

Trans Tasman

Politics, Legislation, Trade, Economy

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Comment

Tough Week For Ardern

If Jacinda Ardern is in the habit of asking herself whether she's doing a good job at the end of each week, she'll have had the first one when the answer has probably been no.

It has been a week in which she has looked less like a leader than she has at any time so far in her time as head of the Labour Party and then Prime Minister. Jacindamania is fading. The tough reality of weekly politics is taking over. The Party apparatus has dropped her in it – but she seems powerless to get rid of the source of the problem, because while she is Prime Minister, she's not in charge of the party. The party seems to have asserted its rights to do things its own way, even if this means keeping the PM in the dark about a sex assault claim after an alleged incident at a party function. Even a Cabinet Minister knew and didn't tell her. This made Ardern look powerless. Her coalition partner, Deputy Prime Minister and Foreign Minister Winston Peters also led her a merry dance this week over the Russia Free Trade agreement the two parties agreed to pursue as part of their coalition agreement. Peters unfortunately chose a week in which Russia was accused of a deadly nerve agent attack on one of its former spies in Britain to up the ante on pushing the FTA forward. This left Ardern out on a limb. First she defended Peters describing some of what he was saying about trade with Russia as fair comment – the EU and UK are doing it despite sanctions, why can't we? She also allowed his claim nothing has been proven about Russia's involvement in the downing of Malaysian Airline flight MH17, although it is clear a Russian made missile was used. But when the EU and UK started to exert pressure over the Salisbury incident, and asked for NZ to get behind a new round of sanctions, Ardern did act. She said there will be no FTA talks with Russia until they have been proven innocent of the Salisbury attack. It could be a long wait – the British police have no idea how the nerve agent was delivered and certainly not by whom. The managing of Winston Peters will be a major feature of Ardern's tenure as PM.

Then there was Ron Mark. The Defence Minister was called out for using Air Force NH90 Helicopters and light planes to get around the country. He had been, but again Ardern was put on the spot. She had to find out whether Mark was doing this and whether he was using the defence force assets legitimately. She ruled he was. Not that Mark needed much defending, he was doing a pretty good job on his own of fending off what was a speculative National attack. And then the Greens decided to give National most of its allocation of Parliamentary questions – it's all the PM needs - more hostile questions being thrown at her from across the House, courtesy of a member of her own Government. Ardern will bounce back – but she'll be letting caucus and the party know she is PM, and she wants to know what's going on, all the time.

Politics

Jones Copping Increasing Flak Over Pork Barrelling

Shane Jones' announcement of further funding for Northland from the Regional Growth Fund provoked howls of protest from the opposition ranks. Jones announced more cash for the north, to improve infrastructure such as ports and an airport. The Government says it will work alongside Far North Holdings Ltd – the commercial arm of the Far North District Council – on developing business cases for significant upgrades at Paihia, Russell and Opuia and ensuring due diligence is met.

National Party Regional Development Spokesperson Paul Goldsmith went on the attack accusing Jones not only of boosting the north to the exception of other areas, but doing it to benefit his own travel. Goldsmith says the announcement there will be a Government subsidy for the Kerikeri airport expansion just over the fence from Shane Jones' house, follows the \$9m announcement of the Waipapa roundabout “*which is just up the road from the same house. And once again, no criteria, no process by which the money is assessed, just a Minister writing out taxpayer cheques when he feels like it.*”

Goldsmith says “*this behaviour is quite shameless. It would be laughable if it wasn't about the serious use of taxpayers' money. The Prime Minister needs to enforce the rules around the use of public money and put some proper disciplines around the allocation of money from the Provincial Growth Fund.*” The fund is also providing money to upgrade the terminal at Kerikeri airport. Another boost for the north, another question mark over the way the cash is being dished under Shane Jones. His attacks on Air New Zealand haven't helped his cause either.

Diplomacy

Ardern Talks Tough On Russia

As her Foreign Minister finally fell into line, Jacinda Ardern felt it necessary to put him in his place over his calls for a Russia FTA. The fact is, while it may or may not be beneficial for New Zealand – and the previous Government certainly thought it was – now is not the time or place. The Russians have been making nuisances of themselves – why it is hard to tell – but after a nerve gas attack on a former Russian agent in Salisbury, and the suspicious death of another Russian in London, as well as US claims of Russian hacking into US infrastructure, it was

time for NZ to justify its “five eyes” inclusion and stand up to be counted as a cornerstone member of the western bloc. Ardern did so in no uncertain terms. She declared Russian FTA talks are off, certainly until it is proven Russia did not carry out the attack on Sergei Skripal and his daughter in Salisbury. It may be a long time before the talks resume. The British police are not even certain how the nerve agent was delivered at this stage, let alone who by. Ardern backed her decision with a strong statement and a round of media appearances. Winston Peters’ name was also attached to the statement, which used very similar language to that he’d used in a round of interviews. Ardern says New Zealand supports the joint statement made by the leaders of the UK, US, Germany and France on the nerve agent attack in Salisbury. *“Outrage at the brazen and callous use of chemical weapons in a UK town is fully justified. This attack left three people seriously injured, including a police officer who assisted at the scene, and potentially threatened many more.”*

The PM called it *“a serious affront to accepted global rules and norms. The use of chemical weapons in any circumstances is totally repugnant, and New Zealand is deeply disturbed at any use of chemical substances banned by the Chemical Weapons Convention. New Zealand fully supports the sovereign right of the UK to take the action it considers appropriate in response to this violation of international law on its territory. We stand in solidarity with the UK alongside its other partners.”*

She added *“despite the further details that have emerged since the NZ government statement earlier this week, and despite the international outcry, the Russian reaction has been cynical, sarcastic and inadequate. There is no plausible alternative explanation hitherto, that this came from anywhere other than Russia, and no doubt whatsoever that Russia has serious questions to answer.”*

Interviewed on The Nation, Ardern refused to rule out expelling Russian diplomats from NZ, in support of Britain’s actions. Ardern also made it clear Russia trade talks are off the table at the moment. *“We are in the middle of a significant international issue. Our focus is on making sure we respond appropriately to that. What is not appropriate right now is to be having a conversation about potential FTAs in the future. We’ve said that very clearly.”*

Politics

National Jumps On Mark Over Travel

The Prime Minister came to Defence Minister Ron Mark’s aid as he defended himself against allegations of improperly using defence force assets – helicopters and planes – to travel around the country. Jacinda Ardern said she was satisfied Mark only used the air force when he had to for his job – getting to Antarctica and back, and making a visit to a warship offshore were obviously not going to be accomplished in a Ministerial limousine. National’s Defence spokesman Mark Mitchell tried very hard - *“official information shows Air Force NH-90 helicopters and a B200 King Air aircraft have repeatedly been diverted to Mr Mark’s hometown, Masterton, apparently to ferry the minister from his home to events around the country and back again. There is no Royal New Zealand Air Force base in Masterton, which suggests the aircraft are being sent from Ohakea Air Base for the Minister’s personal convenience.”*

Mitchell argues Mark has *“even used an NH90 to travel from Masterton to Waiouru and back in the same day – a three hour trip each way by car. Why did he not save the taxpayer the cost and the NZDF the time and use a much cheaper Crown car instead? It’s happening so regularly locals are asking questions about it.”* He says *“at a time when the Defence Force is being asked to do more than ever before, while also being asked to tighten its belt and brace for a funding cut it is appalling that the Minister of Defence is using the Air Force as a personal taxi service.”*

He called on Mark to front – Mark duly did, releasing a list of flights he’d taken, and why and where. As for the argument he’d diverted flights to pick him up from Masterton, Mark simply laughed it off, saying the Air Force had requested the pick-up and drop off from his hometown. It was a nice try by Mitchell, but Mark has seen this attack off with relative ease. It won’t be the last as Mitchell tries to score points to consolidate his new ranking.

Politics

Greens Lob Grenade Into Shell Shocked Labour

If last week wasn’t bad enough for the Government – the Greens’ latest decision has just made things a little worse. James Shaw must have been understating things a little when he said the plan to let National ask its Parliamentary questions invoked *“mixed feelings”* in the Labour and NZ First camps.

From this week most of the Greens’ Parliamentary questions will be handed over to the Leader of the Opposition to use, in order to limit the prevalence of *“patsy questions”* in Parliament and to strengthen the ability of Parliament to hold the Government of the day to account. It’s a big procedural change, and one which fits well with the Green ethos, but will have Ardern and Peters spewing.

Shaw says the only exception is if the Green Party wishes to use a question to hold the Government to account on a particular issue, consistent with the party’s Confidence and Supply agreement with Labour, which acknowledges the ability for the parties to agree to disagree on certain issues. Shaw says *“the Green Party has long advocated the importance of Parliament having the powers to hold the Government of the day to account. Question Time is a key avenue for the opposition to interrogate the Government, so this move is a small step we can take to live up to the values we stated in opposition now that we are part of the Government.”*

Shaw is right in saying Parliamentary debate would be improved by getting rid of patsy questions. *“Using Question Time to ask ourselves scripted, set-piece patsy questions does nothing to advance the principles of democracy and accountability that are very important to us as a party. We expect the opposition to use our questions to hold us to account as much as any other party in Government. We think patsy questions are a waste of time, and New Zealanders have not put us in Parliament to do that; we’re there to make positive change for our people and our environment. “*

And the Government can expect more rebellious behaviour from its junior coalition partner. Shaw says *“we will also make a submission to the Standing Orders Review, which kicks off next year, to advocate for further changes to Question Time. This review is where all parties in Parliament make decisions about how future parliaments will operate and is the best place for all politicians to discuss any long term permanent changes to Question Time.”* Shaw says *“we have reserved the right to use our questions when we have a point of difference with our colleagues in government. Our Confidence and Supply Agreement with Labour allows us to agree to disagree on issues, and the occasional respectful questioning of the Government from within is also an important part of democracy. That we can occasionally disagree with each other highlights the strength and flexibility of this Government.”* Simon Bridges must be delighted. He will surely see this as a wedge which can be exploited, and a possible opening to further co-operation with the Greens. *“National will use the Green Party’s Questions as well its own to continue to focus on the issues that matter to New Zealanders – the economy, law and order, housing, public services and the environment. The Green Party’s willingness for this weak Government to be held to account is commendable and we will honour the spirit of this move by doing so strongly.”* A message from Shaw to Bridges on Q&A though – asked if this is a sign the Greens can work with National Shaw responded *“No.”* But it is a sign of the Greens struggling for oxygen and needing something to show their supporters they are still here and functioning, as their relevance in the Government shrinks on almost a daily basis.

Politics

No Stone Unturned In Labour’s Berryman Review

The behaviour at an event thrown by Labour Youth at Waihi earlier in the year, which resulted in sexual assault allegations being made to police and problems within the party’s hierarchy over how the matter should be handled and who should know about it, has led to the Berryman review of the entire party and its processes. It will be wide ranging as the terms of reference show. The party wants to draw a line under this and make sure it never happens again. It is an embarrassment, and has demonstrated flaws in the way the party operates. It has hurt Jacinda Ardern politically and knocked the party off the top of the moral high ground. It is vital the review provides answers and recommendations which are followed to the letter.

Berryman will inquire and report on all Labour Party policies and procedures in relation to Young Labour events, which existed as of February 2018, having regard to all relevant legislation; whether such policies and procedures were applied correctly in respect of the February 2018 Young Labour summer camp; whether the policies and procedures, when correctly applied, adequately support the Labour Party’s objective of providing a safe environment for members and participants; all Labour Party policies and procedures in relation to the planning and management of events and the handling of complaints, having regard to all relevant legislation; whether such policies and procedures were applied correctly in respect of the February 2018 allegations; and whether the policies and procedures, when correctly applied, reflect best practice.

The Review will not investigate or make findings about the specific allegations of sexual assault, except to the extent of how the policies and processes were applied in relation to the events prior to, and after, the alleged assaults. Berryman will make any recommendations for change she thinks appropriate.

In addition, because the possibility of at least one other incident of a similar nature has been raised in the media, the Reviewer will also be available to, and will establish processes to receive any other concerns of issues that any person may wish to raise in relation to previous events (either relating to Young Labour or the Labour Party more generally); and take such steps as she considers appropriate in relation to those other issues, having regard to the wishes of those who raise them with her. Those steps may include recommendations to the Labour Party Council.

Labour Party President Nigel Haworth says Berryman is commencing immediately with the initial focus of her investigation on the Young Labour camp in February. The review is expected to take between two and three months. All members of the Party will be contacted in relation to the review. *“Labour will not be commenting further while this investigation is underway.”*

Policy

Trouble Ahead For Auckland Rail Loop?

Reports circulating within the construction industry raise concerns Auckland’s \$3bn plus central rail loop project may start in controversial circumstances without a competitive bidding process because of the withdrawal of three of four bidders. The withdrawals are said to be in protest against the contract conditions offered. They come against a background of construction industry unease at the prevalence of project tendering documents off-loading excessive risks to commercial contractors. Industry executives ponder whether such withdrawals signal a much more prudent approach by major contractors in the wake of heavy losses suffered by the Building and Interiors Unit of Fletcher Building on substantial contracts in Christchurch and Auckland. Good news for Aucklanders, however, is the regional water and wastewater utility, Watercare Services, has short-listed four consortia as preferred bidders for its \$1bn central interceptor tunnelling project.

Policy

Woods Takes Further Action On EQC Problems

Megan Woods is steaming ahead full steam to improve the performance of EQC. After getting rid of the former boss, and pushing ahead with efforts to get all Christchurch claims settled, she’s announced changes to the EQC scheme by changing the Act. She says *“the changes we have agreed on will improve how the Act*

functions and enable the scheme to work more effectively for future natural disasters. These are widely agreed, common sense changes that can be made before the independent inquiry into EQC. I've asked for them to be brought forward so if the worst did happen and we had a major event shortly, these changes will have been made. The changes simplify and speed up the claims process, and resolve issues with the EQC Act previously identified by the Ombudsman and the Canterbury Earthquakes Royal Commission."

The changes include increasing the cap limit on EQC residential building cover to \$150,000 (plus GST), enabling EQC to accept claim notifications for up to two years after a natural disaster, rather than the current three-month time limit for such notifications, removing EQC insurance cover for contents and clarifying EQC's authority to share information to support the implementation of the EQC Act and settlement of insurance claims and where this is in the public interest and safety (A recommendation of the Canterbury Earthquakes Royal Commission).

Woods says *"removing cover for contents will increase EQC's ability to allocate more resources when responding to a natural disaster and help reduce any delays in resolving residential building and land damage claims. Government has talked to the insurers and indication is that private insurance cover for contents will continue to be available at a reasonable cost."*

The changes will come into effect next year, with legislation expected to be passed by the end of December 2018.

Policy

Government Throws More Effort Into Maori Relations

One of things which is going to be crucial for this Government is how it resets its relationship with Maori, now it seems to have regained the trust and confidence of Maori voters. To this end Crown/Māori Relations Minister Kelvin Davis is to hold hui across the country. Discussions will include improving the way government departments engage with Māori and respond to Māori issues, ensuring Treaty settlement obligations are honoured, and finding new and different opportunities for more active partnership between the Crown and Māori. Davis says *"with the Treaty Settlement process drawing to a close the time is right to look beyond the negotiating table and rejuvenate the relationship between the Crown and Māori. Too often in the past the Crown has told Māori what their relationship will be. That's not a mistake this Government will make."*

The Minister says *"I want to listen widely, and hear ideas from across New Zealand. I have begun to meet with Māori and non-Māori national organisations but also want to talk to groups and people around the country - including rūnanga, hapū, and rangatahi - about what the relationship should look like."*

The first public hui will be held in Kaitia in early April. Other hui will be held in Whangarei, Auckland, Hamilton, Thames, Rotorua, Hastings, Gisborne, New Plymouth, Whanganui, Wellington, Nelson, Christchurch and Invercargill before June.

Economy

Good And Bad In Growth Forecasts

The Government will be pleased to see the latest NZIER Consensus Forecasts predicting a stronger growth outlook for the next few years. It will be less happy about a prediction of stagnating wage inflation. Forecasts for household and Government spending have been revised up. Consumer confidence has rebounded in recent months, and this is expected to flow through to solid growth in household spending. Meanwhile, the Government has indicated more expansionary fiscal policy over its term as it undertakes new areas of spending. The outlook for business investment is more mixed, with some downward revisions for the coming year but a stronger outlook in the subsequent years. With the labour market showing continued strength, employment growth forecasts have been revised up, while forecasts for the unemployment rate have been revised down. Despite expectations of further tightening in the labour market, expectations of wage growth have been revised slightly lower beyond 2018.

NZIER says although growth for the year to March 2019 has been revised slightly lower, further out growth is expected to peak at 3.3% in the following year before moderating to 2.9% by 2021. The forecaster's household spending forecasts have been revised up. Spending has remained strong, with consumer confidence bouncing back in recent months and households considering now to be a good time to make big-ticket purchases. This should underpin further robust spending growth, although expectations are still for a moderation over the next few years. Not surprisingly, with Kiwibuild on the way, the outlook for residential construction remains robust. Forecasts for the year to March 2019 have been revised lower, but further out expectations are for growth to pick up. Underlying demand remains strong, reflecting the catch-up from the surge in population in recent years. However, there's a road block - capacity pressures in the construction sector hamper the extent to which activity can ramp up in the near term.

Export growth forecasts have been revised up over much of the projection period. The stronger outlook reflects improving demand in the major economies, although downside risks remain from heightened geo-political volatility. Meanwhile, heavy rainfall in early 2018 has reduced the risk of a substantial decline in dairy and meat production in the near term. Helping all this is a forecast for a lower dollar - a strengthening USD as the US Federal Reserve continues to tighten monetary policy over the coming years should reduce the yield attractiveness of the NZD. This expectation of a narrowing in the interest rate differential between the NZ and the US largely underpins forecasts for an easing in the NZD over the projection period.

The forecaster also says it is going to be a while before the OCR is raised, with inflation contained although the risk of persistently low inflation has dissipated. It's expected to track at around 2% in the next few years.

Expectations are for further tightening in the labour market, with the unemployment rate expected to edge down to 4.3% by 2019. Paradoxically despite this tightening, forecasts for wage growth have been revised marginally lower. Annual wage growth is expected to track around 3% beyond 2018. What the Government does about this low wage growth will be crucial to its overall social package.

Policy

Policy Delay And Uncertainty Hurting Construction Sector

The Government has copped a serve from Infrastructure New Zealand, with CEO Stephen Selwood warning “cancellation of major projects, delays in new projects coming to market and uncertainty about future transport funding are forcing the contracting sector to release skilled staff just at the point at which the Government wants to increase the speed and scale of construction.” He says “it is natural for infrastructure priorities to change with new leadership, but the scale of change in recent months combined with high uncertainty over future transport funding is having a particularly heavy effect on a sector under pressure from rising input costs.”

Selwood says “the Government’s desire to utilise private capital to facilitate infrastructure delivery is commendable, as are commitments to increase Crown capital investment from \$32b to \$42b over the next four years, but it’s the lack of ‘shovel-ready’ projects which is the problem. Near-term cancellation of projects which the sector had anticipated getting underway shortly include the consented East-West Link, the Tauranga Northern Corridor, the Petone to Granada Link road and SH1 Cambridge to Piarere. Delays to the CRL and north-western busway as well as uncertainty for critical growth projects like the Mill Rd corridor in Auckland and safety projects like Otaki to Levin north of Wellington is compounding the issue.”

Selwood says all up, a conservative figure of the total investment pushed out of the next four to five-year period is over \$2bn or around \$400m a year taken out of the contracting sector. He warns the industry cannot absorb that level of cost without rationalising staff and equipment – the same staff and equipment which we know are urgently needed today to deliver infrastructure for housing.

“While it is not the Government’s job to keep the construction industry busy, a committed pipeline of work is fundamental to the productivity of the sector, thereby delivering value for tax-payers. It is vital that near-term gaps in the project pipeline are not allowed to undermine the long term health and capacity of the construction sector. Australian investment in transport is set to double in the next couple of years. The big Aussie contractors will absorb all the available skills we have spent a decade building up, risking a repeat of the 2000s from which we’re still recovering.”

Capital Talk

The effectiveness of Denise Lee, MP for Maungakiekie, as the National Party’s spokesperson for Auckland issues is being questioned by followers of the city’s political affairs. They ponder how she can be an effective critic of Auckland matters when she herself was member of the Council which, according to such council members as long time Labour local body stalwart Mike Lee, has let its spending get out of control.....**The first eight members of the Digital Economy and Digital Inclusion Advisory Group** are Frances Valentine (Chair) Founder and Chairperson at The Mind Lab, and Founder/CEO of Tech Futures Lab, Potaua Biasiny-Tule Co-Founder of Digital Natives Academy, Digital Basecamp, 4 Company B, and CEO/Managing Director of Tanga-taWhenua.com, Jordan Carter Chief Executive of InternetNZ, Kaila Colbin Co-founder and Chair of Ministry of Awesome, Curator of TEDxChristchurch and SingularityU NZ and Australia Summits, Deputy Chair of CORE Education, Director of ChristchurchNZ, Brenda Leeuwenberg Head of Innovation at NZ On Air, Board Member of Women in Film & Television, and Director of Nomad8, Rohan MacMahon Management consultant and involved in business development for digital technology companies. Previously Strategy Director at Crown Fibre Holdings, Victoria MacLennan Co-chair of NZRise, Managing Director and CEO of OptimalHQ Group, Trustee and Board Chair of Code Club Aotearoa, Chair of the Digital Skills Forum, Investor and Director and Chris O’Connell Director of Heartland Connectivity Taskforce Ltd, extensively involved with broadband roll-out.....**Nominations for Conservation Boards** have been reopened to ensure they reflect the diverse communities they serve, Conservation Minister Eugenie Sage announced today. The Department of Conservation re-opened the nomination process for recruiting a broader cross-section of members from the different communities each board represents on the Minister’s recommendation.....**ACT’s David Seymour** was scathing about the findings of a report on New Zealanders and Sport - The only remarkable thing about this report is that a group of bureaucrats and politicians believed they needed to spend money finding out that physical activity has social and health benefits. No New Zealander will be surprised to learn any of the following: “...New Zealanders see value in sport and active recreation.”.....**National** says a “systems error” led to people who signed petitions against scrapping flights at Kapiti Airport and to save the Lumsden maternity centre in Southland getting texts asking them to donate to National to help fight the Government. Bridges says it was a genuine cock-up and they’re working to make sure it doesn’t happen again. Some of those who signed are complaining it was a privacy breach. National MPs started both petitions.....**Barack Obama’s visit to New Zealand** set the media off on a spotting frenzy, but the visit is being conducted in extreme privacy, with little chance for photo opportunities. However, he is getting in a lot of golf.

Dept Briefs

- Treasury has released its latest move to a more holistic way of assessing the Government’s balance sheet in the 2018 Investment Statement by incorporating principles from the Living Standards Framework alongside financial considerations. The idea is for the Government’s balance sheet to incorporate the Living Standards Framework principles into a section of the Investment Statement, including natural capital considerations.
- Veteran trouble shooter Doug Martin to investigate whether a Government agency and one of its contrac-

tors may have breached the State Services Standards of Integrity and Conduct. Martin is a former Deputy State Services Commissioner and one of the architects of the State Sector Act 1988. Since then he has been hired by successive governments to sort out troublesome issues. The inquiry will focus on Southern Response's use of external security consultants, including but not limited to Thompson and Clark Investigations Limited. Separately the SSC will be looking more broadly at the use of private investigators by State services agencies to ensure they are being used in ways consistent with the requirements of the State Services Code of Conduct.

- Part of NZ First's agreement to form the new Government was a push to get more departments to spread outside Wellington. There is little sign of this happening yet. The Tertiary Education Commission is closing six offices in Palmerston North, Tauranga, Hamilton, Napier, Nelson and Dunedin. Across the country, 13 jobs have gone and three will be shifted to Wellington. The move follows a merger with Careers NZ last year.
- State Services Minister Chris Hipkins is looking to rewrite the State Sector Act. Some of this will bring into law some of the ideas started in the last Government of departments working together more. This has been happening in some areas. For instance, in the justice sector agencies were partly sharing budgets and policy ideas to drive results in meeting certain targets. Hipkins believes this and other ideas need to be enshrined in law to give them more effect.
- In a similar vein State Service Commissioner Peter Hughes says of the 1990s state sector reforms they were *"very radical market orientated reforms. I was a huge advocate of these reforms, and I still am."* But the reforms shifted the focus away from the public service, as a whole, on to own individual agencies. People no longer considered themselves public servants, but a worker for a particular agency. *"I do think we lost a sense of being part of something bigger, with a higher purpose, with a moral purpose, and in many ways, I think, we lost our heart."* Though Hughes said the reforms also brought very many good changes. Dispelling the clunky, inefficient bureaucracy of *"Gliding On"* fame. *"The reforms of the 1990s, to me, were like the Vatican II of the public service. The windows were open, fresh air came in, we were liberated to get on and do some really good things."*

In The Lobby **The House resumed this week** after a fortnight long adjournment. On Tuesday, Maureen Pugh was sworn in to replace Bill English.....**A debate** on the [International treaty examination of the Pacific Agreement on Closer Economic Relations \(PACER\) Plus](#) was held.....**The committee stage** of the [Taxation \(Annual Rates for 2017–18, Employment and Investment Income, and Remedial Matters\) Bill](#) was completed. The Bill was generally supported but National strongly opposed the Government introducing an amendment extending the *"bright line"* test on the tax treatment of house sales from two years to five years.....**The Health (National Cervical Screening Programme) Amendment Bill** was read a first time and referred to the Health Committee with all parties in agreement.....**Four bills were introduced.** The [Crimes Amendment Bill](#) repeals 3 provisions in the Crimes Act. Section 71(2) which protects spouses and civil union partners in cases where they would otherwise be an accessory after the fact to an offence. Section 123 which contains the blasphemous libel offence. The Bill also repeals the year-and-a-day rule contained in section 162 which was cited by the Police as an obstacle in prosecuting in the CTV building case. The [Coroners \(Access to Body of Dead Person\) Amendment Bill](#) implements a recommendation of the Māori Affairs Committee Report to improve cultural considerations in the coronial system. The [Privacy Bill](#) repeals and replaces the Privacy Act 1993 following recommendations in the Law Commission's 2011 review of the Act. It seeks to modernise and fix problems with the law as it stands. The [Corrections Amendment Bill](#) lays out a wide number of changes to the law mostly to modernise the more dated parts, but also brings in new measures.....**The Government has sent further amendments** of the Overseas Investment Act to select committee to bring investments in sensitive land involving forestry rights under the Act. The Finance and Expenditure Select Committee is currently considering another Bill amending the Act which the new changes will be brought into. The changes would introduce a light-handed *"checklist"* screening regime, which will make it easier for overseas investors to gain approval to buy forestry rights than if they were subject to the current screening regime. Overseas buyers of existing freehold and leasehold forestry land, who already face screening, would also be able to use the light-handed checklist. The changes need to be made before the Comprehensive and Progressive Agreement for Trans Pacific Partnership comes into force. Under the proposed changes investors buying up to 1000 hectares of forestry rights each year will not need consent, but purchases above that level would be screened. This would apply to all forestry rights, including bare land planting.

Last Word

"If you want to be a politician step down today. Otherwise get back into your box."

Regional Development Minister Shane Jones has a go at Air New Zealand CEO Christopher Luxon over the Airline's performance on serving regional New Zealand

Trans Tasman Quiz

Follow the link to our [politics quiz](#) - see how good you are!