

23 June 2025

Committee Secretariat
Finance and Expenditure Select Committee
Parliament Buildings
Wellington

SUBMISSION on Regulatory Standards Bill

1. Introduction

Thank you for the opportunity to make a submission on the Regulatory Standards Bill (the Bill). This submission is from Consumer NZ, an independent, non-profit organisation dedicated to championing and empowering consumers in Aotearoa. Consumer has a reputation for being fair, impartial and providing comprehensive consumer information and advice.

Contact: Jon Duffy

Consumer NZ Private Bag 6996 Wellington 6141 Phone: 04 384 7963

Email: jon@consumer.org.nz

2. General comments on the Bill

Firstly, we support promoting high-quality regulation which improves the lives of New Zealanders. However, whilst the Bill is aimed at increasing government accountability by establishing a framework for good regulation and the promotion of regulatory stewardship, we are concerned that the Bill will not be suitable to achieve this.

In summary, our concerns are:

• the Bill imposes a subjective and ideological benchmark of what makes "good law";

 the Bill ultimately prioritises the interests of capital and corporations over the interests of citizens – the opposite of what good governments should aspire to.

3. Comments on principles of responsible regulation

Clause 8 of the Bill proposes an exhaustive list of responsible regulation principles. The Bill makes it clear that law makers will be required to assess legislation against these principles, although these principles are not enforceable in the courts.

Some of the principles are not in question. We support the importance of the rule of law as a consideration when making legislation and this is well established in New Zealand. Additionally, we support the importance of consultation during the law-making process.

However, we are concerned that the regulatory principles in the Bill might be reflective of a minority political party's ideological viewpoint on what makes good law. Good law is more nuanced than the exhaustive set of principles proposed.

Good law also considers what is in the best interests of society. As a result, we are concerned that the proposed principles put too much emphasis on the interests of corporations, rather than the wider community. The "takings clause" appears to allow corporations to seek compensation if the legislation in question has the effect of "impairing" property without the consent of the owner. In other words, it allows for corporations to receive compensation where regulations may hamper their profits even if the regulation is designed in the public interest.

In addition, this Bill has constitutional implications. As such we would expect broad cross-party consensus before a Bill of this nature bound future law-makers.

4. Concluding remarks

Overall, we believe that the Bill will do more harm than good. Therefore, we do not support the Bill.

ENDS