

## **Legislative Statement: New Zealand Productivity Commission Act Repeal Bill**

### **Introduction**

1. This Bill is to repeal the New Zealand Productivity Commission Act 2010 and to disestablish the New Zealand Productivity Commission (the Commission), in order to use the resources freed up to improve the quality of regulation through the establishment of a new regulation agency.

### **Background**

2. The Productivity Commission is an Independent Crown Entity established by the New Zealand Productivity Commission Act 2010 (the Act), which is administered by the Treasury. The Commission produced a combination of inquiries requested specifically by Ministers and general work to further research and public understanding on issues around productivity.
3. The Commission is governed by a board consisting of a Chair and three Commissioners that is accountable and reports to the Minister of Finance. The Commission employs 22 staff and has approximately \$5.930 million of annual funding.
4. In anticipation of funding to be transferred from the Productivity Commission, work to implement the priorities of the regulation portfolio has already begun. This includes options for establishing a new regulation agency, and identification of what existing and new functions would sit within it.

### **Provisions of the New Zealand Productivity Commission Act Repeal Bill**

5. The New Zealand Productivity Commission Act Repeal Bill provides for three substantive actions: to repeal the New Zealand Productivity Commission Act 2010; and to disestablish the Commission; and provide for the consequences of the disestablishment.
6. Clause 8 repeals the New Zealand Productivity Commission Act 2010.
7. Clause 9 disestablishes the Commission.
8. Clause 10 relates to the main consequences of the disestablishment of the Commission, which are the vesting and transfer of residual assets, liabilities, agreements, leases, licence arrangements, money payable, and information of the Commission to the Ministry for the time being responsible for the administration of the Bill (the Ministry). It is intended that the Treasury will be responsible for the administration of the Bill.
9. Clause 11 provides that clause 10 and Schedule 1 do not apply to individual employment agreements or appointments and that all employment and appointment positions with the Commission are terminated.
10. Clause 12 gives effect to Schedule 2, which makes consequential amendments to other Acts.
11. Clause 1 of Schedule 1 provides that any outstanding proceedings or matters involving the Commission are to be determined or completed by the Ministry. It also sets out the effect of the Bill with respect to agreements, leases, arrangements, enactments, and any rule of law.

12. Clause 2 of Schedule 1 sets out the effect of property held by the Commission being vested in the Ministry on registers of land or other registers.
13. Clause 3 of Schedule 1 sets out how references to the Commission in any thing are to be treated.
14. Schedule 2 sets out consequential amendments to other Acts. The amendments remove the Commission from the list of independent Crown entities in Part 3 of Schedule 1 of the Crown Entities Act 2004 and from the list of organisations in Part 2 of Schedule 1 of the Ombudsmen Act 1975.