

Departmental Disclosure Statement

The Remuneration Authority (Members of Parliament Remuneration) Amendment Bill

The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by the Ministry of Business, Innovation & Employment (MBIE).

MBIE certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

6 September 2018

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Part One: General Policy Statement

The purpose of this Bill is to implement the Government's decision to freeze Members of Parliament's (MPs) salaries, expenses allowances and superannuation subsidies from 1 July 2018 until 30 June 2019 at the levels determined in the Parliamentary Salaries and Allowances Determination 2017 (the 2017 determination) and the Parliamentary Superannuation Determination 2003. During the pay freeze a review will be undertaken into the settings for determining MPs remuneration.

The Bill amends the Remuneration Authority Act 1977 (the Act) and the Members of Parliament (Remuneration and Services) Act 2013 (the MoP Act).

Part 1 amends the Remuneration Authority Act 1977 to provide that no determination may be made to change superannuation subsidies, salaries or allowances of Members of Parliament for the period from 1 July 2018 to 30 June 2019. This is despite requirements in the Act requiring salary determinations to be issued at least every 12 months and allowance determinations to be issued at least every 3 years.

Part 2 amends the MoP Act to provide that the Remuneration Authority may not make a determination about the salaries or allowances of Members of Parliament for the period from 1 July 2018 to 30 June 2019.

The Schedule deems the 2017 determination that had determined salaries for the period from 1 July 2017 to 30 June 2018, to continue to have effect as if the expiry date in the 2017 determination was 30 June 2019 instead of 30 June 2018.

Part Two: Background Material and Policy Information

Published reviews or evaluations

2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?	NO

Relevant international treaties

2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?	NO

Regulatory impact analysis

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?	YES
Yes. Impact Statement - Members of Parliament Remuneration, MBIE, 6 September 2018. This RIS can be accessed at http://www.mbie.govt.nz/info-services/employment-skills/legislation-reviews/pdf-library/ris-members-of-parliament-remuneration.pdf .	

2.3.1. If so, did the RIA Team in the Treasury provide an independent opinion on the quality of any of these regulatory impact statements?	YES
<p>The Regulatory Quality Team (RQT) at Treasury has reviewed the Regulatory Impact Assessment (RIA) Members of Parliament Remuneration prepared by the Ministry of Business, Innovation and Employment and considers that the information and analysis summarised in the RIA meets the Quality Assurance criteria of being complete, convincing, and clear and concise.</p> <p>RQT notes that consultation has not taken place due to the time constraints in preparing the RIA. Ordinarily this would not be adequate to meet the 'consulted' criterion. However, in this case, it is unlikely that public consultation would have provided further significant information to inform the analysis, or would have prompted identification of any other options.</p>	

2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?	NO

Extent of impact analysis available

2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?	NO
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2.5. For the policy to be given effect by this Bill, is there analysis available on:	
(a) the size of the potential costs and benefits?	YES
(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	NO
This information is available in the Impact Statement - Members of Parliament Remuneration on MBIEs website at http://www.mbie.govt.nz/info-services/employment-skills/legislation-reviews/pdf-library/ris-members-of-parliament-remuneration.pdf .	

2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:	
(a) the level of effective compliance or non-compliance with applicable obligations or standards?	NO
(b) the nature and level of regulator effort put into encouraging or securing compliance?	NO

Part Three: Testing of Legislative Content

Consistency with New Zealand's international obligations

3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?

MBIE assessed that there were no international obligations that apply to the Bill and no further steps were undertaken.

Consistency with the government's Treaty of Waitangi obligations

3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?

MBIE has undertaken an internal consideration and is satisfied that the Bill is consistent with the principles of the Treaty of Waitangi.

Consistency with the New Zealand Bill of Rights Act 1990

3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?

NO

Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:

(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?

NO

(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?

NO

Privacy issues

3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?

NO

External consultation

3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?

NO

The Bill is intended to be passed as a matter of urgency, which has not allowed for external consultation.

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?	YES
Yes. MBIE has tested the proposals with the relevant government departments and statutory bodies, including the Treasury, the Department of Internal Affairs, the Parliamentary Service, the Ministry of Justice, the States Services Commission, the Office of the Speaker and the Remuneration Authority.	

Part Four: Significant Legislative Features

Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO

Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	NO

Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO

Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	NO
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO

Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	NO

Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	NO

Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO

4.8. Does this Bill create or amend any other powers to make delegated legislation?	NO

Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO