

The Treasury

Productivity Commission Report on Regulatory Institutions and Practices Information Release

Release Document

December 2015

www.treasury.govt.nz/regulation/nzpcresponse

No information has been withheld from this release document.

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

New Zealand Productivity Commission: “Regulatory Institutions and Practices”

What does it mean for policy and regulatory
agencies?

Treasury, 15 September 2014

Welcome

- Objective is to get your views & ideas on how regulatory quality can be improved
- How should the Government respond to various recommendations?
- What changes would make the biggest difference?
- Are there issues/improvements not identified by the Productivity Commission?

Today

- Quick introductory presentation
- First discussion in groups (20 minutes)
- Report back on first discussion (15 minutes)
- Second discussion in groups (20 minutes)
- Second report back (10 minutes)
- Next steps

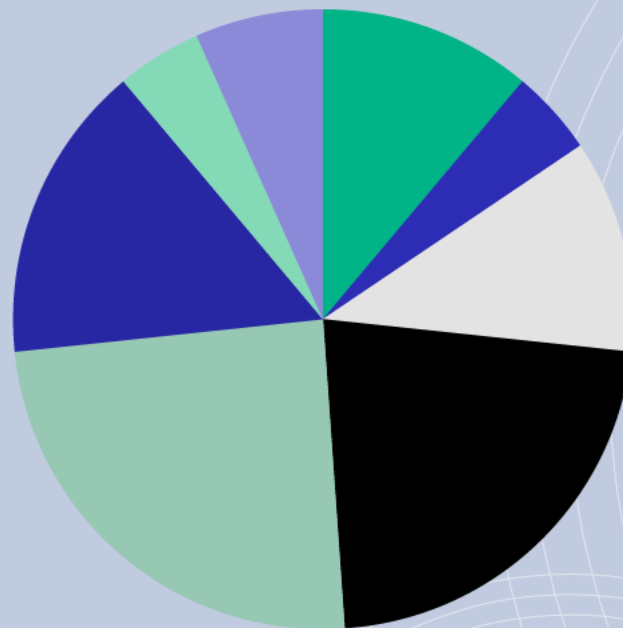
NZPC found system-wide problems ...

- Rules not well designed
- Review and reform not well prioritised
- Implementation not well resourced
- Not learning from experience

- But few specifics

... and recommended a centrally-driven response

**Addressees of
NZPC's 44 formal
recommendations**



- Agencies/Departments
- The Government
- The Centre
- Regulators
- SSC/MoSS
- Unclear
- Cab Off, LAC, PCO
- Treasury/MfR

Role(s) for the centre

- Intellectual leadership
 - Guidelines
- Support for Departments
 - Appointments
- Drive Departmental and regulator performance
 - PIF; Regulatory Systems Reports
- Pull it all together
 - A Strategy



But what can the centre say?

“There is no single, superior regulatory strategy. The key lies in understanding and adapting regulatory strategies to take account of the influences and dynamics of the many different contexts in which they are deployed.”

Finding 3.7

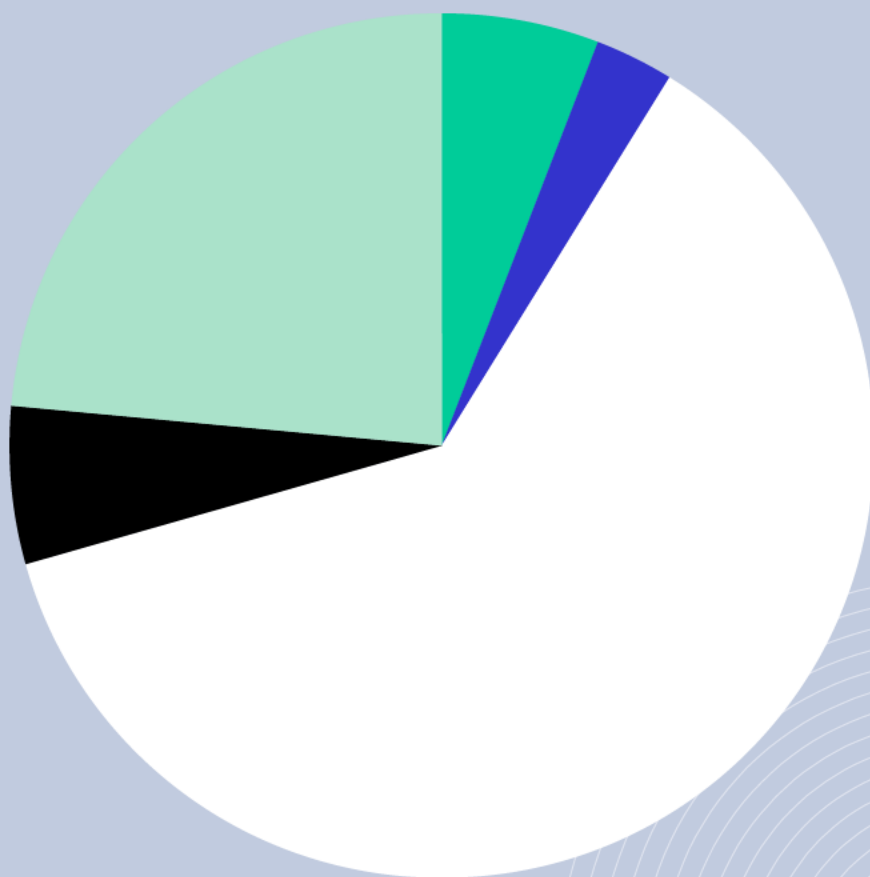
Strategy of delegation

Cabinet's Expectations for Regulatory Stewardship

A set of expectations for how the public sector manages regulation, outlining how agencies should design and implement regulation.

What do agencies need to focus on?

Advice for Departments and regulators: Set it up right, do it right



**Addressees of
informal
recommendations**

- Central agencies
- Policymakers
- Designers of new regimes
- Monitors
- Regulators

Discussion

- Central oversight
- Legislative design and process
- Stock management: monitoring and review
- Regulator practice

What value could more central oversight add?

- Ensuring consistency of practice?
 - What needs to be consistent across all regulation, regulators, regimes?
- Prioritising regulatory effort?
 - By what criteria?
- Information gathering?
 - What kind, where from, what for



Legislative design and process

- Too much regulation is outdated or not fit for purpose
 - More consultation to get it right
 - Design for adaptability (delegated legislation)
 - Identify the priorities for reform
 - Ensure appropriate priority
- What are the barriers to addressing that?



Stock management

- Where to look, and what to look for?
- How do potential problems become apparent? How should they?
- What to do about them?



Regulator Practice

- Who or what drives or facilitates good practice by regulators, and how?
 - Themselves (culture, people, capability, leadership)
 - Their peers
 - Their monitoring Departments
 - Their stakeholders
 - Their design (funding arrangements, level of independence, appeal rights)



Next steps

- Looking to be in a position to have a conversation on our thinking with MfRR shortly after the election
- Process from there will be dependent on Ministers views but we expect a Govt response to be published pre-Xmas
- Will be seeking agency comment on draft response

Concluding

- If you want to provide input outside of this process: contact us
- Thank you
- Don't be strangers