

Departmental Disclosure Statement

Budget Measures (Miscellaneous Fiscal Matters) Bill – Part 1 Cheque Duty Repeal

The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by Inland Revenue.

Inland Revenue certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

12 May 2014.

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Part One: General Policy Statement

This Bill is an omnibus Bill introduced in accordance with Standing Order 260(a) because the amendments deal with an interrelated topic that can be regarded as implementing a single broad policy.

It is intended that the Bill will be divided at the committee of the whole House so that:

- *Part 1* becomes the Cheque Duty Repeal Bill;
- *Part 2* becomes the Climate Change Response (Unit Restriction) Amendment Bill;
- *Part 3* becomes the Dumping and Countervailing Duties Amendment Bill.

As part of Budget 2014, the Government announced the following fiscal measures:

- the repeal of cheque duty; and
- the prevention of reregistration arbitrage by post-1989 forest land participants in the emissions trading scheme; and
- the temporary suspension of anti-dumping duties on residential building materials.

The measures are part of the overall fiscal settings for Budget 2014, in line with the Budget Policy Statement 2014.

The measures will:

- permanently remove cheque duty, which has become an inefficient and distortionary tax, to reduce costs to consumers who use cheques; and
- remove an unintended consequence in the New Zealand emissions trading scheme (**NZETS**) established under the Climate Change Response Act 2002 that has the potential to expose the Crown to a significant fiscal risk; and
- temporarily remove anti-dumping duties on imported residential building materials to increase competition, lift sector productivity, and reduce the cost of residential construction.

These fiscal measures are needed to pass on benefits to consumers and to protect the Crown's fiscal position.

Part 1: Cheque duty repeal

Cheque duty is an outmoded tax that no longer raises substantial revenue, largely due to the decline in popularity of cheques as a method of payment. As part of Budget 2014, the Government announced that cheque duty would be repealed from 1 July 2014.

Cheque duty is New Zealand's last remaining transaction duty. No equivalent duty applies to alternative methods of payment (such as cash, EFTPOS, Internet banking, and credit card transactions). This makes cheque duty a distortionary and easily avoided tax.

Repealing cheque duty will benefit businesses, non-profit organisations, and individuals that still use cheques as a payment method. It will also reduce compliance costs, particularly for banks and printers of cheques.

Part 1 of the Bill provides that banks and printers of cheques that were licensed under the Stamp and Cheque Duties Act 1971 for the quarter or month ending 30 June 2014 must file a final cheque duty return and make a final payment of cheque duty for that period by 21 July 2014.

Prepaid cheque duty for the period before 1 July 2014 may be refunded by written application made by 21 July 2014 in some circumstances.

Part Two: Background Material and Policy Information

Published reviews or evaluations

2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?	YES
<i>Tax Review 2001</i> , Robert McLeod et al, October 2001. This report is accessible at: http://www.treasury.govt.nz/publications/reviews-consultation/taxreview2001/taxreview2001-report.pdf	

Relevant international treaties

2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?	NO
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Regulatory impact analysis

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?	YES
<i>Review of cheque duty</i> , Inland Revenue, 18 March 2014. This RIS is accessible at: http://taxpolicy.ird.govt.nz/publications/type/ris	

2.3.1. If so, did the RIA Team in the Treasury provide an independent opinion on the quality of any of these regulatory impact statements?	NO
The RIS identified above did not meet the threshold for receiving an independent opinion on the quality of the RIS from the RIA Team based in the Treasury.	

2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?	NO
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Extent of impact analysis available

2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?	NO
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2.5. For the policy to be given effect by this Bill, is there analysis available on:	
(a) the size of the potential costs and benefits?	YES
(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	NO
<p>Cheque duty currently raises about \$4 million in tax revenue per annum. Repealing cheque duty will therefore have a fiscal cost to the Crown of approximately \$4 million per annum and provide a corresponding benefit to cheque users.</p> <p>This information is set out in the relevant RIS, which is accessible at: http://taxpolicy.ird.govt.nz/publications/type/ris</p>	

2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:	
(a) the level of effective compliance or non-compliance with applicable obligations or standards?	NO
(b) the nature and level of regulator effort put into encouraging or securing compliance?	NO

Part Three: Testing of Legislative Content

Consistency with New Zealand's international obligations

3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?
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No relevant international obligations were specifically identified by Inland Revenue or The Treasury in the development of the policy; there have been no formal steps to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations.
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Consistency with the government's Treaty of Waitangi obligations

3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?

No separate formal steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi, as no policy measures in this Bill have been identified, as part of the normal policy process, as having a significant impact on Māori.

Consistency with the New Zealand Bill of Rights Act 1990

3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?

YES

Advice provided to the Attorney-General by the Ministry of Justice, or a section 7 report of the Attorney-General, is generally expected to be available on the Ministry of Justice's website upon introduction of a Bill. Such advice, or reports, will be accessible on the Ministry's website at: http://www.justice.govt.nz/policy/constitutional-law-and-human-rights/human-rights/bill-of-rights
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Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:
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(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?
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YES

(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?

NO

Clause 4(1) of the Bill repeals some offences and penalties specific to cheque duty which will become redundant upon the repeal of cheque duty.

Clause 4(2) of the Bill amends two existing offences specific to cheque duty to ensure that they continue to apply as intended following the repeal of cheque duty.

Clause 5 of the Bill repeals the remaining offences and penalties specific to cheque duty from 22 July 2014, as these will become redundant after the 21 July 2014 due date for final cheque duty returns to be filed and payments made.
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3.4.1. Was the Ministry of Justice consulted about these provisions?

NO

The Ministry of Justice was not consulted about these provisions as they are purely consequential to the repeal of cheque duty.

Privacy issues

3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?	NO
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External consultation

3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?	YES
<p>Due to the desire to maintain Budget secrecy, only limited consultation was undertaken on the proposed repeal of cheque duty.</p> <p>Inland Revenue initially consulted with the New Zealand Bankers Association (NZBA) on the practical implications of repealing cheque duty via telephone conversations over February–March 2014. NZBA advised that, while all banks canvassed support the repeal of cheque duty, some banks indicated they have legacy IT systems and that repealing cheque duty with no lead-in time may cause problems for them. Those banks expressed a preference for cheque duty to be repealed with effect from a set date in the future, to allow them some lead-in time to manage the transition from a systems perspective. Also, some banks expressed a preference for the repeal to take effect from the first day of a quarter, in order to tie-in with current cheque duty return processes. NZBA indicated that a repeal date of 1 July 2014 (the first day of the next quarter following Budget 2014) would allow banks sufficient lead-in time to manage the transition.</p> <p>Following Cabinet’s decision to repeal cheque duty from 1 July 2014, Inland Revenue consulted further with NZBA. This consultation was via email and telephone over April–May 2014. This consultation covered practical and transitional issues associated with the proposed repeal, including, in particular, issues around the ability of various parties to receive refunds of cheque duty paid on unused cheques. NZBA explained banks’ practices around providing refunds to their customers. Additionally, NZBA raised the need for printers of cheques to have the ability to obtain refunds from Inland Revenue after cheque duty is repealed. NZBA emphasised the need to ensure that all banks are able to recover any refunds of cheque duty they have paid to their customers.</p>	

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill’s provisions are workable and complete?	NO
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Part Four: Significant Legislative Features

Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO
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Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	NO
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Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO
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Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	YES
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO
<p>Clause 4(1) of the Bill repeals some existing strict or absolute liability offences specific to cheque duty which will become redundant upon the repeal of cheque duty.</p> <p>Clause 4(2) of the Bill amends two existing strict or absolute liability offences specific to cheque duty. The amendments are purely consequential to the repeal of cheque duty and ensure that these existing offences continue to apply as intended following the repeal of cheque duty.</p> <p>Clause 5 of the Bill repeals the remaining strict or absolute liability offences specific to cheque duty from 22 July 2014, as these will become redundant after the 21 July 2014 due date for final cheque duty returns to be filed and payments made.</p>	

Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	NO
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Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	NO
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Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO
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4.8. Does this Bill create or amend any other powers to make delegated legislation?	NO
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Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO
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Departmental Disclosure Statement

Budget Measures (Miscellaneous Fiscal Matters) Bill – Part 2 Climate Change Response—Unit Restriction

The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by the Ministry for the Environment and the Ministry for Primary Industries.

The Ministry for the Environment and the Ministry for Primary Industries certify that, to the best of their knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

10 April 2014.

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Part One: General Policy Statement

The purpose of this Bill is to correct an unintended consequence in the operation of the New Zealand emissions trading scheme (NZETS) which arises from a difference between the price of New Zealand units (NZUs) and the price of certain Kyoto units. This unintended consequence in the NZETS allows post-1989 forest land participants the opportunity to arbitrage NZUs by registering, deregistering and reregistering in the NZETS for the same area of forest land. On each registration, the participant receives an allocation of NZUs for what is effectively the same area of land from the start of the mandatory reporting period (currently 1 January 2013). On deregistration, the participant may repay the unit balance using lower-priced Kyoto units. This activity is referred to as reregistration arbitrage. Post-1989 forestry is the only sector with the opportunity to engage in reregistration arbitrage.

This Bill seeks to prevent reregistration arbitrage by amending the Climate Change Response Act 2002 to restrict post-1989 forest land participants to the surrender of NZUs when surrendering the unit balance of any post-1989 forest land deregistered from the NZETS. The Bill will therefore prevent significant reputational and integrity risks to the NZETS and fiscal costs to the Crown.

Part Two: Background Material and Policy Information

Published reviews or evaluations

2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?	NO
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Relevant international treaties

2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?	NO
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Regulatory impact analysis

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?	YES
<p>A Regulatory Impact Statement (RIS) was prepared by the Ministry for the Environment (MfE) and the Ministry for Primary Industries (MPI): <i>Re-registration arbitrage by post-1989 forest land participants in the ETS</i> (10 March 2014).</p> <p>The RIS will be available on the Treasury's website after the Bill is introduced. Note that some content in the RIS may be withheld.</p>	

2.3.1. If so, did the RIA Team in the Treasury provide an independent opinion on the quality of any of these regulatory impact statements?	YES
<p>On 11 March 2014, the Regulatory Impact Analysis Team has reviewed the RIS in accordance with the quality assurance criteria set out in the CabGuide and provided the following assessment:</p> <p><i>"The Regulatory Impact Analysis (RIA) requirements apply to the proposal in this paper and a Regulatory Impact Statement (RIS) has been prepared and is attached.</i></p> <p><i>The Regulatory Impact Analysis Team (RIAT) has reviewed the RIS prepared by the Ministry for the Environment, and considers that the information and analysis summarised in the RIS meets the quality assurance criteria.</i></p> <p><i>While there has been no external consultation on the options, this is understandable given that the value of consultation is unlikely to out-weigh the risk of accelerating the rate of re-registration arbitrage."</i></p>	

2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?	NO
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Extent of impact analysis available

2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?	NO
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2.5. For the policy to be given effect by this Bill, is there analysis available on:	
(a) the size of the potential costs and benefits?	YES
(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	YES
<p>(a) The Bill will prevent the fiscal costs associated with re-registration arbitrage. Further analysis on the size of the potential costs and benefits of the amendment are outlined in the '<i>Re-registration arbitrage by post-1989 forest land participants in the ETS</i>' RIS on page 12.</p> <p>The cost of implementing the amendment can be met within the current Environmental Protection Authority (EPA) and MPI baselines.</p> <p>(b) Post-1989 forest land participants who hold Kyoto units may be impacted by this policy. The potential uses for Kyoto units held will not include surrendering Kyoto units to 'zero' unit balances for post-1989 forest land carbon accounting areas deregistered from the NZ ETS. However, Kyoto units may still be used to meet ETS liabilities from the harvesting of forest land, to repay over-allocated units, and remain able to be sold either domestically or internationally. Further detail is provided in the RIS (page 12).</p>	

2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:	
(a) the level of effective compliance or non-compliance with applicable obligations or standards?	YES
(b) the nature and level of regulator effort put into encouraging or securing compliance?	YES
<p>Although the potential costs or benefits will depend on the level of effective compliance and regulator effort, there is already a high level of compliance with NZ ETS obligations. The NZ ETS takes a self-assessment approach whereby participants are responsible for measuring, reporting and verifying emissions while the EPA has the power to audit applications and impose penalties.</p>	

Part Three: Testing of Legislative Content

Consistency with New Zealand's international obligations

3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?
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MfE and MPI have worked closely with the Ministry of Foreign Affairs and Trade (MFAT) to ensure the Bill is consistent with New Zealand's international obligations.
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Consistency with the government's Treaty of Waitangi obligations

3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?

The principles of the Treaty of Waitangi have been considered at all stages in the development of the Bill. Specifically departments have considered the Treaty of Waitangi implications the Bill may have, in particular the effect on Iwi with significant NZU holdings.
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The vast majority (over 95%) of forest land transferred to Iwi as part of the Treaty of Waitangi settlement process is pre-1990 forest land which is not affected by this change, and as a result, the Bill is unlikely to negatively affect Iwi/Māori who have received forest land through the settlement process, or the wider Crown-Māori relationship.

Although the development and implementation of the Bill without consulting interested parties may be viewed as inconsistent with the Crown's Treaty of Waitangi obligations, in this case there are compelling reasons for not consulting publicly.

Te Puni Kōkiri (TPK) has been informed throughout the policy development process and the Bill.
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Consistency with the New Zealand Bill of Rights Act 1990

3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?

NO

There are no implications arising from this paper. The Bill is consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:
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(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?
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NO

(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?

NO

Privacy issues

3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?	NO

External consultation

3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?	NO
There was no public consultation on this matter. Consultation would indicate to the market that the Government is considering intervention on this activity, which could accelerate the rate of re-registration arbitrage and consequently increase the fiscal cost and give some market participants an improper advantage.	

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?	YES
MPI and EPA are confident that the policy details given effect to by the Bill are workable with their current systems and complete.	

Part Four: Significant Legislative Features

Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO

Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	NO
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Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	YES
<p>The Bill enters force on 16 May 2014. Consequently, the Bill will have a short period of retrospective effect (expected to be less than a week), in that it will take effect before passing through all its Parliamentary stages and receiving Royal assent. This minimal retrospective effect is considered acceptable because:</p> <ul style="list-style-type: none">a. the amendments will not affect de-registration applications received by the Ministry for Primary Industries on or before 15 May 2014;b. the Bill corrects an unintended consequence in the CCRA's operation, which is currently being exploited by some post-1989 NZ ETS forestry participants; andc. the period between the Bill's introduction and its commencement needs to be as short as possible or non-existent to prevent a sudden acceleration of re-registration arbitrage before the ability to do so is ended.	

Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	NO
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO

Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	NO
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Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	NO

Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO
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4.8. Does this Bill create or amend any other powers to make delegated legislation?	NO
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Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO

Departmental Disclosure Statement

Budget Measures (Miscellaneous Fiscal Matters) Bill – Part 3 Dumping and Countervailing Duties
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The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by the Ministry of Business, Innovation and Employment.

The Ministry of Business, Innovation and Employment certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

28 April 2014

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Part One: General Policy Statement

In 2013, as part of the Government's response to the Productivity Commission's 2012 report on housing affordability, the Ministry of Business, Innovation, and Employment (**MBIE**) undertook a study into the construction sector to identify barriers to housing affordability. Anti-dumping duties and tariffs on residential construction materials were identified as barriers to competition and productivity in the construction sector.

The current anti-dumping regime protects New Zealand industries from unfair trading practices by providing domestic industries with a mechanism to seek relief from imports that are dumped. Goods are considered to be "dumped" if the export price to New Zealand is less than the price the goods are sold for in the domestic market of the exporting country.

The Dumping and Countervailing Duties Act 1988 (the **Act**) does not make provision for consideration of whether an anti-dumping duty is otherwise in the public interest or for consideration of significant events that affect an industry or the public, such as earthquakes or other natural disasters.

This Bill amends the Dumping and Countervailing Duties Act 1988 to improve housing affordability by suspending the application of anti-dumping duties on imported residential construction materials for 3 years. The Bill removes this barrier to competition and productivity in the construction sector to support the Christchurch rebuild and increased residential construction in Auckland.

The suspension is not intended to affect the ability of:

- a New Zealand producer or an interested party to apply to the Secretary to initiate an investigation under section 10 of the Act; or
- a Government of a third country to advise the Secretary of dumping or subsidisation under section 18 of the Act; or
- the Secretary to initiate and carry out an investigation, reassessment or review; or
- the Minister to make a determination, reassess the rate of an anti-dumping duty, or terminate an anti-dumping duty following a review.

However, such measures (with the exception of a termination of an anti-dumping duty by the Minister) would not be implemented until the end of the suspension period.

The suspension is a short term measure to help lower the cost of residential construction during the period to which it applies.

Part Two: Background Material and Policy Information

Published reviews or evaluations

2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?	YES
<p><i>Housing Affordability Inquiry</i>, New Zealand Productivity Commission, March 2012, available at: http://www.productivity.govt.nz/inquiry-content/1509?stage=4</p> <p><i>Residential Construction Sector Market Study: Issues Paper</i>, May 2013, available at: http://www.med.govt.nz/about-us/consultation-on-the-residential-construction-sector/residential-construction-sector-study-issues-paper.pdf</p> <p><i>Residential Construction Sector Market Study: Options Paper</i>, Ministry of Business, Innovation and Employment, November 2013, available at: http://www.mbie.govt.nz/pdf-library/about-us/consultations/residential-construction-sector-options.pdf</p> <p>Cabinet paper, <i>Reducing import barriers in residential construction sector</i>, March 2014. This Cabinet paper was not publicly available at the time this disclosure statement was finalised but will be available on the Ministry of Business, Innovation and Employment's web site after the Bill is introduced at: http://www.mbie.govt.nz/what-we-do/housing</p>	

Relevant international treaties

2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?	NO
The imposition of anti-dumping duties by World Trade Organisation member countries are, however, subject to the rules in relevant WTO agreements.	

Regulatory impact analysis

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?	YES
<p><i>Regulatory Impact Statement: Options to Reduce Import Barriers in Relation to Residential Construction Materials</i>, Ministry of Business, Innovation and Employment, March 2013. The Regulatory Impact Statement was not publicly available at the time this disclosure statement was finalised but will be available on the Ministry of Business, Innovation and Employment's web site after the Bill is introduced at: http://www.mbie.govt.nz/what-we-do/housing</p>	

2.3.1. If so, did the RIA Team in the Treasury provide an independent opinion on the quality of any of these regulatory impact statements?	YES
The Regulatory Impact Analysis Team (RIAT) has reviewed the RIS prepared by MBIE and associated supporting material, and considers that the information and analysis summarised in the RIS meets the quality assurance criteria [11 March 2014].	

2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?	NO
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Extent of impact analysis available

2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?	NO
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2.5. For the policy to be given effect by this Bill, is there analysis available on:	
(c) the size of the potential costs and benefits?	YES
(d) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	YES
<i>Regulatory Impact Statement: Options to Reduce Import Barriers in Relation to Residential Construction Materials</i> , Ministry of Business, Innovation and Employment, March 2013. The Regulatory Impact Statement was not publicly available at the time this disclosure statement was finalised but will be available on the Ministry of Business, Innovation and Employment's web site after the Bill is introduced at: http://www.mbie.govt.nz/what-we-do/housing	

2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:	
(c) the level of effective compliance or non-compliance with applicable obligations or standards?	NO
(d) the nature and level of regulator effort put into encouraging or securing compliance?	NO
The suspension of the anti-dumping duties will be implemented through NZ Customs suspending the collection of the duties at the border and does not require any compliance by importers who otherwise would have had to pay the duties.	

Part Three: Testing of Legislative Content

Consistency with New Zealand's international obligations

3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?
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Consultation was undertaken with the Ministry of Foreign Affairs and Trade to ensure the suspension of anti-dumping duties on residential construction materials is consistent with New Zealand's international obligations.
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Consistency with the government's Treaty of Waitangi obligations

3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?

No separate formal steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi, as no policy measures in this Bill have been identified, as part of the normal policy process, as having significant impact on the principles of the Treaty of Waitangi.
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Consistency with the New Zealand Bill of Rights Act 1990

3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?	NO
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The advice from the Attorney-General on whether the Bill is consistent with the New Zealand Bill of Rights Act 1990 is normally made available on the Ministry of Justice website before the Bill is introduced. That website is: http://www.justice.govt.nz/policy/constitutional-law-and-human-rights

Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:	
(c) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?	NO
(d) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?	NO

Privacy issues

3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?	NO
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External consultation

3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?	NO
External consultation on the Bill has not occurred as it is Budget-Sensitive. There was, however, public consultation through the issue of an options paper which canvassed other options for minimising the impact of anti-dumping duties on residential construction materials, such as the introduction of a public interest test and limiting the period for which an anti-dumping duty could be applied. This allowed an assessment to be made of interested parties views on the impact of anti-dumping duties on building materials.	

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?	YES
The proposals in the Bill have been discussed with the operational staff responsible for the administration of the anti-dumping regime to ensure they are workable.	

Part Four: Significant Legislative Features

Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO
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Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	NO
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Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO
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Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(c) create or amend a strict or absolute liability offence?	NO
(d) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO

Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	NO
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Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	NO
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Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO
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4.8. Does this Bill create or amend any other powers to make delegated legislation?	NO
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Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO
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