HUGO*vision*

Assessing the economic and political environment in New Zealand

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Promise kept

Finance Minister Nicola Willis had one political goal this Budget: to deliver tax cuts that looked more or less like what National had promised on the campaign.

By that measure, Budget 2024 is a success, at least at first blush. There appears to be no satisfying conclusion to the debate about whether she is "borrowing for tax cuts", but Treasury has concluded the cuts are affordable, and has helpfully revised its inflation forecasts downwards (although not because of the tax cuts). Willis was even able to forecast a razor-thin surplus of $1.5b in 2028, just at the end of the forecast period.

Also on the political upside, the government made good on a pledge to match Labour's health spending track by giving health a $1.4b cost pressure funding increase this year followed by $1.3b in the next two Budgets. Details of where this will be spent are coming in next month's Health Government Policy Statement.

If you include new initiatives, the coalition will spend about $700m a year more than Labour had planned on the core health system in the next year.

The government had announced the most unpalatable spending cuts ahead of Budget Day, clearing the decks on the day itself. Wills found $1.5b in savings from the government's main savings exercise, and another $1b elsewhere. MBIE and the MHUD were two of the hardest hit, each losing more than $100m.

By those political and economic measures, the Budget exceeded the low expectations Willis set for it. She delivered tax relief, charted a creditable path to surplus, and increased social spending.

However, as one ex-Labour staffer put it, this could be a Budget that wins on the day and falls apart later, particularly as the detail comes under scrutiny in Parliamentary estimates hearings in the coming weeks, and when the Reserve Bank eventually gives its verdict. It's May MPS warned the timing of the tax cuts was key, noting they could be net stimulatory in the short-term because savings that pay for tax package may come with a lag.

Scrutiny will fall to things like the schools' operational grant, a formula for allocating school funding which is going up by 3% for rural and isolated schools and 2.5% for other schools, costing $199.4m over four years – a slight real-terms cut.

Pain delayed

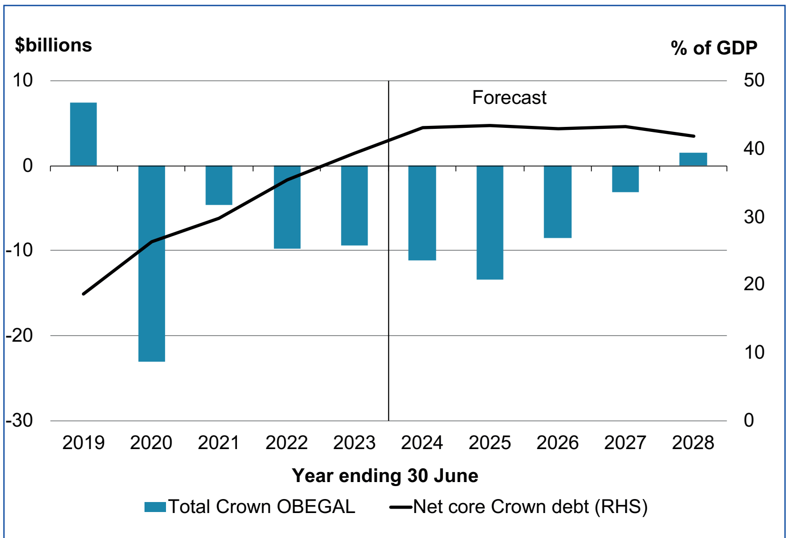
The real pain has been delayed for the next two Budgets. Budget documents show the setting of the operating allowances for this Budget and the subsequent three Budgets was delayed until the last minute – too late for Treasury to fully account for the change in its forecasts.

The delay was a result of a Cabinet tussle, ultimately won by the Act Party, to restrain spending growth over the course of the Parliament. As a result, Willis will deliver smaller Budgets than National had promised prior to the election, with an operating allowance of $3.2b in this Budget (as promised) and operating allowances of $2.4b in the next Budgets. National had only planned to reduce its allowances to $2.7b.

The changes save $5.5b over the forecast period. Act likes the changes because they slowly reduce the level of spending as a percentage of GDP. When population growth is factored in, the reduction could be even more marked – and painful. At the moment, Willis appears unlikely to blink and increase spending when she actually comes to delivering those Budgets. She attacked Grant Robertson mercilessly for not sticking to his pre-announced allowances, and would risk looking foolish if she turned around and did the same thing.

But sticking to this lower spending track will be painful. Treasury warned departments will need an increase of $2.5b next year to "maintain the existing level of services", meaning Willis is already slightly short – and that does not include any adjustments for demographic

OBEGAL and net core Crown debt



changes, a significant omission given we are likely to see continued levels of elevated migration.

Treasury said the other way to meet these cost pressures would be to "identify significant levels of savings, which will likely involve difficult choices and trade-offs".

This appears to be the strategy. Willis announced this week the government's savings drive would continue beyond this Budget suggesting that she is up for those "difficult choices and trade-offs".

Seen at a distance, the Budget delivers on Prime Minister Christopher Luxon's pledge to shift the spending emphasis to the front line, with most cuts directed at non-core services.

Whether continued back room cuts can be sustained in subsequent Budgets is questionable.

Budget documents foreshadow a worsening in New Zealand's social situation, with none of the three child poverty indicators showing improvement, and one showing serious forecast decline. The government is likely to come under pressure in future should those forecasts eventuate.

All of that pain contributes to only marginally improved fiscals. Core Crown expenses will be just a touch lower than forecast at HYEFU, hitting 31.1% in 2028 , falling from 33.5% this year. Net Core Crown Debt will peak as a percentage of GDP at 43.5% ($187.3b) next year before falling to 41.8% ($209.9b) in 2028 – higher than forecast at BEFU.

Health, Education … tow boats

While this Budget marked a departure from the largesse of previous years, it was not austere, and hinted at significant spending to come, including a $600,000 feasibility study for Cook Strait tow boats — an indication the government is not confident it will have a replacement for the ageing Interisland ferries ready for when they end their working lives.

Other significant new spends and savings not already announced include (figures over four-year forecast period):

- $200m to KiwiRail for a "Rail Network Investment Programme for 2024 to 2027.
- $259m for two different metropolitan rail initiatives in Auckland and Wellington.
- $900m for roads damaged by Cyclone Gabrielle.
- $7m to extend free mammograms to women up to 74 years-old.
- $170m to extend the domestic and international Screen Production Grants.
- $21m to train 25 new doctors a year at Auckland and Otago Universities.
- $235m cut to Kāinga Ora's spending on large-scale projects suggesting the government is keen to have the organisation pivot away from its urban development role.
- $1b on reduced asset maintenance and personnel expenditure at Kāinga Ora.

CHPs on the table

The government looks set to radically overhaul the provision of social housing in New Zealand, placing private Community Housing Providers (often charities) and new Community Housing Associations at the centre of the system, which currently manages more than 80,000 tenancies.

Kāinga Ora is currently at the centre of this system, managing more than 70,000 public tenancies in homes that it owns, but a recent review by former Prime Minister Bill English concluded the organisation was "financially unviable" and recommended a move to a social investment model (Labour and the former Kāinga Ora board dispute the findings; Housing Minister Chris Bishop, unsurprisingly, backs English).

Bishop accepted four of English's seven recommendations immediately, and is likely to accept the rest in time. Former Spark NZ chief executive Simon Moutter was appointed board chair replacing former Labour Minister Vui Mark Gosche who stepped down earlier this year.

Flying high

Defence Minister Judith Collins will represent New Zealand at the Sangri-La dialogue in Singapore, Asia's Defence jamboree.

Collins will rub shoulders with counterparts from across the region.

She has won plaudits for international engagement, but copped criticism for its price tag. She spent nearly $150k on international travel in a single quarter.

The review found Kāinga Ora was caught in a financial pincer by spiking construction costs and rising interest rates on its $12.3b of debt (forecast to grow to $23b by 2028). Income from tenants and the government's income related rent subsidy (IRRS) was not able to cover rising costs, forcing the organisation to lean on the Crown to keep its build programme on track.

English wants to flip social housing on its head. His plan is to consolidate all funding for social housing with the Ministry for Housing and Urban Development, which will partner with the Social Investment Agency to become an "active purchaser" of housing outcomes. This means buying social housing provision, likely including wraparound support, from community providers.

Kāinga Ora will be sidelined. Under this plan, it would lose its dominant market position and become one (government-owned) provider among many community providers. The government has already made good on this, putting up roughly $60m a year to fund 1500 new social housing places, exclusively through the community housing sector – not Kāinga Ora.

English proposed three years of reforms; Kāinga Ora would have its entity form changed to a Crown Company, which would focus the agency on its financials. Labour had bolted-on a very broad and costly urban development mandate, putting Kāinga Ora at the centre of large urban renewal projects. This looks set to be scrapped, with a focus returning to being a state landlord.

The government is slightly concerned CHPs can cope with quickly scaling up to deliver this transformational change. Currently, the sector only manages about 20,000 homes (slightly over half of which receive IRRS, meaning they are technically privately-owned public houses).

English's review sided with one of the CHP sector's longstanding complaints, which is their cost of borrowing is prohibitively high, particularly when compared to Kāinga Ora, which now borrows through Treasury's NZ Debt Management. The Reserve Bank classifies CHPs as commercial borrowers, but they want access to cheaper lending like residential mortgage borrowers. CHPs argue that their contracts with the government give them 25 years of secure revenue in the form of IRRS, which should qualify them for cheaper lending.

English said this was something the government and the Reserve Bank might want to look at. The Bank seems dead set against such an idea. Another solution is clarifying or even extending the 25 year contracts CHPs receive to the point lenders felt comfortable reducing borrowing costs.

DTIs imminent

The Debt-to-Income (DTI) ratios will apply to new residential mortgage lending from 1 July this year.

The Bank has wanted the tool for years, but has had a difficult time persuading finance ministers to give it the green light for fear of hurting first-home buyers, with National as recently as 2021 calling on Labour to "rule-out" giving the Bank the right to deploy them.

The DTIs will allow banks to structure their lending portfolios :

- Up to 20% of new loans to owner-occupiers can be issued to borrowers with a DTI ratio exceeding 6.
- Up to 20% of new loans to investors can be allocated to borrowers with a DTI ratio above 7.

The changes are to be accompanied by a loosening of LVR rules, softening the blow. The tweaks allow banks to have a mortgage book comprising:

- Up to 20% of owner-occupier lending with an LVR greater than 80%.
- 5% of investor lending with an LVR greater than 70%.

In Brief

Luxon is off for a short trip to the Pacific, with a focus on meeting Pacific Islands Forum leaders. The crisis in New Caledonia is high on the agenda. It puts New Zealand in a tough spot. Wellington is quietly aghast at how poorly France has handled the recent riots, both in the last few weeks and the slow-moving independence movement that led to them. Other Pacific Island states are of this view too. But France-New Zealand relations are strong with Jacinda Ardern and Emmanuel Macron forming a tight bond, just as France ascended to become the preeminent political power in Europe, following the departure of Germany's Angela Merkel.

Luxon may get a chance to test and cement the relationship when both men visit Washington DC in early July for Nato talks.

The government approved two-year extensions for Defence Force deployments to the Middle East and Africa. These include the three-person commitment to the UN Mission in South Sudan, the 28-person contingent to the Multinational Force and Observers in Egypt's Sinai Peninsula, the eight-person contribution to the UN Truce Supervision Organisation in the Middle East, and the Combined Maritime Forces in Bahrain.

The Public Service Commission proposed disestablishing 24 roles and offering 13 people voluntary redundancy – reducing the overall head-count by 37. It employs about 200. The Ministry of Social Development said its staff numbers could drop by more than 700 with a number of those positions vacant. The ministry employs about 9,500 full-time staff. The Department of Conservation confirmed it is cutting 124 jobs by disestablishing 257 permanent positions (of which 114 were already vacant) and creating 133 new ones.

The government proposed a raft of regulatory reforms intended to double export revenue from mining. Resource minister Shane Jones ruled out mining on National Park and reserves land, but said other rules would be relaxed to create more projects. This included a preferential development pathway for minerals deemed to be critical.

Climate Change Commission chair Rod Carr will retire from the role at the end of his term this year. His departure will give the government an opportunity to put its own stamp on the eight-member board.

Things can only get better

Treasury's **Budget Economic and Fiscal Update** lived up to the gloomy hints dropped by Willis prior to Budget day.

GDP growth is lower across the forecast period than at HYEFU. Treasury forecasts real GDP growth for the year to June 2024 to have been -0.2%, bouncing back next year to 1.7%, followed by growth of 3.2% in 2026.

This is slightly worse than HYEFU, which had real GDP growth of 1.5% in the year to June 2024 and next year, followed by 2.8% growth in 2026. The cumulative effect of this is nominal GDP being $10b lower than forecast at HYEFU by 2028.

High migration has contributed to a deep decline in GDP per capita, which Treasury estimates to have fallen by 2.8% in the year to June 2028, followed by a further contraction of 0.1% next year. Sluggish growth resumes in 2026, when real GDP grows by 1.8%.

Treasury expects unemployment to peak at 5.2% next year before falling to 4.8% the following year. It is now expecting CPI to fall within the 1-3% target band by the end of this year, hitting 2.2% in 2025 and 2% in 2026. These forecasts are slightly more optimistic than the Reserve Bank's.

Treasury slashed its house price forecasts, pencilling in a 2.5% increase in the year to June, well below the 5.3% it had forecast at HYEFU. It forecasts growth of 1.6% next year and 2.1% in 2026.

The government bond programme increased by $12b over the forecast period compared to HYEFU.

The Reserve Bank kept the **official cash rate** on hold at 5.5% but took a more hawkish stance to reduce inflation returns to target within a reasonable timeframe.

The Monetary Policy Committee discussed a hike, but ultimately decided against. The committee said the OCR would remain "at a restrictive level for longer than anticipated in the February Monetary Policy Statement to ensure the inflation target is met".

The Bank increased its estimate for the "neutral" OCR, at which monetary policy is neither inflationary nor stimulatory, from 2.5% to 2.75%.

The **ANZ-Roy Morgan consumer confidence index** rose 4 points in May to 84.9 – well below the long-term average of 110. A reading below 100 indicated pessimists outnumbered optimists. Inflation expectations eased from 4.4% to 3.8% – the lowest level since Oct 2020. A net 6% expected to be better off this time next year, about the same as April's survey. A net 29% believed it was a bad time to buy a major household item.

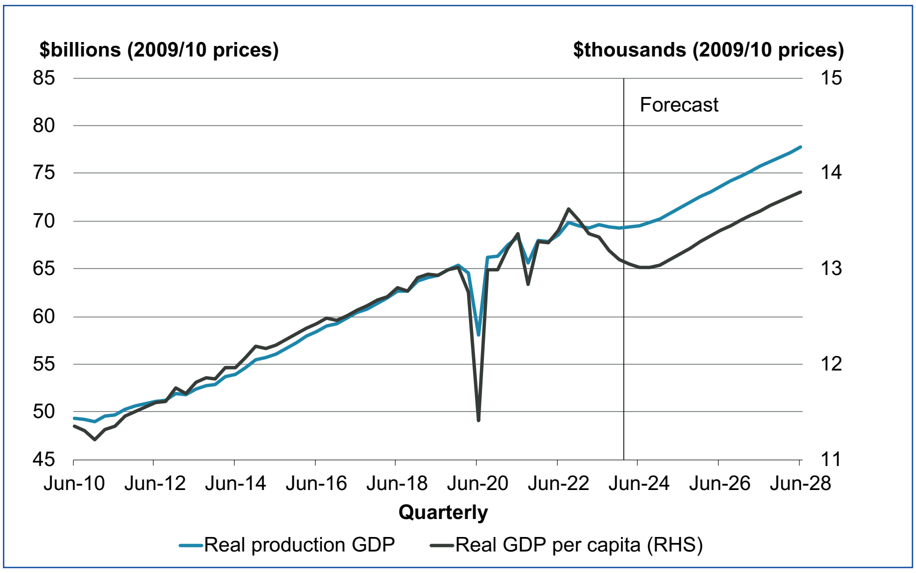
Changes in the seasonally adjusted filled jobs for the April 2024 month (compared with the March 2024) were; all industries – up 0.1% (1,534 jobs) to 2.4m filled jobs, primary industries down 0.5% (539 jobs), goods-producing industries – up 0.2% (1,005 jobs) and service industries flat (up 846 jobs).

In 2023 compared with 2021, total sales of published software and IT services were worth $14.5b, up 28%, sales of published software increased 33% to $4.9b, and sales of IT services increased 26% to $9.6b.

Over the same period, exports of published software and IT services were 21% of the total sales of published software and IT services, the same as in 2019 and 2021, total sales of published software and IT services as a proportion of GDP was 3.7%, up from 3.4%.

The total volume of retail sales rose 0.5% in the March 2024 quarter, after adjusting for price inflation and seasonal effects. This followed falls in the previous eight quarters. Nine of the 15 retail industries had higher retail sales volumes in the March 2024 quarter, compared with the Dec 2023 quarter.

Real GDP and GDP per capita



CORPORATE ROUND-UP

Primary Sector

Fonterra will start the new season with a forecast payout of between $7.25 and $8.75 per kilogram of milk solids (kgMS) with a midpoint of $8/kgMS. That is a 20c lift in its current midpoint of $7.80/kgMS, with the co-op narrowing its range for the closing season's forecast to between $7.70/kg and $7.90kgMS.

Zespri reported net profit of $173.3m in its latest financial year down 27% from $238.7m in the year prior, with lower licence revenue driven by weaker pricing per hectare compared to 2022/23. Global sales volumes fell 10.5% to 164.2m trays while global sales increased 2% to $3.99b.

Fonterra CEO **Miles Hurrell** said there had been a great deal of interest in its proposal to divest its consumer business. Reports are that farmer shareholders are divided on the idea.

Alliance Group chief executive **Willie Wiese** said the co-operative looks at every possible option for its future capital structure. This could include a fund like Fonterra's Shareholders' Fund, a preference share issue, a full-scale initial public offering, debt funding, or a Silver Fern Farms-style joint venture.

Dairy Goat Co-operative chair **Campbell Storey** quit, effective immediately, for personal reasons. The co-op has struggled with the slump in the Chinese daigou export channel and the drop in China's birth rate and a resulting glut in product.

Comvita said it had given an unnamed bidder confidential access to the company so it could undertake due diligence. Comvita received the unsolicited bid in Feb for what it said was a significant premium to its share price.

Analysts upgraded **Scales** share price after a deal to buy 240 hectares of largely premium variety orchards from **Bostock Group**, improving its orchard mix.

Nestlé confirmed it is selling mānuka honey producer Egmont Honey, less than two years after acquiring it as part of The Better Health Company.

Sanford reported an unaudited net profit after tax of $16.2m, 46% up on the prior comparative period. Revenue of $276m was on par with the previous $277.6m, but gross margin increased from 21% to 25%.

Energy and resources

New Zealand Aluminium Smelters has signed 20-year electricity arrangements that secure the future of the Tiwai Point aluminium smelter. NZAS has signed contracts with electricity generators Meridian Energy, Contact Energy and Mercury to set pricing for an aggregate of 572 megawatts (MW) of electricity to meet the smelter's electricity needs.

The agreements, subject to regulatory approvals and other conditions, are expected to commence in July and run until at least 2044.

Transpower said it will close the emsTradepoint trading platform if it cannot find a suitable buyer as it was not core business. The platform host secondary carbon trading and a wholesale gas market. Participants in the sector expressed concerns about the potential closure of NZ's only wholesale gas market, even if its volumes were very small.

Genesis and **Spark** signed a 10-year power purchase agreement for the generation from its 63MW Lauriston solar farm, which is soon to start construction.

Manawa Energy reported net profit after tax of $24m in the 12 months to March 31 down from $444m in the previous year, which included the profits from the sale of its retail business to Mercury. Earnings before interest and taxation, depreciation and amortisation and fair value adjustments from continuing operations of $145m were up 6%.

Banking, finance and insurance

Tower Insurance posted an underlying net post-tax profit of $36.6m, a turnaround from a $3.7m loss last year, which was impacted by Cyclone Gabrielle and the Auckland anniversary weekend floods.

The Co-operative Bank reported a profit before rebates and tax of $20.2m in the 12 months to the end of March, up from $18.5m. It had a 10% jump in arrears on its $3b mortgage book, despite a 40% fall in arrears post 90 days.

Wholesale and retail

Michael Hill reported an 11.1% drop in NZ sales in the 45 weeks to May 12 with an increase in serious retail crime events impacting several stores. Total sales across Australia, Canada and NZ grew 4.7%.

My Food Bag said full-year deliveries fell 7.3% to 1.25m in the 2024 financial year but bounced back in the second half of the year, down just 2.9% compared with the six months to March 2023. In the 2021 financial year, at the peak of covid, deliveries exceeded 1.5m. Full-year revenue fell 7.7% to $162.2m and its net profit fell 24% to $6m. However, the second-half net profit grew 75% to $3.5m compared with $2m in the last six months of the 2023 financial year.

Turners Automotive said diversification helped after-tax net profit rise by 1.5% to $33m, while earnings before interest and tax gained 12% to $58.6m.

2 Cheap Cars Group had a 2% drop in vehicles sold, but revenue rose 5% while gross margins rose 6 percentage points to 23%. Full year net profit for the year ended March was just over $6m, compared to

$1.3m previously.

San Francisco-based franchisee **Flynn Group** acquired **Wendco**, the sole franchisee of the Wendy's fast-food brand in NZ. Flynn's acquisition follows its entrance into the Australian market in 2023 when it purchased the master franchise licenses of both Pizza Hut and Wendy's Australia.

Auckland retailer **Smith & Caughey's** will close in early 2025 under a proposal presented to its almost 250 staff. Stores in Queen St and Newmarket have been running at a loss, with a 40% drop in revenue in the past five years.

Transport

Mainfreight recorded a 35% drop in net profit to $277.9m for the year to March 31 2024. Compared to the prior period, which was characterised by extraordinarily high freight volumes, revenue was down 17% to $4.72b. Operating cash flows declined from $757m in the 2023 year to $505m.

Napier Port said for the six months to the end of March, revenue was up 10.1% to $70.6m, compared to $64.1m in the first half of the 2023 financial year. Underlying net profit after tax increased 48.3% to $11.1m, and reported NPAT rose $64.8% to $14.3m, factoring in post-cyclone insurance claims of $7.2m.

Manufacturing and construction

Fisher & Paykel Healthcare reported underlying net profit after tax of $264.4m after stripping out one-off items including a $98m revaluation of land it purchased at Karaka in its full-year result to March 31. Free cashflow rose to $73.8m compared to $12.5m in the previous financial year, while operating revenue was above guidance at $1.74b, a 10% increase on the prior year or an 8% rise in constant currency.

Metro Performance Glass's full-year revenue for the 2024 financial year was $239.3m, while it incurred a net loss after tax of $27.5m. It said it had plans to address material uncertainties that "may cast significant doubt on the group's ability to continue as a going concern". The board was refreshed in March, and chief executive **Simon Mander** resigned in early May and was replaced by director **Simon Bennett**.

Courts, legal and regulation

SkyCity reached a deal with the Department of Internal Affairs to resolve court proceedings for non-compliance on anti-money laundering and terrorism financing law breaches.

The deadline to consider an application to merge **Foodstuffs North Island** and **Foodstuffs South Island** was extended by the Commerce Commission.

Burger Fuel will pay out more than $4m to shareholders, with the high court approving its return of capital raised for a partnership with Subway in the US, which was not completed.

The former chief executive of **New Talisman Gold Mines Matthew Geoffrey Hill** was ordered to pay $100,000 after admitting making false and misleading representations in anonymous posts about the company. New Talisman Gold Mines was not a party to the proceedings.

The **Serious Fraud Office** was granted leave to appeal not guilty verdicts against former **CBL** boss **Peter Harris**.

StraitNZ Bluebridge was warned over what the Commerce Commission says is misleading terms and conditions relating to liability for delays or cancellations.

Technology and IT

Gentrack upgraded its revenue guidance for 2024 to about $200m when reporting its half-year result for the six months to March 31. It now expected ebidta for the full year to be between $23.5m and $26.5m, an increase of about 12% on previous guidance.

Infratil reported that ebitdaf rose 63% to $864.1m for the year to March 31 and said its net parent surplus from continuing operations was $854m up from $643.1m in the prior year. Infratil's ebidtaf was dominated by digital assets including telco **One NZ** and its data centre business, with now accounting for 74% of the company's portfolio.

Rakon's revenue fell about 30% to $128m for the 12 months ended March 31 due to a slowdown in 5G deployment by telcos and the completion of one-off chip contracts in the prior year.

Xero's result for the full year to March 31 said revenue rose 22% to $1.7b. Free cash flow increased to $342.1m, with a free cash flow margin of 20%, improving from 7.3% in the prior period.

Eroad's report for the year to March 31 said revenue rose 10.1% to $182m, while ebit was $800,000, compared with negative $7.9m in the previous corresponding period. It achieved positive cash flow of $1.3m compared with negative $29.9m in FY2023.

PaySauce reported a maiden net profit of $1.2m for the year ending March 31, reversing a $0.6m loss the year prior. Operating revenue was up 33% to $7.7m with a 7% increase in customers to 7,368, and an 11% increase in average monthly revenue per user to $91.

Serko reported a net loss of $15.9m for the 12 months ended March compared with a $30.5m loss a year ago. Revenue was $71.2m compared to $48m previously.

Open Banking gets legislation

The ten hour debate on the 2022/23 annual reviews was completed. The Budget was delivered on Thursday.

- *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

***Customer and Product Data Bill** - Introduced on May 16. Introduces a "consumer data right". The intention is to give customers (including both individuals and entities) in designated sectors greater control over how their customer data is accessed and used, promote innovation and facilitate competition, and facilitate secure, standardised, and efficient data services. The bill aims to achieve this by requiring businesses that hold designated customer data (data holders) to provide that data to the customer and, with the customer's authorisation, to accredited third parties.*

***Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill** - Introduced on May 20. The bill reinstates polls on Māori wards and Māori constituencies, requires councils to hold a binding poll at the 2025 local elections, and adjusts the statutory time frames for local elections. First reading on May 23 with National, Act and NZ First in favour. Sent to the justice committee to be reported back by June 21.*

***Public Works (Prohibition of Compulsory Acquisition of Māori Land) Amendment Bill** - Member's bill in the name of Hūhana Lyndon. Amends the Public Works Act 1981 to protect Māori freehold and Māori customary land from being acquired for public works under that Act.*

***Regulatory Systems (Economic Development) Amendment Bill** - Introduced on May 23. Makes a raft of minor amendments to numerous regulatory regimes.*

***Regulatory Systems (Immigration and Workforce) Amendment Bill** - Introduced on May 23. Introduced on May 23. Makes a raft of minor amendments to numerous regulatory regimes.*

***Repeal of Good Friday and Easter Sunday as Restricted Trading Days (Shop Trading and Sale of Alcohol) Amendment Bill** - Member's bill in the name of Cameron Luxton drawn from the ballot on April 11. Would remove the restrictions on shops trading and the sale of alcohol on Good Friday and Easter Sunday.*

***Residential Tenancies Amendment Bill** - Introduced on May 16. Repeals a number of reforms to the Residential Tenancies Act made between 2018 and 2020. These include the reinstatement of 90-day no-cause terminations for periodic tenancies, returning landlords' notice period for periodic tenancies to 42 days for certain grounds, and allowing landlords to give notice to end a fixed-term tenancy at the end of the term without providing a specific reason. It also introduces a range of changes related to tenants keeping pets in rental properties. First reading on May 21 with National, Act and NZ First in favour. Referred to the social services and community committee.*

***Resource Management (Freshwater and Other Matters) Amendment Bill** - Introduced on May 23. Makes a raft of changes to the RMA as campaigned upon by the current coalition parties. Among them are is the hierarchy of obligations contained in the National Policy Statement for Freshwater Managements until the NPSFM 2020 is replaced, aligns the consenting pathway for coal mining with other mineral extraction activities, modifies local authority obligations to identify and include in district plans new significant natural areas, amends the Resource Management (Stock Exclusion) Regulations in relation to sloped land and winter grazing regulations and makes amendments to speed up the process to prepare or amend national direction under the RMA.*

Bills in progress

Contracts of Insurance Bill - Introduced on April 30. *First reading on May 2 with all parties in agreement and sent to the finance and expenditure committee to be reported back by Sept 3.*

Immigration (Mass Arrivals) Amendment Bill - Introduced on March 28 2023. *The new govt decided to process with the bill getting its second reading on May 7 with the Greens and Te Pāti Māori opposed. Second reading completed on May 22 with the govt inserting a number of changes.*

McLean Institute (Trust Variation) Bill - Introduced on June 16 2023. Private bill in the name of Duncan Webb. *Second reading on May 8 2024 with all parties in agreement.*

Māori Fisheries Amendment Bill - Introduced on Dec 20 2022. *Committee stage completed on May 22 with a number of amendments.*

New Zealand Superannuation and Retirement Income (Controlling Interests) Amendment Bill - Introduced on Feb 23 2023. *Committee stage completed on May 7.*

Privacy Amendment Bill - Introduced on Sept 6 2023. Requires an agency (public or private) to notify an individual when it collects personal information about the individual indirectly (i.e., from a source other than from the individual concerned). *First reading on May 2 and sent to the justice committee with all parties in agreement.*

Sale and Supply of Alcohol (Cellar Door Tasting) Amendment Bill - Introduced on Sept 20 2022. Member's bill in the name of National's Stuart Smith. *Second reading completed on May 8 with 101 in favour and 21 against.*