

# *Vote Commerce*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Commerce (M13)

ADMINISTERING DEPARTMENT: Ministry of Economic Development

MINISTER RESPONSIBLE FOR MINISTRY OF ECONOMIC DEVELOPMENT: Minister for Economic Development

# Details of Appropriations

## Details of Annual and Permanent Appropriations

	2007/08		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<b>Departmental Output Expenses</b>			
<b>Administration of Insolvencies (M13)</b>	12,333	127	12,460
Administration of insolvencies and proceeds of crime orders.			
<b>Administration of Part II Tariff Concessions (M13)</b>	352	-	352
Assessing applications by importers to be exempted from import duties under the tariff concessions policy.			
<b>Policy Advice and Investigative Services - Regulatory Environment MCOA (M13)</b>	12,041	4,249	16,290
<i>Administration of Trade Remedies</i>	1,100	(100)	1,000
Investigative services to establish whether New Zealand industries require remedies to prevent injury caused by dumped or subsidised imports or sudden import surges.			
<i>Policy and Purchase Advice - Business Law and Competition Policy</i>	10,941	4,349	15,290
Policy advice on the business legal framework; competition law policy; intellectual property rights; the impact of environmental issues on economic development; standards and conformance issues and technical barriers to trade, tariff and border protection policies; trade remedies; and operation monitoring of Crown entities and Statutory Boards.			
<b>Registration and Granting of Intellectual Property Rights (M13)</b>	10,430	1,700	12,130
Administering legislation providing for the protection of intellectual property rights by the granting of patents and plant variety rights, the registration of trademarks and designs.			
<b>Registration and Provision of Statutory Information (M13)</b>	18,304	1,475	19,779
Registering and provision of documents and information services in respect of all corporate entities, securities over insurance and superannuation schemes and securities over personal property (excluding land).			
<b>Total Departmental Output Expenses</b>	53,460	7,551	61,011
<b>Non-Departmental Output Expenses</b>			
<b>Administration of the Takeovers Code (M13)</b>	1,344	100	1,444
The performance of statutory functions by the Takeovers Panel as specified in the Takeovers Act 1993.			
<b>Approval and Review of Financial Reporting Standards (M13)</b>	830	375	1,205
Reviewing and approving financial reporting standards, and work relating to the international harmonisation of financial reporting standards.			
<b>Enforcement of Dairy Sector Regulation (M13)</b>	905	-	905
Commerce Commission funding for dispute resolution relating to and enforcement of the Dairy Industry Restructuring Act 2001 and related regulations.			
<b>Enforcement of General Market Regulation (M13)</b>	13,579	1,500	15,079
The promotion of competition and fair trading through the administration, enforcement and adjudication activities undertaken by the Commerce Commission.			

	2007/08		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<b>Performance of Securities Market Functions (M13)</b>	6,501	-	6,501
The performance of statutory functions by the Securities Commission in relation to the Securities Act 1978 and the Securities Markets Act 1988.			
<b>Total Non-Departmental Output Expenses</b>	23,159	1,975	25,134
<b>Other Expenses to be Incurred by the Crown</b>			
<b>Commerce Commission Litigation Fund (M13)</b>	9,440	314	9,754
To meet the cost of major litigation activity undertaken by the Commerce Commission arising from its general market or sector specific enforcement activities outside the normal routine or scope of its general litigation activity. Criteria for the use of the fund are set out in the annual Output Agreement.			
<b>Contributions to International Organisations (M13)</b>	520	(35)	485
Annual fee for New Zealand's membership of the International Copyright and Patent Union; International Patent Documentation Centre; International Standards Association; International Union for the Protection of New Plant Varieties; and a share of New Zealand's annual subscription and obligations arising from the Basel Convention.			
<b>Risk Capital Fund - Directors' Fees (M13)</b>	5	-	5
Payment of directors' fees for attendance at meetings.			
<b>Securities Commission Litigation Fund (M13)</b>	2,920	-	2,920
To meet the cost of major litigation activity undertaken by the Securities Commission arising from it carrying out functions under the Securities Markets Act 1988. Criteria for the use of the fund will be set out in the annual Output Agreement.			
<b>Takeovers Panel Litigation Fund (M13)</b>	444	-	444
To meet the cost of major litigation activity undertaken by the Takeovers Panel arising from it carrying out functions under the Takeovers Act 1993 and the Takeovers Code. Criteria for the use of the fund will be set out in the annual Output Agreement.			
<b>Total Other Expenses to be Incurred by the Crown</b>	13,329	279	13,608
<b>Total Annual and Permanent Appropriations</b>	89,948	9,805	99,753



# *Information Supporting the Supplementary Estimates*

## *Vote Commerce*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Commerce (M13)

ADMINISTERING DEPARTMENT: Ministry of Economic Development

MINISTER RESPONSIBLE FOR MINISTRY OF ECONOMIC DEVELOPMENT: Minister for Economic Development

## Part 1 - Summary of the Vote

### Part 1.3 - Trends in the Vote

#### Summary of Financial Activity

	2007/08				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	76,619	7,551	1,975	9,526	86,145
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	13,329	-	279	279	13,608
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
<b>Total Appropriations</b>	<b>89,948</b>	<b>7,551</b>	<b>2,254</b>	<b>9,805</b>	<b>99,753</b>
<b>Crown Revenue and Receipts</b>					
Tax Revenue	-	N/A	N/A	-	-
Non-Tax Revenue	6,280	N/A	N/A	-	6,280
Capital Receipts	-	N/A	N/A	-	-
<b>Total Crown Revenue and Receipts</b>	<b>6,280</b>	<b>N/A</b>	<b>N/A</b>	<b>-</b>	<b>6,280</b>

## Part 2 - Details and Expected Performance for Output Expenses

### Part 2.1 - Departmental Output Expenses

#### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p><b>Objective:</b> To manage the regulatory framework for bankruptcies, liquidations and restrained or forfeited property.</p> <p><b>Outcome:</b> Providing efficient, legally robust and accessible set of insolvency and proceeds of crime processes.</p>	Administration of Insolvencies
<p><b>Objective:</b> To remove unnecessary tariff imposts on imported goods where suitable alternatives are not available from New Zealand producers or manufacturers.</p> <p><b>Outcome:</b> Assisting New Zealand manufacturers to become more internationally competitive by reducing their input and production costs.</p>	Administration of Part II Tariff Concessions
<p><b>Objective:</b> To provide strategic and technical policy advice on the regulatory and competition frameworks for business, with a view to achieving business efficiency, and enhancing innovation and sustainable economic growth.</p>	Policy and Purchase Advice - Business Law and Competition Policy - MCOA
<p><b>Objective:</b> To manage the regulatory framework for intellectual property.</p> <p><b>Outcome:</b> Providing an efficient, legally robust and accessible set of intellectual property registry processes.</p>	Registration and Granting of Intellectual Property Rights
<p><b>Objective:</b> To manage the regulatory framework for corporate structures, particularly companies.</p> <p><b>Outcome:</b> Providing an efficient, legally robust and accessible set of registry processes.</p>	Registration and Provision of Statutory Information

#### Administration of Insolvencies (M13)

##### *Scope of Appropriation*

Administration of insolvencies and proceeds of crime orders.
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##### *Expenses and Revenue*

	2007/08		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Total Appropriation	12,333	127	12,460
Revenue from the Crown	11,331	127	11,458
Revenue from Others	1,718	-	1,718

##### *Reasons for Change in Appropriation*

Cabinet Policy decision was given for additional funding to assist with the transfer of certain responsibilities from Vote: Courts.

## Output Performance Measures and Standards

Performance Measures	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Insolvency administration will be undertaken within standards agreed with the Minister.	As agreed with the Minister	As agreed with the Minister	As agreed with the Minister
The administration of Proceeds of Crimes activity will be undertaken within standards agreed with the Minister.	As agreed with the Minister	As agreed with the Minister	As agreed with the Minister

## Policy Advice and Investigative Services - Regulatory Environment MCOA (M13)

### Scope of Appropriation

#### Policy and Purchase Advice - Business Law and Competition Policy

Policy advice on the business legal framework; competition law policy; intellectual property rights; the impact of environmental issues on economic development; standards and conformance issues and technical barriers to trade, tariff and border protection policies; trade remedies; and operation monitoring of Crown entities and Statutory Boards.

#### Administration of Trade Remedies

Investigative services to establish whether New Zealand industries require remedies to prevent injury caused by dumped or subsidised imports or sudden import surges.

### Explanation for Use of Multi-Class Output Expense Appropriation

Both output classes are directed at the intermediate outcome of NZ's international connections facilitating sustainable economic growth through increased international trade, foreign investment and knowledge transfer.

### Expenses and Revenue

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	12,041	4,249	16,290
Policy and Purchase Advice	10,941	4,349	15,290
Administration of Trade Remedies	1,100	(100)	1,000
Revenue from the Crown	11,786	4,154	15,940
Policy and Purchase Advice	10,702	4,254	14,956
Administration of Trade Remedies	1,084	(100)	984
Revenue from Others	255	95	350
Policy and Purchase Advice	239	95	334
Administration of Trade Remedies	16	-	16



### *Reasons for Change in Appropriation*

Fiscally neutral adjustment's actioned in both October and March Baseline Updates on work for Eco-verification and Sustainable Procurement from the Ministry of Environment, as well as internal transfers from other votes within MED to assist Vote Commerce with mitigating immediate risks.

### *Output Performance Measures and Standards*

Performance Measures	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Policy and Purchase Advice - Business Law and Competition Policy</b>			
Policy advice which complies with Quality Standards for Policy Advice and Ministerial Servicing (refer Conditions on Use of Appropriation) as assessed twice during the year.	Ministers' six monthly rating of performance no less than a 4 (met and sometimes exceeded my expectations)	100%	100%
<p>Policy advice that supports the Government in its role as purchaser and/or owner of a number of Crown entities and statutory boards, and complies with Quality Standards for Policy Advice and Ministerial Servicing (refer Conditions on Use of Appropriation) as assessed twice during the year.</p> <p>The advice covers appointments, roles and functions, and the financial and non-financial performance of the entities and bodies which are under the Minister of Commerce's responsibility:</p> <ul style="list-style-type: none"> <li>• Accounting Standards Review Board</li> <li>• Commerce Commission</li> <li>• Securities Commission</li> <li>• Standards Council</li> <li>• Takeovers Panel</li> <li>• Testing Laboratory Registration Council</li> <li>• Copyright Tribunal</li> <li>• Office of the Cease and Desist Commissioner</li> <li>• Governing Board of the Joint Accreditation System of Australia and New Zealand, and</li> <li>• Temporary Safeguard Authority.</li> </ul>	Advice as required will be provided about Crown entities and other boards for which the Minister of Commerce is the Responsible Minister	100% within agreed timelines	100% within agreed timelines
<p>Replies to Ministerial correspondence and Parliamentary questions are completed within required timeframes:</p> <ul style="list-style-type: none"> <li>• 100% of reports and oral advice to the Minister are delivered within the timeframes required by and agreed with the Minister, and</li> <li>• 100% of draft Ministerial correspondence is submitted to the Minister within 10 working days of receipt in the Ministry.</li> </ul> <p>Where only an interim reply is possible, a final reply shall be provided within the following timeframes:</p> <ul style="list-style-type: none"> <li>• 90% within 20 working days of the original receipt in the Ministry, and</li> <li>• 100% within 30 working days of receipt in the Ministry.</li> </ul>	100% within agreed timelines	100% within agreed timelines	100% within agreed timelines

## Registration and Granting of Intellectual Property Rights (M13)

### *Scope of Appropriation*

Administering legislation providing for the protection of intellectual property rights by the granting of patents and plant variety rights, the registration of trademarks and designs.

### *Expenses and Revenue*

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	10,430	1,700	12,130
Revenue from the Crown	85	-	85
Revenue from Others	11,850	1,700	13,550

### *Reasons for Change in Appropriation*

A fiscally neutral adjustment was sought to accommodate the increase in Trademark and Patent Renewals and Applications activity.

### *Output Performance Measures and Standards*

	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Performance Measures			
The administration of patents, trade-marks, designs and plant variety rights will be undertaken within standards agreed with the Minister.	As agreed with the Minister	As agreed with the Minister	As agreed with the Minister

## Registration and Provision of Statutory Information (M13)

### *Scope of Appropriation*

Registering and provision of documents and information services in respect of all corporate entities, securities over insurance and superannuation schemes and securities over personal property (excluding land).

### *Expenses and Revenue*

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	18,304	1,475	19,779
Revenue from the Crown	457	-	457
Revenue from Others	15,655	1,725	17,380

### *Reasons for Change in Appropriation*

A fiscally neutral adjustment was sought to accommodate the increase in Company Name Reservations and Incorporation Activity. Also third-party funding was sought to replace the Companies and remaining manual registries with a wholly electronic core registry system.

### *Output Performance Measures and Standards*

Performance Measures	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The administration of services relating to the registration and provision of a range of documents and information required to be filed on a public record will be undertaken within standards agreed with the Minister.	As agreed with the Minister	As agreed with the Minister	As agreed with the Minister
The Companies Office websites will, where the Legislation permits, be available for searching and registration over a 24/7 basis at a standard agreed with the Minister.	As agreed with the Minister	As agreed with the Minister	As agreed with the Minister

## Part 2.2 - Non-Departmental Output Expenses

### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<b>Objective:</b> Being an effective and efficient regulator of the takeovers market respected by market participants and enforcing a Takeovers Code that provides for equal treatment of shareholders and a transparent takeover process, to foster confidence in the integrity of our markets.	Administration of the Takeovers Code
<b>Objectives:</b> To contribute to effective corporate governance and the promotion of standards of accountability by approving high-quality standards that will provide users of financial statements with reliable information about the financial performance and position of reporting entities. To promote New Zealand's financial reporting-related interests by participating in international strategy and standards making processes.	Approval and Review of Financial Reporting Standards
<b>Objective:</b> To contribute to the efficient and effective operation of dairy markets in New Zealand.	Enforcement of Dairy Sector Regulation
<b>Objective:</b> To improve the performance of markets across the economy by protecting and promoting the process of competition.	Enforcement of General Market Regulation
<b>Objective:</b> To strengthen investor confidence and foster capital investment in New Zealand by promoting the efficiency, integrity and cost-effective regulation of our securities markets.	Performance of Securities Market Functions

## Administration of the Takeovers Code (M13)

### *Scope of Appropriation*

The performance of statutory functions by the Takeovers Panel as specified in the Takeovers Act 1993.

### *Expenses*

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,344	100	1,444

### *Reasons for Change in Appropriation*

To restore the Panel's equity to an appropriate level.

### *Output Performance Measures and Standards*

Performance Measures	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Takeovers Law</b>			
Ensuring that the provisions of the Takeovers Code are effective and relevant by keeping the Code under review and enquiring into market practice and recommending amendments to the Code and the Takeovers Act as necessary.	3 recommendations	2 recommendations	1 - 3 recommendations
<b>Code Approvals</b>			
Applications for approval of independent advisors and independent experts are processed in accordance with the Panel's published policies.	40 applications	35 applications	35 applications
Applications for consent to withdrawal of offers, and in relation to defensive tactics, are processed in accordance with the Panel's published policies.	2 applications	2 applications	2 applications
<b>Code Exemptions</b>			
Applications for exemptions are processed in accordance with the law, Panel's published policies, the rules of natural justice and having regard to feedback from market participants.	Process 30 applications for individual exemptions and 4 applications for class exemptions	Process 35 applications for individual exemptions and 2 applications for class exemptions	Process 30 - 35 applications for individual exemptions and 2 - 4 applications for class exemptions
<b>Enforcement</b>			
Maintaining oversight of takeover activity in the market by reviewing relevant documentation, intervening where necessary in accordance with the Panel's statutory powers, investigating any possible Code breaches in accordance with the law and the rules of natural justice.	81 takeovers, code meetings, enforcement meetings, schemes of arrangement, and transaction investigations	65 takeovers, code meetings, enforcement meetings, schemes of arrangement, and transaction investigations	82 takeovers, code meetings, enforcement meetings, schemes of arrangement, and transaction investigations

Performance Measures	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Public Understanding</b>			
Regularly publish information about the Takeovers Code and relevant law, media statements, policy statements, guidance notes and commentaries on current issues, public meetings and speeches. Respond to enquiries from the public. Maintain website.	22 publications, meetings and speeches 200 enquiries	16 publications, meetings and speeches 200 enquiries	16 publications, meetings and speeches 200 enquiries
<b>International Liaison</b>			
Maintain reciprocal membership between Australian and New Zealand Takeovers Panels.	One on each Panel	No Australian yet appointed but will be by year end	One on each Panel
Regular meetings with international takeovers regulators to improve cooperation, administration and enforcement of takeovers law and promote international understanding between the Panel and these bodies.	1 time per year	1 time at upcoming Conference	1 time per year
<b>Timeliness</b>			
Complete applications for Code Approvals within 3-5 working days of receipt of completed application/Code Exemptions within timeframe agreed with applicants.	80-100%	80-100%	80-100%
Complete enforcement work within statutory timeframes for takeovers and enforcement meetings specified in the Takeovers Act 1993.	100%	100%	100%
Comply with Court-ordered timetables for legal proceedings under the Companies Act involving code companies.	100%	100%	100%
Respond in a timely manner to miscellaneous enquiries from members of the public and professional firms.	Respond within 3 working days	Respond within 3 working days	Respond within 3 working days
Maintain website with relevant information about the Takeovers Code and Takeovers Act 1993 and activities of the Panel.	All information posted within 5 working days of decision or event	All information posted within 5 working days of decision or event	All information posted within 5 working days of decision or event
Respond in a timely manner to enquiries from international takeovers regulators.	Respond to enquiries within 5 working days	No enquiries received	Respond to enquiries within 5 working days

## Approval and Review of Financial Reporting Standards (M13)

### *Scope of Appropriation*

Reviewing and approving financial reporting standards, and work relating to the international harmonisation of financial reporting standards.

### *Expenses*

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	830	375	1,205

### *Reasons for Change in Appropriation*

Additional funding for the Accounting Standards Review Board to maintain the quality of its outputs.

### *Output Performance Measures and Standards*

Performance Measures	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Approval of Financial Reporting Standards</b>			
Applications considered in accordance with procedural requirements (including the rules of natural justice and fairness and with all other requirements of law) so that no decision of the Board are challenged on the basis of failure of the Board to comply with procedural requirements.	100%	100%	100%
All applications received will be considered at a meeting of the Board within 2 months.	100%	100%	100%
All applications will be either approved or declined within 4 months of receipt.	100%	100%	100%
<b>Consideration of Exemptions from Financial Reporting Standards</b>			
Applications considered in accordance with procedural requirements developed by the Board and as outlined in release 9 (including the rules of natural justice and fairness and with all other requirements of law) so that no decisions of the Board are challenged on the basis of the failure of the Board to comply with procedural requirements.	100%	100%	100%
All applications received will be considered at a meeting of the Board within 3 months.	100%	100%	100%
All applications will be either approved or declined within 4 months of receipt.	100%	100%	100%
<b>International Harmonisation</b>			
Contribute to the international harmonisation of financial reporting standards through participating in meetings of relevant international bodies. The Board or contracted nominees will attend relevant meeting including those of: <ul style="list-style-type: none"> <li>• The Australian Financial Reporting Council - By cross-membership by Chair of ASRB.</li> <li>• The Australian Accounting Standards Board - By delegation to NZICA.</li> <li>• International Accounting Standards Board (IASB) - By response to all exposure drafts.</li> <li>• IASB/International Federation of Accountants Public Sector Committee - By delegation to NZICA.</li> <li>• The IASB project group dealing with financial reporting by small and medium sized entities - By representation on working groups.</li> <li>• The Trans-Tasman Accounting and Auditing Standards Advisory Group (TTAASAG) - By membership of this group.</li> </ul>	Attendance at annual IASB meeting	Per budget	Per 2008
Attendance at meetings and responses to relevant bodies provided within agreed timeframes.	100%	100%	100%

Performance Measures	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Adoptions of International Financial Reporting Standards</b>			
Make further recommendations for financial reporting law reform to facilitate the adoption of international financial reporting standards (IFRS) in New Zealand from 1 January 2007 (with early adoption from 1 January 2005).	The ASRB will base its work on accurate research into, and analysis of, the existing law and practice, and will take into account feedback from consultation with market participants. The ASRB or contracted nominees will attend and participate in meetings with the TTAASAG.	The ASRB will base its work on accurate research into, and analysis of, the existing law and practice, and will take into account feedback from consultation with market participants. The ASRB or contracted nominees will attend and participate in meetings with the TTAASAG.	The ASRB will base its work on accurate research into, and analysis of, the existing law and practice, and will take into account feedback from consultation with market participants. The ASRB or contracted nominees will attend and participate in meetings with the TTAASAG.
Participate as required on projects and reviews with MED, other Government departments and interested parties.	As required	As required	As required
Provide information and responses to the Ministry of Economic Development and others within agreed timeframes.	100%	100%	100%

## Enforcement of General Market Regulation (M13)

### *Scope of Appropriation*

The promotion of competition and fair trading through the administration, enforcement and adjudication activities undertaken by the Commerce Commission.

### *Expenses*

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	13,579	1,500	15,079

### *Reasons for Change in Appropriation*

Cabinet Policy decision was given for additional funding for the 2007 Review of Commerce Commission funding for Major Litigation.

## Output Performance Measures and Standards

Performance Measures	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Competition law</b>			
Enforcement action in response to alleged breaches of competition law, such as anti-competitive mergers and acquisitions, cartel or monopoly behaviour (budget standard for 2007/08 included EIRA enforcement).	20-40	14-23	21-39
Determination of applications for clearance of proposed mergers and acquisitions that may substantially lessen competition, and adjudication of applications to authorise co-ordinated market behaviour and proposed mergers and acquisitions that may lessen competition but which have public benefits.	23-31	21-27	18-24
Contribute to the development and maintenance of the regulatory framework through the production of guidelines for businesses and stakeholders, provision of information to inform government policy and law reform processes and international cooperation.	8-14	14-18	10-17
Public Information and education activities to promote compliance by increasing the level of awareness of businesses, shareholders and consumers as to their statutory rights and obligations under the Commerce Act.	67-82	67-82	53-68
<b>Electricity Industry Reform Act</b>			
Enforcement action in response to alleged breaches of EIR Act (this was included in budget standard for 2007/08).	N/A	4	0-1
Determinations of applications for exemption from the limitations on cross ownership or involvement between electricity lines and supply businesses under the EIR Act (this was included in budget standard for 2007/08).	N/A	8-11	5-6
Contribute to the development and maintenance of the regulatory framework through the production of guidelines for businesses and stakeholders, and the provision of information to inform government policy and law reform processes and international cooperation.	N/A	N/A	1
Public Information and education activities to promote compliance by increasing the level of awareness of businesses, shareholders and consumers as to their statutory rights and obligations under the EIR Act.	N/A	N/A	6-10
<b>Input methodologies (Airports) dependant on funding being approved for 08/09 - if not approved this section of outputs will be deleted, or if only partial funding is approved these outputs may need to be reduced</b>			
Develop the high-level principles that will underpin future decisions on economic regulatory guidelines.	-	-	1-3
Contribute to the development and maintenance of the regulatory framework through the production of guidelines for businesses and stakeholders, review of industry codes, provision of information to inform government policy and law reform processes and international cooperation.	N/A	N/A	-
Public Information and education activities to promote compliance by increasing the level of awareness of businesses, shareholders and consumers as to their statutory rights and obligations under the Commerce Act.	N/A	N/A	5-15



Performance Measures	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Reports to the Minister</b>			
Provision of reports under Part 4 of the Commerce Act to the Minister regarding the regulatory control of specified goods or services.	-	-	-
<b>Fair Trading</b>			
Enforcement action in response to alleged misleading and deceptive conduct, false representations, unfair practices, and breaches of consumer safety and information standards.	340-370	274	302-379
Contribute to the development and maintenance of the regulatory framework through the production of guidelines for businesses and stakeholders, provision of information to inform government policy and law reform processes and international cooperation.	10-20	50	48-67
Public Information and education activities to promote compliance by increasing the level of awareness of businesses, shareholders and consumers as to their statutory rights and obligations under the Fair Trading Act.	30-40	30-40	31-41
<b>Credit Contracts</b>			
Enforcement action in response to alleged breaches of the consumer credit contract requirements.	20-30	43-51	39-52
Contribute to the development and maintenance of the regulatory framework through the development of guidelines for businesses and stakeholders, provision of information to inform government policy and law reform processes and international cooperation.	1-5	2-6	1-5
Public Information and education activities to promote compliance by increasing the level of awareness of businesses, shareholders and consumers as to their statutory rights and obligations under the Credit Contracts and Consumer Finance Act.	10-20	10-20	5-13
<b>Quality</b>			
Judgments making adverse comments about the Commission's conduct or processes, and successful legal challenges of the Commission's processes during course of investigations or determinations.	Nil	Nil	Nil
<b>Timeliness</b>			
Authorisations determined by the Commission under s58 and s67 of the Commerce Act within the agreed average number of working days of registering an application.	100 working days	Exceed the target	100 working days
Electricity Industry Reform Act applications for exemption determined by the Commission within an agreed average number of working days of registering an application.	60 working days	Exceed the target	60 working days
Clearances determined by the Commission within an agreed average number of working days of registering an application.	40 working days	Meet expectations	40 working days

## Part 5 - Details and Expected Results for Other Expenses

### Part 5.2 - Non-Departmental Other Expenses

#### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<b>Objective/Outcome:</b> Successful litigation resolutions as per the criteria for use of the Litigation Fund. <i>(this may change as still waiting for confirmation from Commission)</i>	Commerce Commission Litigation Fund
<b>Objective:</b> To enable New Zealand's continued membership in international organisations, thereby allowing New Zealand to participate and influence developments overseas.	Contributions to International Organisations
<b>Objective:</b> To enable Directors to attend meetings where appropriate.	Risk Capital Fund Directors' Fees
<b>Outcome/Objective:</b> Enables the Securities Commission to always be in a position where it can effectively and without delay undertake civil proceedings under the Securities Act 1978.	Securities Commission Litigation Fund
<b>Outcome/Objective:</b> Enables the Takeovers Panel to always be in a position where it can effectively and without delay undertake Court proceedings under the Takeovers Act 1993 or under the Companies Act 1993 as appropriate.	Takeovers Panel Litigation Fund

#### Commerce Commission Litigation Fund (M13)

##### *Scope of Appropriation*

To meet the cost of major litigation activity undertaken by the Commerce Commission arising from its general market or sector specific enforcement activities outside the normal routine or scope of its general litigation activity. Criteria for the use of the fund are set out in the annual Output Agreement.

##### *Expenses*

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	9,440	314	9,754

##### *Reasons for Change in Appropriation*

An expense transfer of funding from 2006/07 to 2007/080 financial year was sought for this appropriation of unspent funding; this was partially offset by the transfer of funding to the appropriation Enforcement of General Market Regulations to assist with the 2007 Review of Commerce Commission funding for Major Litigation.

## Contributions to International Organisations (M13)

### *Scope of Appropriation*

Annual fee for New Zealand's membership of the International Copyright and Patent Union; International Patent Documentation Centre; International Standards Association; International Union for the Protection of New Plant Varieties; and a share of New Zealand's annual subscription and obligations arising from the Basel Convention.

### *Expenses*

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	520	(35)	485

### *Reasons for Change in Appropriation*

A fiscally neutral adjustment was sought to transfer funding to Vote Energy, to assist with covering the increase in International Energy Agency subscriptions.