

House of Representatives

Supplementary Order Paper

Tuesday, 23 October 2018

Commerce Amendment Bill

Proposed amendment

Brett Hudson, in Committee, to move the following amendment:

Clause 4

In *clause 4, new section 50*, replace *subsection (2)* (page 4, lines 19 to 23) with:

- (2) Before carrying out a competition study, the Commission—
 - (a) must obtain approval for the study from the Minister; and
 - (b) must, by notice in the *Gazette*,—
 - (i) prescribe the terms of reference for the study; and
 - (ii) specify the date by which the Commission will make the final competition report for the study publicly available.

Explanatory note

This Supplementary Order Paper amends *new section 50* in *clause 4* of the Commerce Amendment Bill. Being a business in a market targeted in a competition study can be hugely expensive, so there need to be checks and balances. We therefore believe competition studies should either be initiated by the responsible Minister or, if initiated by the Commerce Commission, be subject to ministerial approval. The Bill provides for Minister-initiated competition studies. It also provides for the Commission to self-initiate competition studies. This amendment adds the requirement that the Commission obtain ministerial approval for a competition study the Commission initiates.