Families entitlements represents a substantial boost to household incomes, and the intention to raise the abatement threshold to allow \$50,000 of income before WFF entitlements start to reduce is arguably more meaningful for Labour's base than the GST move. The total size of the package is small, though. Fully implemented, fiscal implications are for a \$750m or so annual fiscal hole. The GST exemptions might have been larger. Chris Hipkins said fresh meat was not in the mix because it would have been too expensive.

At the launch for the policy last weekend, the PM also made it clear that Labour will be campaigning in part on the proposition that the election boils down to "Mums and Dads versus millionaires".

Labour is unashamedly focusing on "working" families, offering nothing beyond the GST cut on fresh and frozen produce for beneficiaries and superannuitants.

The party's official campaign launch is in Auckland on Sept 2.

The GST policy itself would create significant compliance issues, particularly at the boundary between fresh and prepared foods. For example, directors of My Food Bag told shareholders at this week's AGM that they were examining whether its cook-it-yourself meal packs would qualify for the exemption or not. Given that Hipkins suggested packaged supermarket coleslaw would attract GST if it included a salad dressing, MFB may find its business model further challenged if the GST-free policy is implemented.

National Party list due

National will release its list on Saturday. While the process is officially a collegial party exercise, in practice, it tends to reflect the leader's preferences.

This is therefore Christopher Luxon's first chance to

stamp his mark on the party, and create the caucus from which he can select a Cabinet.

However, while National can still reasonably expect to have first shot at forming a govt after Oct 14, it continues to poll weakly by historical standards.

If that continues and the party's usual strong electorate vote continues, National will need to find high placings for senior MP and **potential next Speaker Gerry Brownlee**, and the well-regarded **James Christmas**, tipped to be the next Chris Finlayson (a likely next Attorney-General, and Treaty negotiations minister – he co-authored a book with Finlayson on the topic).

Luxon has repeatedly spoken of the need to diversify the party, promoting more women and ethnic minorities. However, regional candidate selection committees haven't all received the memo.

If Luxon is to diversify his caucus, he will need to rely heavily on the list, but not to the extent that he bleeds further support to Act by appearing "woke". Candidates like the well-credentialed **Emma Chatterton**, running in the unwinnable seat of Rimutaka, would be looking to get a boost.

National has also spent a lot of time boosting the profile of Napier candidate **Katie Nimon**, who may yet win the electorate in the absence of Stuart Nash.

Former National MP and list-only candidate **Agnes Loheni** may need a high list placing, National currently has no Pacific MPs, as will list-only candidate **Nancy Lu**, the party has no Chinese candidates either.

Other newcomers will be given a tough lesson in politics: perform or miss out. Former MP Dan Bidois (a divisive figure in caucus, after the ructions of 2017-20), will be sent a signal to win back Northcote from Labour's Shanan Halbert. Likewise Cameron Brewer, contesting Upper Harbour against Labour up and comer Vanushi Walters. National appears to remain confident that there is no serious threat from TOP's Raf Manji in the Ilam electorate. Candidate Hamish Campbell will need to win the seat from Labour's Sarah Pallett to enter Parliament.

Polls – does NZ First matter?

A welter of both private and public polls are showing broadly similar trends, with a weak divergence emerging in which National is pulling away from

CEO Retreat 7-9 Sept 2023

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

See the pdf of the programme at:

<https://www.thehugogroup.com/how-we-work/>

There are still a couple places available. If you are interested in coming, please contact tracey.gabbitas@thehugogroup.com

Labour and polling in the mid-30s, while Labour is falling away in most polls to be in the low 30s or high 20s.

The most significant new element in recent polling is the growing evidence that NZ First could make it to the 5% party vote threshold and return to Parliament.

This has prompted a lot of speculation about whether the party might change its mind to work with a Hipkins-led Labour Party, having previously ruled that option out. It has also raised the potential for NZ First to offer itself in a “handbrake” to a National/Act coalition.

At this stage, however, it is not clear that NZ First would have any necessary role in govt formation. Based on current polling, National and Act together would have a working majority, whether or not NZ First returns to Parliament. In order to be relevant to a centre-right combination, the Act vote would have to collapse from its current low /mid-teens performance.

In our view, National must remain concerned that both Luxon’s personal standing and the party vote are weak for a party hoping to form a govt. Disenchantment with both traditional parties of govt continues to be a major factor in the 2023 election.

SIS threat assessment

For the first time, the intelligence agencies published an unclassified threat assessment. China, Russia, and Iran were all namechecked as countries undertaking threatening activities in NZ.

Threats included infiltration of strategic organisations and the threatening of migrant communities, foreign interference, mis- and dis-information campaigns, and threatening significant technology networks.

The assessment drew a searing rebuke from China’s ambassador to NZ, Wang Xiaolong, who said: “Trust is the foundation of any relationship, and it is easier lost than earned. Just as we don’t want others to nose into our internal affairs, we NEVER interfere in the internal affairs of other countries. Period”.

In a sign, however, that relations with China remain constructive below the surface, the Chinese state education minister, Huai Jinpeng, was in both Australia and NZ this week, in the context of the post-covid resumption of international education flows.

Climate change

Climate change minister James Shaw asked parliament’s environment select committee to launch an **inquiry into community-led retreat and adaptation funding** and wants to form a cross-party

consensus with a special select committee set up and to sit in the next parliament.

The environment ministry’s **expert working group on managed retreat report** recommended homeowners, landlords and commercial property owners are compensated for managed retreat related to climate change based on avoiding hardship. This would mean the owners of holiday homes would, in general, receive nothing beyond demolition and cleanup costs if they had to be abandoned.

Six energy consultation papers were released on how to handle the transition to a low emissions economy as part of the govt’s ongoing work to develop an energy strategy by the end of 2024. The work included the **Gas Transition Paper** which looks at how to manage the phasing out of gas while it is still needed.

The govt announced \$33.5m in the fifth round of spending through the GIDI fund which it said would leverage private funding of over \$62m. One of the largest recipients was **Open Country Dairy** with more than \$16m others included **Lion, Coca Cola-Amatil, OceanaGold** and a variety of smaller operations.

New trade environment

Vangelis Vitalis, deputy secretary and chief negotiator at MFAT said “golden weather” for NZ’s trade policy is over, but he is optimistic NZ has the right strategy to manage and mitigate the turbulence and challenges. Vitalis will brief the Hugo Group’s Sept breakfasts on the emerging, new foreign policy and trade environment.

Covid over

The govt ended the remaining covid-19 public health requirements – seven days of mandatory isolation and wearing face masks when visiting health care facilities. Evidence of falling covid cases and the absence of infection “spikes” backed the decision.

Gender pay gap reporting

The govt announced plans that would eventually require 900 companies to publicly report their gender pay gap. Initially, reporting rules would apply to entities with over 250 employees, extending later to those with over 100.

Teachers get a win

PPTA members accepted the govt’s offer of a 14.5% pay rise. Funding for the deal comes from the \$3.76b already set aside for a settlement, plus around \$374m to be found in the education budget. ■

Weak dairy = weak dollar = weak (but inflationary) outlook?

The dramatic decline in global dairy prices cannot be ignored as a harbinger of a potentially sticky period for the NZ economy.

To be clear, we are talking about a business cycle whose down-swing lasts until perhaps mid-2024. Nothing more apocalyptic than that.

But the number of negatives stacking up at present is worth considering.

A much weaker outlook for dairy prices in coming months will put significant pressure on the rural sector, at the same time as home and business borrowers continue to reset their borrowing in a new, higher interest rate environment.

The commodity price weakness may feed the NZD, which has now fallen below US60 cents and could go lower for a period.

The NZX has also been at a three-year-low compared to the British pound sitting around £0.47 (NZ\$1) and is also struggling against the Euro at €0.54 (NZ\$0.99), compared to €0.62 this time last year.

While assisting some exporters, it will be inflationary for imported inputs. To lean against a weaker currency, the RBNZ may find itself considering further rate hikes.

None of this is certain, but there are enough factors running one way to be cause for caution.

A NZ summer drought, a downturn in the US or a deeper downturn for China, would add to existing pressures on the NZ domestic economy.

Keeping the OCR at 5.5% this week, the RBNZ made clear that it believes its current positioning allows it to lean against any unexpected inflationary breakout, and to respond to a deeper downturn, should it emerge.

Bright spots are that NZ tourism becomes more attractive for international visitors, just as international aviation recovers, exporters of services should do well.

A lift in "animal spirits" may occur in the business community and among real estate investors if there is a change to a centre-right govt later this year.

However, both the PMI and PSI measures of the manufacturing and services reported over the last week were both weak and net negative.

The seasonally adjusted performance of manufacturing index (PMI) for July was 46.3, according to the BNZ – BusinessNZ PMI. This was the lowest activity level since Aug 2021 and well

below the long-term average activity rate of 52.9.

A Federated Farmers survey found the most negative farmer sentiment since the mid-2010s.

How might the RBNZ respond?

Given the range of negatives here, it seems unlikely that the RBNZ would raise the OCR aggressively, if inflation were to prove either sticky or to rise.

More likely would be a willingness to stay at or about the current OCR and allowing inflation to take longer to work its way out of the economy rather than worsen already weak economic conditions.

The RBNZ did tweak its rate track modestly higher this week. The modeled OCR now peaks at 5.59% in June 2024, 9bps above the May MPS.

This could be interpreted as an indication from the RBNZ that it thinks there is a greater chance of a hike in the next twelve months than a cut. So, mildly hawkish at the margin but certainly nothing that says a further rate hike is likely.

Long and short term migration

Provisional net migration rose 86,800 in the June 2023 year, made up of a net gain of 121,600 non-NZ citizens and a net migration loss of 34,800 NZ citizens. This was only 5% lower than the record of 91,700 in the March 2020 year, just prior to the covid border closure.

Overseas visitor arrivals were 2.54m in the June 2023 year, up 2.23m from the covid impacted June 2022 year. The biggest changes were in arrivals from Australia (up 1.03m) and the US (up 253,000).

Labour market

Seek's job ads fell 26% nationally in July this year compared to July 2022, back close to pre-covid 2019 levels, driven by an 8% drop in manufacturing, transport and logistics. One of the few industries to record a rise was administration and office support, increasing by 5%.

Median weekly and hourly earnings from wages and salaries increased by 7.1% and 6.6% respectively, in the year to the June 2023 quarter. Median weekly earnings from wages and salaries grew by \$84 over the year, to reach \$1,273, the second-largest annual rise since the series began in 1998, surpassed only by the previous year's annual increase.

Real estate

Auckland real estate sales increased an annual 10.8% to 1,645 last month. The REINZ price index fell 7.3% in Auckland and 6.9% nationally over the past year. ■

CORPORATE ROUND-UP

Primary Sector

Global dairy prices slumped further in the latest fortnightly auction to levels last seen in late 2018. The GDT Index fell a further 7.4%, and wholemilk powder was down 10.9%, the largest category fall.

That prompted Fonterra to make another cut to its forecast Farmgate Milk Price for the 2023/24 season, to between \$6.25 and \$7.75 per kgMS, with a midpoint of \$7.00 per kgMS, to \$6.00 - \$7.50 per kgMS with a midpoint of \$6.75 per kgMS.

Fonterra also expects to pay a full-year dividend near the top of its forecast range of 65-80 cents per share and details of its buyback programme for up to \$50m of shares.

A **Fed Farmers** poll found a net 80% of farmers see current economic conditions are poor, the worst result since that question was first asked in 2016 and a 15 point drop on Jan's then-record low of 65%.

Happy Valley Nutrition's creditors gave the administrators an extra month to look into potential deals to save the would-be milk processor.

Energy and resources

Contact announced an annual net profit of \$127m for the June 30 year including booking an \$84m expense for the Ahuroa gas storage facility. Heavy rainfall over the year contributed to the company's lowest-ever thermal generation. CEO **Mike Fuge** expressed confidence the Tiwai smelter would stay open and highlighted a pipeline of renewable generation nearing final investment decisions and the closure of more thermal generation.

Cabinet approved the Lake Onslow pumped hydro project moving on to its next stage of potential approval after discarding some other options being considered to deal with the electricity system's dry-year issues. A govt-run hydrogen project and smaller pumped hydro scheme in the North Island were among the ideas dropped to provide dry year backup.

BlackRock plans to launch a clean energy investment fund aiming to raise \$2b from institutional investors for investments in NZ.

MBIE statistics show 87% of NZ electricity was generated from renewable sources in 2022, with more recent data showing 90%-plus renewable electricity on a regular basis. Across all energy supply, renewables rose to a record 44% in 2022.

Banking, finance and insurance

The **National Party** announced it would allow individuals to choose multiple KiwiSaver providers, reverse recent changes to the **CCCFA**, and repeal

the recently implemented **Conduct of Financial Institutions** legislation, saying the sector was over-regulated, creating surprise at the Financial Markets Authority.

ASB reported a 6% increase in net profit to \$1.56b in the June year, with wider margins underpinning that growth. The bank said almost half of its customers have yet had to fix higher mortgage rates.

TSB Bank is to close seven of its 21 branches with Christchurch to be its only physical branch in the South Island.

Suncorp NZ's net profit for the year to June 30 fell by 30.3% to \$115m. General insurance profit after tax fell 56.7% to \$65m, reflecting severe North Island weather events.

The **Commerce Commission** said businesses will save an estimated \$105m each year by a reduction in fees to accept **Mastercard** and **Visa** payments.

ANZ Investments signed deals to work with global asset managers **BlackRock** and **Mercer**.

The **Commerce Commission** said its initial review of banks found they were more profitable than overseas counterparts and its market study will be focussing on home loans and personal deposit accounts.

All multi-sector **KiwiSaver** funds produced positive returns over the June quarter, but with slowing growth. Average returns in the conservative category were 1.2% for the June quarter compared to 2.9% in March. Aggressive funds experienced 5.4% multi-sector returns compared to 5.6% in March.

The country's five biggest life insurers – **AIA**, **Asteron**, **Cigna**, **Fidelity Life** and **Partners Life** – successfully passed the Reserve Bank's stress testing including three years of economic and insurance shocks, elevated interest rates and unemployment, and a new pandemic.

Telecommunications, media & entertainment

The head of outdoor advertising company **JCDecaux**, **Mike Watkins**, resigned. Three other executives will also leave the business.

Twenty-five independent media agencies joined **Independent Media Agencies NZ**, a not-for-profit body that will advocate for local agency groups with advertisers and media.

SkyCity may book a NZ\$49m provision for potential civil penalty proceedings from the Australian Transaction Reports and Analysis Centre action and A\$45.6m (NZ\$49.7m) impairment from the value of the SkyCity Adelaide casino licence. Guidance for FY23 normalised earnings of NZ\$300m - \$310m normalised EBITDA is unchanged.

Wholesale and retail

Briscoe Group announced \$369.2m in half-year unaudited sales, 0.35% higher than the \$367.9m during the previous corresponding period. NPAT for the 26 weeks to July 30 is forecast to be more than \$42m, vs \$45.6m in the same period in 2022.

Transport

The govt is proposing **fuel excise increases of 2c per litre in 2023 and 2024, with 4c increases for the following two years** to fund roading priorities identified in the Govt Policy Statement on transport issued this week. The announcement doubles as Labour's transport policy for the 2023 election

Auckland International Airport said its second runway, once planned to be operational in 2028, was now scheduled for completion in 2041, reflecting covid's impact on anticipated international aviation and airlines' initiatives to build seven years of delay into the original timetable.

Emirati multinational logistics company **DP World** has registered an entity in NZ, fuelling speculation about it becoming an operator for the Auckland port. Transport Minister David Parker issued a **freight and supply chain strategy**, two years in the making, that offered no firm view on the location of the Port of Auckland and warned against short term thinking.

Manufacturing and construction

Fletcher Building shares fell after it said it would take another extra \$105m provision on the cost of the NZ International Convention Centre and hotel. The firm also announced provisions for remedial work on pipe products sold in Western Australia.

Skellerup reported record NPAT of \$50.9 for the June year, up 7%, prompting a 10% increase in its share price post-announcement.

Two well-known craft breweries, **Epic Brewing** and **Brothers Beer**, announced a liquidation and voluntary administration respectively.

Courts, legal and regulation

The **Commerce Commission** successfully appealed a penalty concerning **One NZ's** misleading marketing of a home broadband scheme, winning a record a \$3.67m penalty, up from the original fine of \$2.25m.

Technology and IT

Rocket Lab recorded a year-on-year revenue increase of 21.6% to US\$116.9m (NZ\$193m) and an increase in net loss of 42.7% from US\$64.1m to US\$91.5m.

Service industries and healthcare

TruScreen doubled its product sales in the June

quarter from a year earlier and lifted unit sales by 73% as Chinese demand approaches pre-covid levels.

The chairman of NZX-listed Third Age Health Services, John Fernandes, defended his performance from an accusation at the company's AGM from ex-CEO **Michael Haskell**, that Fernandes was responsible for the halving of the company's share price.

Tourism

Ngāi Tahu Tourism is seeking Commerce Commission authorisation to acquire jet boating businesses **KJet** and **Time Tripper**.

Millennium & Copthorne Hotels NZ reported a net profit of \$8.4m in the half year to June 30, down from \$22.9m a year earlier when its hotel operations posted a loss, and its CDL property development unit enjoyed a spike in sales. Group revenue was down 28.2% at \$60.1m.

Property

Precinct Properties and private investment firm **PAG** took an undisclosed stake in two commercial buildings in the Te Tōangaroa precinct owned by **Ngāti Whātua Ōrākei** as part of a joint venture with the iwi. Precinct is making an initial \$10m capital injection.

Corporate actions

DGL will buy back as much as 10% of its shares on issue worth A\$21.1m (NZ\$22.9m) to help bolster what it says is an undervalued share price.

Infratil manager **Morrison & Co** has bought 50% of ASX-listed packaging firm **Pact Group's** crate pooling business, putting a A\$380 million (NZ\$412m) enterprise value on the business.

Capital markets

The **Financial Markets Authority** warned **Enprise Group** for failing to keep proper accounting records. The breach was related to Enprise's Australian subsidiary, Kilimanjaro Consulting, and certain tax-related assets.

People

Former Auckland International Airport chief executive **Adrian Littlewood** joined the **Craigs Investment Partners** board.

Beca appointed current group director **Amelia Linzey** as its new CEO.

Christchurch KC **Lisa Charlotte Preston** and Auckland KC **Laura Anne O'Gorman** were appointed judges of the High Court. ■■■

LEGISLATION

RMA, 3 waters reforms pass

The last month in Parliament started with urgency and was dominated by completing the committee stages of the two Resource Management Act reform bills. This week MPs began the last three week session of this Parliament.

- *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

District Court (Protecting Judgment Debtors on Main Benefit) Amendment Bill - Introduced July 27. Member's bill in the name of Anahila Kanongata'a. Aims to protect judgment debtors from being subject to excessive attachment orders by amending the District Court Act 2016 to ensure that an attachment order on its own cannot lead to a deduction of more than 5% of the net earnings of a judgment debtor who is in receipt of a main benefit.

Electoral (Lowering Voting Age for Local Elections and Polls) Legislation Bill - Introduced Aug 15. Reduces the voting age in local elections and polls from 18 to 16 years of age. Establishes a new category of electors, named youth electors, and provides for 16-year-olds and 17-year-olds to be registered on a youth electoral roll. It does not change the age for voting, being elected or appointed as a member of an alcohol licensing trust or trustee of a community trust or serving as a juror.

Fisheries (International Fishing and Other Matters) Amendment Bill - Introduced Aug 3. Amends the Fisheries Act to enable NZ to better meet its international fishing management and compliance obligations in relation to illegal, unreported and unregulated fishing.

Human Rights (Prohibition of Discrimination on Grounds of Gender Identity or Expression, and Variations of Sex Characteristics) Amendment Bill - Introduced Aug 3. A member's bill in the name of Elizabeth Kerekere. Adds two new grounds to the prohibited grounds of discrimination in the Human Rights Act – gender identity or expression, and variations of sex.

Medicines (Exemption for Authorised Prescribers) Amendment Bill - Introduced on Aug 3. A member's bill in the name of Penny Simmonds. Proposes extending the exemption for medical practitioners to obtain unapproved medicines.

New Zealand Bill of Rights (Right to Lawfully Acquired Property) Amendment Bill - Introduced July 27. A member's bill in the name of Barbara Kuriger. Proposes to add a 'right to property' into the NZ Bill of Rights Act. The bill proposes everyone has the right to own and use their lawfully acquired property, whether they own the property individually or in association with others. Everyone has the right not to be deprived of their lawfully acquired property except on such grounds that are established by law and with reasonable compensation.

Pae Ora (Healthy Futures) (Provision of Breast Cancer Screening Services) Amendment Bill - Introduced July 27. A member's bill in the name of Shane Reti. Aims to extend routine free breast cancer screening age from 69 to 74 while also future-proofing breast cancer screening for future changes in scope, frequency and eligibility.

Restoring Citizenship Removed By Citizenship (Western Samoa) Act 1982 Bill - Introduced Aug 3. A member's bill in the name of Teanau Tuiono. Seeks to provide entitlement to NZ citizenship for a group of people born in Western Samoa whose citizenship was removed through the enactment of the Citizenship (Western Samoa) Act 1982.

Bills in progress

Crown Minerals Amendment Bill - Introduced Nov 22. The main part of the bill is to change the purpose of the Crown Minerals Act from the promotion of mining activity to managing. Among other things it includes greater requirements to consult with iwi over mining operations. *Second reading on July 20 with National and Act opposed.*

Employment Relations (Restraint of Trade) Amendment Bill - Introduced Sept 22. A member's bill in the name of Labour MP Helen White. Prohibits the use of restraints of trade in employment agreements for lower and middle income employees. It will also require employers of higher income employees to consider whether a restraint of trade is appropriate in relation to those employees and, if they insist on a restraint of trade, to compensate the employees for it. *First reading completed on July 26 with National and Act opposed and sent to the Education and Workforce Committee.*

Fair Trading (Gift Card Expiry) Amendment Bill - Bill in the name of Melissa Lee drawn from the ballot and introduced on Nov 11. Seeks to prohibit the sale of gift cards with an expiry date of less than three years after the initial sale date. *First reading on Aug 1 with Act opposed and sent to the Economic Development, Science and Innovation Committee.*

Fuel Industry (Improving Fuel Resilience) Amendment Bill - Introduced June 1. Increases the minimum stock levels for petrol, diesel and jet fuel which must be held in NZ and allows for levies to fund this to improve security in case of an energy shock. *First reading on June 6 with all parties in favour and sent to the economic development, science and innovation committee. Reported back on Aug 9 with mainly technical changes. Second reading on Aug 15 with Act opposed.*

Land Transport Management (Regulation of Public Transport) Amendment Bill - Introduced March 16. Establishes the Sustainable Public Transport Framework for the planning, procurement, and delivery of public transport services replacing the Public Transport Operating Model. *First reading on March 29 with National and Act opposed and sent to the transport and infrastructure committee. Reported back on July 28 with minor amendment. Second reading completed on Aug 15 with National and Act opposed.*

Legal Services Amendment Bill - Introduced Nov 16. Repeals provisions in the Legal Services Act related to the user charge payment and interest charged on unpaid legal aid debt. *Second reading completed on June 20 with National opposed.*

Sale and Supply of Alcohol (Cellar Door Tasting) Amendment Bill - Member's bill in the name of National's Stuart Smith. Allows winery cellar doors to charge visitors for the samples of their own wine and adds an off-licence category for wineries holding an on-licence. *First reading completed on Aug 1 with a personal vote of 105 in favour and nine opposed. Sent to the justice committee.*

Taxation Principles Reporting Bill - Introduced May 18. Proposes a statutory framework for the reporting of tax information based on core taxation principles, intended to increase the availability of information about the operation of the tax system and contribute to an improved understanding of tax policy. First reading on May 18 with National and Act opposed. Referred to the finance and expenditure committee to be reported back by July 20. *Reported back on July 27 with minor changes. Second reading completed on Aug 15 with all parties in favour, but National and Act later recording their opposition in parliamentary journal.*

Bills passed/defeated/stalled

Business Payment Practices Bill - Introduced Oct 26. Introduces a regime intended to bring transparency to business-to-business payment terms and practices. Entities with more than \$33m in revenue will be required to disclose their payment practices twice a year. *Remaining stages completed on July 18 with National and Act opposed.*

Climate Change Response (Late Payment Penalties and Industrial Allocation) Amendment Bill - Introduced Dec 2. Creates a new penalty regime for ETS participants with low-volume liabilities of less than 25,000 units on average per year from forestry activities who fail to surrender or repay units by the due date. *All remaining stages completed under Urgency on Aug 15, Act opposed.*

Companies (Directors Duties) Amendment Bill - Introduced Sept 23. The member's bill in the name of Labour's Duncan Webb seeks to make clear a company director may take actions that take into account wider matters other than the financial bottom-line. *Committee stage completed on July 16 with the bill amended to say "to avoid doubt" directors may take other factors than profit into account when making decisions. Third reading completed on Aug 1 with National and Act opposed.*

Education and Training Amendment Bill (No 3) - Introduced March 23. Makes amendments across a range of matters in the Education and Training Act 2020 to give effect to new policy decisions and to make other minor and technical changes. This included new rules about board ineligibility, wananga and Kura Kaupapa Māori. *Second reading on Aug 2 with National and Act opposed. Remaining stages completed under Urgency on Aug 15 with National and Act opposed.*

Fuel Industry Amendment Bill - Introduced Nov 15. Provides a threat of wholesale price regulation, subject to a recommendation from the Commerce Commission, to incentivise suppliers to offer competitive terminal gate prices. *Remaining stages completed under Urgency on July 18 with National and Act opposed.*

Integrity Sport and Recreation Bill - Introduced March 28 to establish an independent Integrity Sport and Recreation Commission. *Remaining stages completed*

under Urgency on Aug 15 with just Act opposed.

Inspector-General of Defence Bill - Introduced Oct 27. *Remaining stages completed under Urgency on July 18 with National opposed at third reading.*

Local Government Official Information and Meetings Amendment Bill - Introduced Nov 22. Requires local councils to publish natural hazard information including forecast climate change impacts on LIMs. Limits legal liability for information published in good faith, but not if information is withheld. *Passed through all remaining stages under Urgency on July 18 with all parties in favour.*

Natural and Built Environment Bill - Introduced Nov 15. Replaces and repeals the Resource Management Act in tandem with the Spatial Planning Bill. The NBEA will lay out the framework for regulating both environmental management and land use planning. Its intent is to enable use and development within environmental limits and targets. Committee stage completed on Aug 1. *Third reading completed under Urgency on Aug 15 with National, Act, Te Paati Māori and Whaitiri opposed.*

Sale and Supply of Alcohol (Rugby World Cup 2023 Extended Trading Hours) Amendment Bill - Introduced June 16. Temporarily amends the Sale and Supply of Alcohol Act 2012. *Passed through all remaining stages under urgency on July 18 passing its third reading vote with Greens, Te Paati Māori, Kerekere and Whaitiri opposed.*

Spatial Planning Bill - Introduced Nov 15. Provides for the development and implementation of long-term, strategic spatial planning through the development of regional spatial strategies to replace the current plans with a smaller number of consolidated plans. First reading on Nov 22 with National, Act and Te Paati Maori opposed and sent to the environment committee. Committee stage completed on Aug 2. *Third reading completed under Urgency on Aug 15 with National and Act opposed.*

Therapeutic Products Bill - Introduced Nov 30. The replaces the Medicines Act 1981 and the Dietary Supplements Regulations 1985 to create a new regulatory regime for therapeutic products. *Remaining stages completed under Urgency on July 18 with National, Act and Kerekere opposed.*

Water Services Entities Amendment Bill - Introduced June 16. Reflects the govt decisions on water services reforms. This includes a new representation model on the entities which will now number 10 not four and a longer period for establishment to be between July 2024 and July 2026. First reading on 22 with National, Act, Greens and Kerekere opposed. Referred to the governance and administration committee and reported back on July 27 with minor changes. Second reading on Aug 2 with Labour, Greens and Kerekere in support. *The bill completed its remaining stages under Urgency on Aug 15 with National 34, Act, Te Paati Māori and Whaitiri opposed.* 🇳🇿

