

Government's \$20b transport pivot

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The new government has published its draft Government Policy Statement on Land Transport, a set of funding guidelines for the Waka Kotahi/NZTA. The plan is a big change from Labour's, which was published just prior to the change of government, and signals a rapid pivot back towards road-building.

Fast track fast-tracked

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Rounding out the government's first 100 days plan, Infrastructure Minister Chris Bishop introduced one of its most complicated pieces of legislation of the parliament thus far: a new fast track consenting regime, which rearranges the former government's fast track regime to place final decision-making power with ministers. Business groups like the look of it. Environmental groups are universally appalled.

Christopher Luxon's avoidable error

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The big political story of the week was the news Christopher Luxon had claimed a \$52,000 housing allowance not claimed by any Prime Minister since Premier House was made available as their official residence in 1990. Luxon swiftly backed down and repaid money he had received, but the incident highlights how the government's star player lacks political instincts.

Surplus delayed

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Finance Minister Nicola Willis is front-footing what is likely to be an embarrassing backdown for the government. Weak macroeconomic conditions have led to a lower tax take, which Treasury forecasts will persist for some years. It would appear this has scotched National's campaign promise to return to surplus by 2027.

Bank holds OCR, Treasury agrees economy weakening

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The Reserve Bank held the OCR at 5.5% and indicated it is less likely to continue hiking this year. Accounts from Treasury point to a weaker consumption in the March quarter, suggesting the Bank's medicine is working, but creating problems for Nicola Willis's budget.

Turmoil in media

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Warner Brothers Discovery's decision to close down Newshub ends three decades of loss-making news and current affairs on TV3. TVNZ announced a restructure that would disestablish 68 roles after announcing an interim operating loss of \$4.6m in 2H23. Listed publisher NZME is beginning to look like a safe haven for NZ journalism.

Parliament wraps up 100 day plan in a hurry

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The government has completed its hundred day plan during a mammoth four week sitting block that was included substantial amounts of urgency. Parliament sat for nearly 100 hours in urgency during the government's first 100 days.

Government's big transport pivot

The government delivered on its 100 day commitment to publish a draft Government Policy Statement on Land Transport. It scrapped Labour's planned gradual 12c a litre fuel tax hike, which would have begun this July, and included plans to build 15 Roads of National Significance.

Leaked costings for the roads warned they could come in at \$24b above the \$22.1b set aside at the election. Recent history would suggest delivery, let alone funding, issues are inevitable.

Note that in his trip to Melbourne for talks with ASEAN leaders, Christopher Luxon was highly focused on potential funders of NZ public infrastructure as the government contemplates new financing techniques that Labour eschewed.

There are a couple of stings in the GPS tail. Registration fees will jump by \$50 from next January, netting \$530m over the course of the next three-year transport plan – that's still only a third of the \$1.4b Labour planned to net from its fuel tax hike, but it's not inconsequential. The plan also assumes fuel taxes will rise 22c over the course of the next Parliament: 12c a litre in 2027 followed by a 6c and 4c hike in later years.

The government is also looking at reviewing driving offences fines, some of which have not been adjusted since the 1990s. Simeon Brown said he would look at inflation adjustment, which could see a seatbelt infringement fine nearly double to just shy of \$300.

Brown signalled a greater willingness to use PPPs to deliver and maintain the RONS and the GPS commits the government to introducing legislation allowing time-of-use charging in cities like Auckland and Wellington. The government has now said it will support "all recommendations by NZTA to toll roads" – a reversal of the position held by a number of governments, which have historically made a virtue not tolling, even when recommended.

Local government will feel the pinch from cuts to investment in new public transport infrastructure, subsidies for public transport services, and walking and cycling investment, which have been cut by \$1b, \$500m, and \$490m respectively over the next three years from what Labour was promising. That funding goes mainly goes into projects joint funded by central and local government.

Brown said he would be happy to see fares rise, given the share of funding for public transport coming from fares had fallen in recent years. The government has also tweaked cycleway funding. Money from

state highways can no longer be used to instal a cycleway alongside. This will dramatically reduce the number of new cycleways.

Brown said he will accelerate the move away from fuel taxes and towards a universal road user charge, which he hopes to achieve by the end of the decade.

Meanwhile, NZTA has yet to roll out a nationwide ticketing system for public transport. Finding a way to measure the hundreds of millions of kilometres driven by NZ's millions of drivers and getting them to pay for it will be far easier said than done. NZTA's board, warning of rapidly declining fuel tax revenue as cars become more fuel efficient, is desperate for the change. Ministers, fearing a Novopay repeat, have historically been hesitant. NZX-listed E-RUC firm ERoad is keen to offer solutions.

Fast track fast-tracked

Ministers unveiled a fast track consenting regime on Thursday that rivals Muldoon era national development legislation for the power it gives ministers.

The scheme is unashamedly aimed to speed up consenting for both commercial investments and publicly funded infrastructure.

The regime places powers of approval and the ability to send consents back to commissioners in the hands of the infrastructure, transport and regional development ministers. That is: Chris Bishop, Simeon Brown, and Shane Jones.

Use of this legislation is intended to allow the government to show concrete progress before the 2026 election on major new projects, such as the second Mt Victoria tunnel and Auckland busways.

Jones will favour the scheme for mining consents, including seabed mining, and for aquaculture projects, where consenting has proven difficult and long-winded – among others.

The bill will eventually – after its passage apparently – be populated with two lists, known as Schedule A and Schedule. Being on either list is now a key aim of many would-be beneficiaries.

Environmental groups are aghast at the extent of the ministerial powers envisaged.

The regime allows projects referred to the scheme to be automatically consented by ministers, with expert panels given only the ability to attach conditions to a consent during a brief, six week examination of the project

Ministers have the right to refer projects back to those panels if they don't like the outcome of the first hearing and can even forge ahead with the consent

despite the panel's verdict, if they have good cause.

The first list of projects will be inserted into the legislation following the bill's discussion by the environment committee. Other projects can be added later.

The legislation has been welcomed by the resources sector. Against the advice of officials, the government included the ability to consent prohibited activities via the fast track.

The government has intimated key projects in its GPS will go through the fast track.

The legislation is bound to be controversial, but what is less appreciated is that it could be unpopular among the supporters of the governing parties too. Unpopular consenting decisions have a unique ability to mobilise voters, from the Manapouri and Clyde dam proposals to the more recent Medium-Density Residential Standards that forced the National Party into an embarrassing backdown last year in the face of clever opposition from Act.

It's possible that this legislation could also lead to some difficult conversations with local National branches, and party groups like the Blue Greens who might not appreciate conservation land being opened up for resource extraction.

Luxon's avoidable errors

Christopher Luxon learnt a useful political lesson by swiftly closing down accelerating media interest in his use of the housing accommodation allowance.

Once he'd committed to repaying the \$52,000 already received, there was nowhere to take the story, although Luxon's use of the word "entitlement" to discuss the issue was a further, minor own-goal.

Luxon is living in a Wellington apartment that he owns rather than the run-down Premier House.

However, the episode again exposed lack of instinct for avoiding so-called "retail" political issues. No prime minister in at least three decades has claimed the allowance. It will disturb the government that what was obvious to previous PMs was not obvious to Luxon, particularly as media had intimated pre-government formation that there would be great interest if he did claim the allowance. He was reasonably quick to close the issue down, although he did briefly seek to defend it before realising it was a "distraction" to be cauterised.

Every government has one or two politically naive ministers, but it very rare for the frontbencher with the some of the least political acumen to be the PM.

Luxon's Summit debut

Luxon successfully returned from his first international summit this week, an ASEAN leaders meeting in Melbourne. He was lucky to be invited, as the summit was strictly between ASEAN leaders and Australia, which is a dialogue partner and celebrating 50 years of association with the group.

Australian Prime Minister Anthony Albanese extended an invite anyway, which is being interpreted as a sign of the strength of the relationship.

Luxon threw himself into a heavy schedule, with eight leader-to-leader bilaterals.

There was no announcement, but none was expected. This was mostly relationship-building to replace the East Asia and APEC summits Luxon missed at the end of last year. ASEAN is a key market for NZ, comprising nearly \$30b in two-way trade. NZ's trade deficit with the bloc has grown thanks to surging energy imports from Singapore following the closure of the Marsden Point refinery. Imports were \$19.4b in the year to June 2023, while exports were \$9.7b.

Luxon has made trade and international "hustling" a key plank of his economic strategy. The recent ratification of ASEAN's RCEP trade agreement by Indonesia, one of the last holdouts, should spur the government into trying to exploit export opportunities to ASEAN's 660 million citizens, which include a rapidly growing middle class.

Also in trade, a two year extension of a global moratorium on customs duties on digital trade was welcomed by trade minister Todd McClay. The decision was one of several made at the recent WTO ministerial conference in Abu Dhabi.

Winston Peters is about to embark on travel to India, Indonesia, and Singapore next week.

The PM of Vietnam Pham Minh Chinh will visit Wellington on Monday, and meet with Christopher Luxon. The meeting offers Luxon the opportunity to cement ASEAN ties forged during this week's summit.

Bishop takes control of housing portfolio

Housing minister Chris Bishop said he will take over decision-making powers on disputed district plan changes from the environment minister. In a speech, he argued that unaffordable housing was at the heart of numerous societal ills facing the country.

Workplace law

Workplace Relations Minister Brooke van Velden will lay out her priorities in the portfolio next week.

Simplified health and safety regulation appears to be on the cards, accompanied by a stronger focus on reducing workplace fatalities as the primary aim of the regime.

Employee/contractor distinctions are likely to be advanced. Modern slavery legislation is not a priority.

NZ had the largest inflation-adjusted increase in house prices in the OECD over the past 30 years, with a 256% spike in prices since 2000 compared to 64% in the US and 110% in the UK.

In a generally well-received speech, Bishop set out the housing fixes he had proposed in a recent Cabinet paper. While the government is moving ahead with plans to make the controversial MDRS optional for councils, this will be contingent of them immediately zoning for 30 years of housing growth.

“To put it bluntly, we are going to let councils have more discretion over where they have density, but they’re going to have more housing. It’s as simple as that” Bishop said.

The government’s goal, he said is to “flood urban land markets”. It’s still an open question whether this will be enough. Some councils are under the impression they have already zoned enough housing to meet this test. The real test will be whether Bishop has the nerve to force them to zone more.

Bishop has also promised to introduce a build-to-rent bill, loosening Overseas Investment Act rules to allow more foreign investment in build-to-rent developments, potentially including standalone housing. Currently this investment is constrained to larger multi-unit developments in deference to NZ First sensitivities about foreign investment in NZ homes. Cabinet has approved decisions being made to progress this bill, although it is yet to be introduced.

Surplus delayed– again

Finance Minister Nicola Willis has been busy telling anyone who will listen the government is unlikely to meet its pre-election goal of returning to surplus in the 2026-27 fiscal year. The government is soft-launching the bad news in a round of interviews and by asking itself patsy questions in the House.

Willis has blamed the bad news on a softer economy this year and softer forecasts in the future, leading to a lower tax take. Crown accounts for the seven months to the end of January showed a \$752m less taken in tax revenue than forecast even in December’s HYEUFU.

Willis promised she would have more to say when she releases the Budget Policy Statement on 27 March, where she will set herself new fiscal goals. She’s heavily hinted this would include a more rigorous surplus goal, which could see her put a date on a targeted return to surplus.

Willis mercilessly chastised Labour for constantly pushing its own forecast surplus further into the

future, so expect Labour to return the favour when Willis herself pushes out the return to surplus before delivering a her first budget.

So far, Willis has not indicated the government will be watering down its tax cut commitments in light of the weaker results. The first plank of the party’s tax scheme could come before the budget policy statement, in the form of an announcement on restoring interest deductions.

Work visa review finds clear flaws

A review of the Accredited Employer Work Visa scheme undertaken for the Public Service Commission said the migrant worker floodgates were opened post-covid with too much haste and too little consideration of the potential for unscrupulous employers and immigration agents to exploit foreign workers.

The signal the review sends to Immigration NZ, which is notoriously slow at clearing visa applications would appear to be to keep it that way.

Freshwater regs reform

Environment Minister Penny Simmonds has given an 18 to 24 month timeframe for the government’s review of freshwater regulations.

She told the most heavily-attended annual conference of National’s BlueGreens environmental wing that the current regime was too complex and promised that a new regime would put “local decisions in local hands” – a message warmly received by the audience.

Climate Change Minister Simon Watts addressed the conference also but gave no substantive new detail on the government’s approach to ETS reform or the next carbon budget.

Where is the new Peter Hughes?

At a time when the core public service is facing enormous budget pressure, it is surprising that no announcement has been made about the replacement of Peter Hughes, who left his role heading the Public Service Commission last week.

Hughes resigned six months ago, so there has been plenty of time to get organised.

Late last year, speculation was that Brian Roche was in the frame for a short term “fixer” appointment and it may be that he remains in the frame, but that there are disagreements at the Cabinet table.

We note that Winston Peters replaced Roche as chair of Antarctica NZ a couple of weeks ago, in favour of former US Consul-General in LA, Leon Grice. ■

Cash rate held, Treasury warns of weak March quarter

The Reserve Bank kept the official cash rate on hold at 5.5% and essentially removed the possibility of another hike unless there were any surprises. Governor Adrian Orr said: "The data we have seen has given us more confidence around the outlook than we've held for over a year or so now. It's much easier to be operating in the fact than the projection, and that gives us more confidence we are on train." Core inflation and most measures of inflation expectations have declined, and the risks to the inflation outlook had become more balanced.

There are signs also that the RBNZ is becoming more comfortable with the government's determination to run tight fiscal policy and take up some of the slack on inflation reduction that way.

Orr said there was strong consensus on the Monetary Policy Committee to hold rates, although there was some discussion of a hike and no discussion of a cut.

Forecasts released with the MPS suggest the Bank might be on track to cut sooner than it had previously indicated. The OCR track was revised down slightly in the near term to a peak of 5.6%, but was little changed over the longer term. The track still implies some chance of an OCR hike over the remainder of 2024.

The Bank noted some weakness in the outlook for China's economy and the risks to global growth, as central banks may need to keep policy rates at restrictive levels for longer than currently reflected in market pricing.

Economic indicators

New home consents fell 28% year-on-year to 1,991 dwellings nationally in Jan, its lowest for the month in five years, Stats NZ said. There were 36,453 new residential build approvals over the past 12 months, down 26% on the comparable year. Auckland's numbers were down 28%. Wellington recorded the biggest drop, 41% to 2,326 homes.

Consumer confidence rose in the latest ANZ-Roy Morgan survey, with a lift in perceptions of future conditions. Perceptions of current personal financial situations were unchanged at -12%, which ANZ said is still low but much higher than a year ago.

An analysis by BNZ of 39 **company earnings** releases found the word "challenging" was used by 12 of the 39 companies analysed, leading the bank's economists to conclude the "vibe" from commentary was "overwhelmingly negative".

Adjusted for the impacts of Cyclone Gabrielle last February, **vehicle sales** dropped 22.7% last month to 9,663 units, including light and heavy commercial vehicles, 15.6% below average February registrations over the past eight years. Ute and other small commercial vehicle sales jumped by 13.8% year-on-year to 3,052 units, with registrations now 26.8% higher than the first two months of 2023.

Data collected by property management firm JLL indicated there was a 7.5% annual increase in **demand for quality office properties**, alongside growing demand for new retail spaces. Demand for quality industrial space for warehouse and data centres was driving rental growth in Auckland, Wellington and Christchurch.

ASB reduced its **home lending rates** twice in a week, matching drops from Westpac and BNZ in February. Its one-year lending rate had dropped 10 bps from 7.39% to 7.29% and increased its 6-month term deposit rate by five basis points to 6.05%.

The **Crown accounts** showed a deficit of \$3.7b for the seven months ended Jan, fractionally less than forecast in the HYEPU. Tax revenue was \$69b – \$752m below forecast – because of lower company, GST, and other tax payments. GST revenue was \$200m below forecast, "hinting at potential weakness in March quarter consumption".

The government will release a **budget policy statement on March 27** in which it will detail spending priorities in the forthcoming May budget.

ANZ's World **Commodity Price Index** gained 3.5%, month-on-month, in February. The bank noted shipping prices are generally trending higher as problems traversing the Suez and Panama Canals are making journeys longer and more expensive. In NZ dollar terms, the index lifted 4.1%, month-on-month, as the NZ dollar fell 0.8% against the US dollar.

ASB'S **Housing Confidence Survey** hinted at a slight turnaround with net price expectations now sitting at the highest level in almost two and a half years - the period immediately before the current downturn. Nationally, 51% of buyers expect an increase in prices, compared with 34% in the 3 months to October 2023. Buyers in Auckland are the most bullish, with 56% expecting increases.

This is not feeding through into wider sentiment, however, with just 2% of respondents thinking now is a good time to buy a house, down from 6% in the three months to October.

The bank puts this down to "a few conflicting signals for prospective buyers: a turning market, policy changes, high debt servicing costs, possible debt-to-income restrictions and affordability". ■

CORPORATE ROUND-UP

Primary Sector

Marlborough Wine Estates reported a net loss of \$740,000 for the six months ended Dec 31, an increase of \$500,000 compared to the same period the previous year due to a 12% decrease in sales revenue of \$3.7m.

Seeka reported a loss before tax of \$21m for the year ended Dec 31 with a 29% decrease in gross profit to \$48.7m, and a 44% decline in EBITDA to \$26m. Seeka's net loss after tax for the year was \$14.5m, compared to a net profit of \$6.5m in the previous year.

Synlait Milk has delayed its HY24 results announcement by a week to April 2, after a crucial debt repayment falls due, CEO **Grant Watson** announced he was restructuring his executive team. A new chief commercial officer role will be established, with **Naiche Nogueira**, the former director of advanced nutrition, appointed. The role of director of quality, regulatory, and laboratory services will be disestablished.

The **Ministry for Primary Industries** said conditions across Marlborough, Nelson and Tasman were extremely dry and likely to worsen in the coming months.

Oceans and fisheries minister Shane Jones says **NZ King Salmon** getting final approval for its **Blue Endeavour** salmon farm was a significant step for aquaculture. It is not clear that 39% shareholder Oregon has appetite for the project.

There will be a review of the fees forest owners must pay to participate in the **emissions trading scheme** to ensure it was efficient and cost-effective.

NZ Rural Land Company reinstated its dividend after reporting a full-year net profit of \$10.9m. It suspended dividends last year, opting to use cash for a share buyback program and repay debt.

Energy and resources

Meridian Energy struck a deal with **NZ Aluminium Smelter** to reduce energy use at the Tiwai Point plant at times of high demand and narrow supply over 12 weeks in the coming winter.

Greymouth Gas Turangi won the only onshore Taranaki oil and gas exploration permit to be granted under Block Offer 2020, with regulators saying there were a number of applicants.

Vector reported ebitda of \$185m, up 7% in 1H24, and underlying net profit after tax of \$22m, up 29%. Npat included a \$60m impairment for the gas distribution business. A regulatory decision to lower returns on these assets and higher interest rates impacted the valuation.

Meridian reported 1H24 operating earnings of \$443m, a 4% increase over the pcip, driven by higher retail and wholesale sales.

The **Commerce Commission** approved **Transpower's** proposed \$392.9m investment in the national grid including \$103m for the Cook Strait undersea link. Transpower also issued a discussion paper on the future of the HVDC link, which will reach end-of-life within the next decade.

Banking, finance and insurance

Heartland Group reported a net profit after tax of \$37.6m for 1H24, a 22.7% decrease compared to the pcip. However, excluding one-off or non-cash technical items, the underlying net profit after tax was \$52.7m, a decrease of 3.6%.

The NZ arm of insurer **nib** reported an underlying operating profit of \$13.2m for 1H24, compared with the \$18.2m in the pcip, which was inflated by a one-off deferred acquisition costs adjustment. The insurance premium revenue of nib NZ increased to \$197m, up from \$179m, driven by strong private health policyholder growth.

The Reserve Bank has beefed up its cyber security requirements, wanting its regulated entities to report material incidents within 72 hours as well as large entities reporting all incidents every six months and other entities annually.

Telecommunications, media & entertainment

Spark's adjusted net profit fell 4.8% to \$157m for the first half of its FY2024 financial year, but adjusted Ebitda was up, and the telco reaffirmed its full-year earnings and dividend guidance.

Chorus chief executive **JB Rousselot** will step down in April and be replaced by chief operating officer **Mark Aue**. Its half-year financials said net profit after tax fell from \$9m to \$5m.

Warner Bros Discovery plans to close most of its free-to-air TV business in NZ, affecting 300 jobs. **Newshub** is among the divisions to be axed and will stop producing news on June 30. Heavy cuts are expected across the Warner Bros Discovery NZ free-to-air business, which includes Three, the broadcaster of Newshub, and entertainment channels, such as Bravo and Eden. The division employs about 400 people. **TVNZ** also announced a proposal to cut 68 roles to set the organisation on a "sustainable" financial footing. The broadcaster made an operating loss of \$4.6m for 1H24.

NZME bought Tauranga-based **SunMedia** – owner of the SunLive website and publisher of the Weekend Sun, Coast & Country News and New Farm Diaries publications – for an undisclosed sum.

Whakaata Māori (formerly Māori Television) became the latest media group to sign a commercial content deal with **Google**.

Wholesale and retail

The Australian-listed retail group that put **EziBuy** into liquidation owing more than \$100m struck a deal to buy it back.

Me Today put its honey division up for sale and announced the former head of skincare company Trilogy and current director, **Stephen Sinclair**, will take over as chief executive. The company reported revenue of \$2.3m, compared to \$3.6m for the six months ending Dec 31. Total losses after tax climbed to \$7.2m, a 24.9% rise from \$5.8m.

Despite record-high sales of \$1.32b, **Restaurant Brands** posted 1H24 npat of \$16.3m – a touch above guidance but a 49.3% decline on last year. Margins in all regions – NZ, Australia, Hawaii and California – were hit by higher costs of ingredients and minimum wage increases throughout the year.

Transport

CentrePort reported underlying npat of \$6.7m for 1H24, up 56% from \$4.3m in the pcp. Revenue was up 10.5% to \$51.1m.

KiwiRail wrote off \$382m in costs associated with the cancelled Interislander replacement project, and provisioned a further \$60m for winding it down.

After spending at least \$50m on land, **Christchurch airport** has shelved its controversial plans for an airport in Central Otago under orders from its owner, **Christchurch City Holdings Ltd**, to limit capex. The airport reported 1H24 edbitdaf of \$45.8m, with a net operating surplus after tax at \$21.5m.

Manufacturing and construction

Bruce Hassall quit as **Fletcher Building** chair with immediate effect following ongoing shareholder discontent. Following its earlier announcement of a \$120m loss, Hassall had announced he would step down later this year.

KPMG Australia said it has no alternative but to resign as auditor for **Downer EDI** after the company said KPMG would be drawn into the class action lawsuit brought by shareholders after the company admitted overstating its pre-tax earnings due to accounting irregularities.

Metro Performance Glass expects its EBIT before significant items in FY24 to be in the range of \$7m to \$8m, lower than the \$11.8m achieved in the previous year. The company reduced its board members from six to four, with **Shawn Beck** appointed as the new

chair. The sale process of **Australian Glass Group** is taking longer than anticipated with existing bank facilities set to mature in Oct, and Metroglass will be working on the potential renewal with its banking syndicate.

Courts, legal and regulation

The **Commerce Commission** told the liquidators of **EziBuy** that the collapsed retailer and its Australian-listed parent likely breached the Fair Trading Act by making misleading promotions.

The commission also told Parliament the penalties allowed for under fair trading laws were too lenient and a “longstanding frustration” for the regulatory body.

The **Serious Fraud Office** opened an investigation into collapsed crypto exchange **Dasset**.

Holders of accounts with failed cryptocurrency exchange **Cryptopia** will have until Dec 31 to prove what they had in their accounts if they want it returned.

Technology and IT

Vista Group reported a 25% rise in EBITDA reaching \$13.3m for FY23, with an increase in client signings to its cloud platform. Total revenue grew 6% to \$143m, while recurring revenue and SAAS revenue increased by 10% and 20% respectively. Vista Group’s loss for the year was \$13.6m, a 35% decrease from the previous year.

Service industries and healthcare

Xero says it will focus on micro and small businesses in the next three years as it targets the largest opportunities in the three largest markets it operates in.

Tourism

Receivers were appointed to the entities behind Queenstown’s **Carlin Hotel**. The appointment comes roughly two months after its developer and owner, **Kevin Carlin**, died suddenly.

Property

Property for Industry made a \$97.8m net loss after tax in FY23, following portfolio devaluations despite low vacancy levels.

Summerset Group reported \$436.3m npat in FY23 after portfolio revaluations rose 64%, defying the housing market downturn.

Goodman Property Trust will pay \$290m to its Australian-listed management company and shareholder **Goodman Group** to internalise its management function. 

LEGISLATION

Government completes 100 day plan, amidst complaints it used urgency excessively

The last month in Parliament was dominated by the government's use of Urgency as it advanced its legislation pledged in its First 100 Days programme. It spent more than 91 hours in urgency during the first 100 days, compared to just 15 hours 34 minutes in urgency during the first 100 days of the last Parliament (although that Parliament did not have a change of government).

Almost two sitting days were also lost as Parliament was adjourned due to the death of Fa'anānā Efeso Collins.

Parliament is in recess next week and will return on 19 March.

- *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

Appropriation (2022/23 Confirmation and Validation) Bill - Introduced 6 March. A budget bill asking for Parliament's approval for government expenses that washed out in excess of what had been appropriated at the budget. Departments that have slightly overspent include Conservation, Corrections, and Health.

Business Payment Practices Act Repeal Bill - Introduced on March 5. Repeals the Business Payment Practices Act and revokes its secondary legislation. That Act requires large entities to disclose their payment practices on a public register. All stages completed under Urgency on March 6 with National, Act and NZ First in favour.

Companies (Address Information) Amendment Bill - Member's bill in the name of Deborah Russell drawn from the ballot on Feb 15. Provides a mechanism for directors who have serious concerns about their safety regarding the publication of their residential address information to request that their residential address be substituted with an address for service.

Courts (Remote Participation) Amendment Bill - Introduced March 7. The primary aim is to allow more virtual participation in court proceedings. Enacts 3 small changes to improve and clarify virtual appearance rules. First reading on March 7 with support from the whole house. Referred to justice committee. The bill is to be reported back no later than 31 July.

Evidence (Giving Evidence of Family Violence) Amendment Bill - Introduced on March 5. Amends the Evidence Act to extend the range of possible protections for parties and witnesses giving evidence of

sexual assaults or family harm in the Family Court to mirror those available in criminal proceedings.

Firearms Prohibition Orders Legislation

Amendment Bill - Introduced on March 5. Its primary aim is to change the way firearms prohibition orders are administered in relation to people whose behaviour and actions pose a high risk of violence.

Gangs Legislation Amendment Bill - Introduced on March 7. Introduces several measures as part of government gang crackdown. Bans display of gang insignia in public places, allows police to issue dispersal notices and non-consorting orders. Read a first time on March 7 with National, Act, and NZ First in favour. Referred to justice committee with report due back no later than 8 July.

Goods and Services Tax (Removing GST From Food) Amendment Bill - Member's bill in the name of Rawiri Waititi drawn from the ballot on Feb 15. Would remove GST from all food products and non-alcoholic beverages.

Fast-track Approvals Bill - Introduced on March 7. Amends a number of bills to establish the government's new fast track consenting regime. Will eventually include a list of projects to be referred as part of first tranche of fast track projects. Read a first time on March 7 National, Act, and NZ First in favour. Referred to environment committee.

Income Tax (ACC Payments) Amendment Bill - Member's bill in the name of Hamish Campbell drawn from the ballot on Feb 15. Seeks to make changes to how ACC lump sum payments which are awarded after a court decision, a revised decision, or a review, are taxed. The effect of the amendments is that ACC payments made in respect of certain claims that were initially unsuccessful will be taxable at the rates that would have applied had the initial claims been approved.

Land Transport Management (Repeal of Regional Fuel Tax) Amendment Bill - Introduced under Urgency on Feb 20. Abolishes the Auckland region fuel tax. The government had intended to pass through all stages, but the bill did not progress as Parliament was adjourned due to the death of Fa'anānā Efeso Collins MP. All stages completed under Urgency on March 6 with National, Act and NZ First in favour.

Legal Services Amendment Bill - Introduced under Urgency on Feb 20. Removes legal aid funding for a report or statement of a person called by an offender under section 27 of the Sentencing Act. First and second reading on Feb 20 with National, Act and NZ First in favour. Committee stage completed on March 5. Third reading completed on March 6 with no changes in parties' positions.

Local Electoral (Abolition of the Ratepayer Roll) Amendment Bill - Member's bill in the name of Greg O'Connor drawn from the ballot on Feb 15. Abolishes the ratepayer roll for local government elections meaning they would not be able to vote in council elections unless a resident.

Misuse of Drugs (Pseudoephedrine) Amendment Bill - Introduced under Urgency on Feb 20. Would

change the classification of pseudoephedrine as a controlled drug, so that cold and flu products containing pseudoephedrine can be sold in pharmacies without a prescription. First reading on Feb 20 with Te Pāti Māori opposed and referred to the health committee for consideration.

Pae Ora (Disestablishment of Māori Health Authority) Amendment Bill - Introduced under Urgency on Feb 27. Disestablishes the Māori Health Authority. Passed through all stage on Feb 27 with National, Act and NZ First in favour.

Parole (Mandatory Completion of Rehabilitative Programmes) Amendment Bill - Member's bill in the name of Todd Stephenson drawn from the ballot on Feb 15. Makes it a requirement for people in a corrections facility to complete skills and rehabilitation programmes prior to being considered for parole. First reading on Feb 29 with the Greens and Te Pāti Māori opposed and sent to the justice committee.

Road User Charges (Light Electric RUC Vehicles) Amendment Bill - Introduced on Feb 29. Provides for light electric and plug-in hybrid electric vehicles to pay road user charges from April 1 2024. First reading on March 5 and sent to the transport and infrastructure committee with the support of National, Labour, Act and NZ First. The bill is to be reported back by March 14.

Security (Benefits Adjustment) and Income Tax (Minimum Family Tax Credit) Amendment Bill - Introduced on Feb 13. Changes the way increases in main welfare benefits are calculated from adjustments in line with average ordinary time weekly earnings to changes in the Consumers Price Index. Introduced under Urgency with the first and second readings completed on Feb 13, the committee stage on Feb 15 and third reading on Feb 20. Passed with National, Act and NZ First in support.

Smokefree Environments and Regulated Products Amendment Bill - Introduced under Urgency on Feb 27. Removes the changes made by the Smokefree Environments and Regulated Products (Smoked Tobacco) Amendment Act 2022 that relate to retail reduction, limiting nicotine levels in smoked tobacco products, and introducing a smokefree generation. All stages completed on Feb 27 with National, Act and NZ First in support.

Water Services Acts Repeal Bill - Introduced on Feb 13. Repeals the Water Services Entities Act 2022, the Water Services Legislation Act 2023, and the Water Services Economic Efficiency and Consumer Protection Act 2023, formerly known as the three waters legislation. Introduced under Urgency and passed through all stages on Feb 13 with National, Act and NZ First in favour.

Bills in progress

Pae Ora (Healthy Futures) (Improving Mental Health Outcomes) Amendment Bill - Introduced on Aug 31 2023. A member's bill in the name of Katie Nimon, it requires the Minister of Health to consult with the Mental Health and Wellbeing Commission in the preparation of strategic documents, including Health Strategies, the NZ Health Plan, and the Government Policy Statement. It also requires the minister to prepare and determine a Mental Health and Wellbeing Strategy. First reading on Feb 14 with all parties in favour and sent to the health committee for consideration.

Bills passed/defeated/

District Court (Protecting Judgment Debtors on Main Benefit) Amendment Bill - Introduced on 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. Voted down at first reading with National, Act and NZ First opposed.

Electoral (Equal Protection of Māori Seats) Amendment Bill - Introduced on Aug 31. Member's bill in the name of Arena Williams. Seeks to amend provisions in the Electoral Act to provide Māori electorates with the same entrenchment protections as general electorates. Voted down at first reading with National, Act and NZ First opposed.

Local Government (Facilitation of Remote Participation) Amendment Bill - Member's bill in the name of Cushla Tangaere-Manuel drawn from the ballot on Dec 7. Seeks to amend the Local Government Act to permanently allow local authority members to participate in local authority meetings remotely and be counted towards quorum for those meetings. Defeated at first reading on Feb 29 with National, Act and NZ First opposed.

Social Workers Registration Legislation Amendment Bill - Introduced on April 13. Delays the repeal of an alternative 'experience' pathway to registration for a further 4 years to Feb 2028. First reading on May 9 and referred to the social services and community committee with National and Act opposed. Reported back on Aug 16 with Act opposing and National supporting just a 2 year extension. Second reading on Feb 1 with all parties in support and National indicating the bill would be amended in committee stage with a move to 2 years. That amendment and others were completed in the committee stage on Feb 15 and the bill completed its third reading on Feb 20 with all parties in favour. 🇳🇿