

Regulatory Standards Bill

Submission to the Finance and Expenditure Committee

New Zealand Parliament

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CONTACT

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ABOUT THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) TE HĀHI TŪHAUWIRI

Quakers welcome and include people of all and no religious backgrounds and beliefs. There are around 400 000 Quakers worldwide and about 1000 people identified as Quakers in the 2018 NZ census. The official name for Quakers around the world is the Religious Society of Friends.

The revelation of wisdom is ongoing; we have no creed. Quaker practice is based on meeting regularly and sitting in silence to hear wisdom directly as an inner voice. We seek to practice that wisdom in our relationships with others and in the world around us. We believe that everyone has within them the potential for goodness and the capacity to respond to the 'inner light'.

Our vision is of a world of justice, peace and equality. Quakers practise truth and integrity, simplicity and sustainability, and pursue paths leading to peace and equality. We have long recognised the social and institutional causes for injustice as evidenced by our contributions to the elimination of slavery, resolving the causes of war, in prison reform, promoting social programs and climate justice.

EXECUTIVE SUMMARY

- 1. The Religious Society of Friends (Quakers) Te Hāhi Tūhauwiri **opposes** the Regulatory Standards Bill (the Bill) because:
 - Its principles have a narrow selective focus on individual rights, property and finance.
 - It ignores accepted standards and principles of legislation, regulation and governance for public good.
 - It ignores Te Tiriti o Waitangi.
 - Its narrow principles concentrate power and privilege into the hands of the unelected few at the expense of many.
 - It undermines the sovereignty of parliament, democratic and social rights and will thus perpetuate inequality, discrimination and injustice.
 - Its administration to date is highly inconsistent with the Bill's own principles of legislation.
 - It is unnecessary, impractical, likely to be expensive, and exposes Aotearoa New Zealand to risks such as having to compensate corporations for lost income and/ or failing to meet trade Treaty obligations.
- 2. Although we do not wish the Bill to proceed, we suggest amendments to the Statement of principles so that they reflect the government's responsibility to regulate to enhance the wellbeing of the whole community.

3. We wish to make an oral submission.

INTRODUCTION

- 4. We welcome this opportunity to comment on the Bill.
- 5. While Quakers have a very personal view of religious faith, they apply this faith to a holistic view of society, believing that all individuals possess inherent dignity and worth, regardless of their background, beliefs or status. Our conviction that "there is that of God in everyone" is what has driven centuries of the pacifism, equal rights, prison reform and anti-slavery work for which we are known
- 6. This belief has led us to pay great attention to the disadvantaged and marginalised, recognising the innate inequality inherent in many diverse societies. Wealth, health, ability, whānau, community, location, opportunities, luck, are all factors over which individuals have no control, but which governments can significantly influence through the regulation of standards that support good outcomes. A thriving productive society of well-educated, healthy people is dependent on universal systems that support all people to realise their potential.
- 7. If the Bill is implemented, policies that would benefit marginalised groups, for example rent controls, social welfare programmes, and affirmative actions to reduce entrenched health inequalities, will be more difficult to implement and will thus perpetuate rather than address inequality, discrimination and injustice.
- 8. Quaker respect for all involves respect for others, and listening to others, and to the world around us. This Bill is the fourth iteration of proposals which have been repeatedly and soundly rejected by New Zealanders, most recently by 88 percent of the 23,000 submissions to the newly established Ministry of Regulation in January of this year. A vanishingly small number supported proposals which, in essence, have not changed.
- 9. Clearly, and ironically, proceeding with the Bill contravenes a basic tenet of regulatory standards, which is to consult with and listen to the people.
- 10. The Bill is also undemocratic. We know that democracy is weakened when people disengage, stop questioning or feel that their voices don't matter.

DISCUSSION

The Bill has a narrow selective focus on individual rights, property and finance.

11. The impacts of the Bill (aside from process) are addressed in Part 2, Subpart 1, Clause 8 where it mentions Liberties (of the person), Taking of Property, and Taxes, Fees and Levies. These elements are just a small part of the factors that make a successful society for which a government may legislate.

The Bill ignores accepted standards and principles of legislation, regulation and governance for public good.

- 12. The statement of principles fails to reflect many elements of good governance and regulation. For instance:
 - They do not reflect the responsibility of the government to be concerned for and regulate to enhance the well-being of the whole community.
 - There is no statement in the list of principles about proposed regulations being tested for their impact on:
 - improving equality and well-being in Aotearoa
 - making society more inclusive
 - reducing the country's contribution to adverse climate change
 - ameliorating the adverse impacts of climate change
 - increasing the country's economic and environmental sustainability
 - strengthening New Zealand's independent foreign policy
 - improving the democratic control over commercial concerns and internationally owned companies
 - privacy
 - discrimination against minorities
 - human and civil rights, and consistency with the New Zealand Bill of Rights 1990.
- 13. We ask the Committee to consider how this Bill could hinder or prevent consideration of such important concerns as:
 - freshwater quality in rivers

- o access to clean water
- o climate change measures that may affect corporate profits, government budgets
- fisheries regulation and quota
- o non-renewal of permits for environmental or climate reasons.
- 14. Moreover, the Bill misses the opportunity to expressly exclude behaviour that is antithetical to acting fairly or is against the public interest. We draw your attention to the comprehensive list of restricted and prohibited trade practices in the 1975 Commerce Act, the purpose of which was "...to assist in the orderly development of industry and commerce and to promote its efficiency, and the welfare of consumers, through the regulation, where desirable in the public interest, of trade practices." Part 2 s 20 (a).
- 15. The result is that the narrow focus of the Bill sets these issues as the primary standards for all future legislation, as well as assessing past legislation. It overlooks the riches of moral principles on which all successful societies depend.

The Bill ignores Te Tiriti o Waitangi - Treaty Settlement Act

- 16. Quakers Aotearoa New Zealand recognise Te Tiriti o Waitangi as the founding document of constitutional social democracy: "Standing in this place, Aotearoa New Zealand, means recognising the first peoples of the land and respecting their rights. Standing in this place means doing everything possible to ensure that the Treaty of Waitangi is honoured both in spirit and letter."
- 17. The Crown's deliberate lack of engagement with, and disengagement of, tangata whenua, its Tiriti o Waitangi partner, is further evidence that the Bill is not fit for purpose in 21st century Aotearoa New Zealand.
- 18. There are no references to "Tiriti" and only seven references to "Treaty" in the Introduction and Interpretation sections, referring to the Treaty Settlement Act and what it means.
- 19. The Bill proposes that current and future legislation must comply with its priorities. As the priorities do not mention Te Tiriti, this could effectively remove the Treaty Principles from the law-making process which is a violation of Te Tiriti.
- 20. Similarly, the Bill's definition reducing those considered "substantially" affected by legislation to only those who are "directly and materially affected" limits the ability of iwi and hapu to participate in the law-making process.

¹ On These Islands / I Runga i Ngā Motu Nei Quaker Faith and Practice in Aotearoa (2.13). Yearly Meeting of the Religious Society of Friends in Aotearoa New Zealand / Te Hāhi Tūhauwiri, 2024.

21. By limiting consultation, and by ignoring Te Tiriti, the Bill will create increased unrest, confusion and division between tangata whenua and tangata tiriti and will not achieve the greater clarity in lawmaking that it ostensibly seeks.

The Bill's narrow principles concentrate power and privilege into the hands of the unelected few at the expense of many.

- 22. The Bill provides for the rights of legal persons (both human and corporate) to be privileged over the rights and well-being of the community and the country.
- 23. Thus, this Bill opens the door for corporate exploitation. A company, acting in its status as a legal person, now has the basis to sue governments and representative organisations for any business losses that progressive and environmental programmes bring about. They can also sue any groups that benefit from these actions.

The Bill undermines the sovereignty of parliament, democratic and social rights, and will thus perpetuate inequality, discrimination and injustice.

- 24. The Bill proposes that current and future legislation must be assessed on the basis of its narrow principles and thus seeks to constrain the scope of Acts that future parliaments may wish to pass, and in so doing undermines the Sovereignty of Parliament.
- 25. It gives too much power to the Minister of Regulation to intervene in and overrule Bills brought forward by other Ministers undertaking their portfolio responsibilities.
- 26. It creates a Regulations Standards Board whose members hold office at the pleasure of the Minister of Regulation and gives this Board wide powers to investigate and review laws created by Parliament. This is a dangerous and anti-democratic concentration of power in an unelected body. It is up to the courts to review laws.
- 27. The proposed board would have a chilling effect, compelling ministers and public servants to consider whether their proposals would pass the highly selective regulatory standards imposed by the Bill. That in turn would create multiple extra layers of bureaucracy and negotiation and hinder the development and implementation of government policy.
- 28. The Bill is especially constitutionally dangerous because it can be applied to previously passed Acts of Parliament.

The Bill's administration to date is highly inconsistent with the Bill's own principles of legislation.

29. The standards of good law-making specified by the Bill are largely not addressed in the Bill's presentation. For instance, in terms of the requirement that "legislation should be expected to produce benefits that exceed the costs of the legislation to the public or persons", neither costs or benefits are evaluated to any degree. Further, effective evaluation would depend on

how the benefits of such things as fresh clean water, clean air, healthy forests, and how the benefits to "the public or persons", are weighed and /or prioritised. Without clear guidelines this clause is open to manipulation.

30. Again, the following items (Part 2, Subpart 1) are not applied to this Bill as presented. For instance, "The need to carefully evaluate various matters as part of a good law-making process."

These include:

- o the issue concerned; and
- o the effectiveness of any relevant existing law; and
- o the public interest; and
- o any reasonably available options (including non-legislative options); and
- who is likely to benefit and who is likely to suffer a detriment; and
- legislation should be the most effective, efficient, and proportionate response to the issue concerned that is available.

The Bill is unnecessary, impractical, likely to be expensive, and exposes Aotearoa New Zealand to a wide range of risks.

- 31. It is unnecessary because the existing rules governing regulatory standards and the regulation making processes already ensure that proposed government regulations are appropriately scrutinised and vetted. For instance, much of what the Bill attempts to achieve is in fact achieved by the Legislation Design and Advisory Committee through their Legislation Guidelines 2021 which provides a much broader, comprehensive range of considerations.
- 32. There is no need for a Regulations Standards Board as the assessment against the revised principles of the Bill, could be undertaken by staff of the Ministry of Regulation which can report to Cabinet on a Bill in the same way that Treasury does.
- 33. We also question the practicality of establishing a board within the anticipated short timeframe, and the objectivity of appointments made by a Minister whose party represents a very small part of the general electorate.

Suggested amendments

- 34. If the Bill should proceed, we recommend that there are clear statements supporting the collective public interest and that the principles should include:
 - o improving equality and well-being in Aotearoa
 - making society more inclusive

- o reducing the country's contribution to adverse climate change
- o ameliorating the adverse impacts of climate change
- o increasing the country's economic and environmental sustainability
- strengthening New Zealand's independent foreign policy
- o improving the democratic control over commercial concerns and
- o be consistent with Te Tiriti o Waitangi

CONCLUSION

35. We again thank you for the opportunity to submit on the Regulatory Standards Bill which Quakers Aotearoa New Zealand Te Hāhi Tūhauwiri strongly opposes.

We recommend that you:

- o do not proceed with the Bill.
- agree that, if the Bill does proceed, the principles of good regulation must be enhanced to serve the public interest and the whenua to contribute to improving equality and wellbeing and environmental sustainability.
- o **note** we wish to make an oral submission.