



HOUSE OF REPRESENTATIVES

Supplementary Order Paper

Tuesday, 30 June 1998

ELECTRICITY INDUSTRY REFORM BILL

Proposed Amendments

Hon KEN SHIRLEY, in Committee, to move the following amendments:

Clause 1 (1): To insert, after the word "Reform" (line 18 on page 3), the words "and Privatisation".

Clause 50: To omit subclause (1) (lines 33 to 36 on page 57), and substitute the following subclause:

(1) All commercial entities and shareholders are entitled to compensation payable by the Crown for all costs and loss of values that are assessed to result directly from the divestment of assets pursuant to this Act. In the event of agreement not being reached on the extent or magnitude of costs incurred or values lost, an independent arbitrator is to be appointed under the Arbitration Act 1996 to make such assessment, and that person's decision is to be final and binding.

Heading to Part 7: To insert, after the word "SPLIT" in the heading to Part 7 (line 21 on page 73), the words "AND SALE".

Clause 65: To add to subclause (1) (after line 25 on page 74) the following new paragraph:

(c) A direction that the assets and liabilities of ECNZ or of any wholly-owned subsidiary of ECNZ, including those assets and liabilities transferred to other State enterprises, be offered for sale by competitive tender.

EXPLANATORY NOTE

This Supplementary Order Paper makes amendments to the bill in several respects.

Clause 1 is amended to expand the Short Title of the bill.

Clause 50 is amended to ensure that commercial entities and shareholders are compensated by the Crown for costs and loss of values arising directly out of the divestment of assets imposed by this legislation. Presently, the bill provides that compensation is not generally payable to any person or in any other manner. But if the Crown is to legislate existing property rights out of existence, it is incumbent on it to provide compensation. Any disagreement over assessments will be resolved by an independent arbitrator.

Part 7 is amended to relate to the sale as well as the split of ECNZ. A new paragraph is added to clause 65 (1) to provide that shareholding Ministers may give directions that its assets and liabilities are to be offered for sale by competitive tender.