

# House of Representatives

# Supplementary Order Paper

Tuesday, 18 May 2021

## Overseas Investment Amendment Bill (No 3)

### *Proposed amendments*

Hon Eugenie Sage, in Committee, to move the following amendments:

#### *Clause 4*

In *clause 4*, delete *subclause (3)* (page 4, lines 35 to 37).

#### *Clause 8*

In *clause 8(1)*, replace *new section 16A(1AA)* (page 10, line 32 to page 11) with:

(1AA) This subsection shows the ways in which the benefit to New Zealand test can be met, but it is a guide only to the general scheme and effect of this section.

Pathway	Which subsections apply	Which counterfactual applies
General test	<b>Subsections (1), (1A)</b>	<b>Subsection (1A)(a)</b>
Modified benefit test if relevant land is or includes farm land described in <b>subsection (1C)</b>	<b>Subsections (1), (1A), (1C), (1D)</b>	<b>Subsection (1A)(a)</b>

In *clause 8(1)*, delete *new section 16A(1B)* (page 11, line 28).

In *clause 8(1)*, delete the *heading after new section 16A(1E)* (page 12, line 19).

In *clause 8*, replace *subclauses (2) to (4)* (page 12, lines 20 to 23) with:

(2) Repeal section 16A(2) to (9).

#### *New clauses 8A and 8B inserted*

After *clause 8* (page 12, after line 23), insert:

**8A Section 16B amended (Conditions for consents relating to sensitive land that is residential land: benefit to New Zealand test)**

Repeal section 16B(2).

**8B Section 16C repealed (Conditions for consents relating to sensitive land that will be used for forestry activities)**

Repeal section 16C.

*Clause 9*

In *clause 9*, new section 17(2), delete “(including where **section 16A(3)** is being applied)” (page 13, lines 16 and 17).

In *clause 9*, new section 17(2)(b), delete “(including where **section 16A(3)** is being applied)” (page 13, line 22).

*Clause 13*

In *clause 13*, insert as *subclause (2)* (page 18, after line 19):

- (2) In section 27A(5)(b), replace “sections 16A to 16C” with “sections 16A and 16B”.

*Clause 19*

In *clause 19*, replace *subclauses (2) and (3)* (page 21, lines 30 to 32) with:

- (3) Repeal section 61(1)(ba), (c), (ca), (d), **(la), and (lc)**.

*Clause 25*

In *clause 25*, replace *subclause (3)* (page 27, lines 33 to 35) with:

- (3) In Schedule 3, repeal clauses 6 and 7.

*New clause 25A inserted*

After *clause 25* (page 27, after line 35), insert:

**25A Schedule 4 amended**

In Schedule 4, repeal clause 3.

## Explanatory note

This Supplementary Order Paper amends the Overseas Investment Amendment Bill (No 3). It would remove from the principal Act the current permissive regime for overseas land purchases for forestry and enable strengthened control on overseas investment into forestry. This is to ensure that the purchase of rural land for forestry is treated in the same manner as other rural land purchases, by meeting the test for benefit to New Zealand without preferential treatment. As with the provisions contained in the Overseas Investment Amendment Bill (No 3) that would enable the Government

to effectively manage the risks posed by foreign investments, the amendments in this Supplementary Order Paper would also be consistent with the purpose of the Overseas Investment Act 2005, which is to acknowledge that it is a privilege for overseas persons to own or control sensitive New Zealand assets. It would return the test for applications by overseas persons to purchase land for forestry to that which applied before the amendments made to the test by the Overseas Investment Amendment Act 2018 (2018 No 25).