

Treasury Report: Overseas Investment Review - Final Draft Cabinet Paper for Lodging

Date:	15 September 2010	Report No:	T2010/1747
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Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Bill English)	Sign the attached Cabinet paper	10.00am Thursday 16 September

Contact for Telephone Discussion (if required)

Name	Position	Telephone		1st Contact
[withheld – privacy]	Analyst, International	[withheld privacy]	–	[withheld privacy] – ✓
Siân Roguski	Acting Manager, International	[withheld privacy]	–	[withheld privacy] –

Minister of Finance's Office Actions (if required)

Lodge the attached Cabinet paper and RIS with Cabinet Office by 10.00am Thursday 16 September.
Send the Power to Act request to the Prime Minister (this was attached to T2010/1708).

Enclosure: **Yes:**

[Completion of the Overseas Investment review \[Final draft Cabinet paper\]](#)
[Regulatory impact statement: conclusion of the overseas investment review Final draft\)](#)

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Purpose of Report

1. This report seeks your agreement to sign the attached Cabinet paper which has been revised to reflect comments from you and your office. Annex One details the expected policy and legislative timeline for your information.

Analysis

2. The Cabinet paper has had the following changes:
 - a. The discussion on risks has been consolidated into one section and summarised.
 - b. The regulatory impact section contains more details on the agencies we would have consulted had the timeframes for developing the paper been longer.
 - c. The tone of the paper has been adjusted in line with your comments.
3. *[withheld - maintain the current constitutional conventions protecting collective and individual ministerial responsibility]* At this stage, the paper still proposes to remove this factor from the benefit test used to assess investments in sensitive land. The Treasury's first best advice remains that removing it will help to restore investor confidence that was reduced at the time the new factor was implemented. We consider that it will also support your view that the Act and Regulations should be relatively enduring, while the Directive Letter is able to change over time to reflect changing government priorities.
4. There have been no changes to the Regulatory Impact Statement.

Directive letter

5. We are developing a rough draft of the Directive Letter that you will be able to table at the Committee if there is interest from your colleagues in seeing more detail on its content.

Recommended Action

We recommend that you **sign** the attached Cabinet paper.

Siân Roguski
**Acting Manager - International
for Secretary to the Treasury**

Hon Bill English
Minister of Finance

Annex One: Policy and legislative timeline for completion of the Overseas Investment Act Review

Week of (Monday)	Tasks
13 September	Minister of Finance consideration and consultation with Ministers Submit to Cabinet Office
20 September	EGI discussion (Wednesday 22 September) Announcement of policy decisions by the Minister of Finance
27 September	PCO drafting
4 October	PCO drafting
11 October	PCO drafting
18 October	PCO drafting
25 October	PCO drafting
1 November	PCO drafting
8 November	<i>[withheld - maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]</i>
15 November	<i>[withheld - maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]</i>
22 November	<i>[withheld - maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]</i>
29 November	
6 December	
13 December	
20 December	
27 December	