## Submission on proposed Regulatory Standards Bill



## About the Public Health Communication Centre

The Public Health Communication Centre (PHCC) is an independently funded organisation dedicated to increasing the reach and impact of public health research in Aotearoa New Zealand. The Centre has a range of public health and science communication experts. The Director is Prof Michael Baker. We are hosted by the Department of Public Health at the University of Otago Wellington.

The PHCC identifies and promotes opportunities to improve public health, equity, and sustainability, and communicates these ideas to the public, media, and decision-makers.

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The Public Health Communication Centre welcomes the opportunity to make a submission on the proposed contents of the Regulatory Standards Bill (RSB) to be introduced to Parliament in 2025.

The PHCC opposes this proposed Bill based on its stated goals and content. We recommend that it be abandoned.

We would like to present in person to the committee.

We detail in this submission two key reasons for abandoning the RSB:

- The RSB excessively constrains actions that future governments can take in response to changing needs, public interest, and the expressed preference of voters.
- The RSB imposes very unbalanced rules/principles for assessing benefits and costs of future laws and regulations.

The RSB excessively constrains actions that future governments can take in response to changing needs, public interest, and the expressed preference of voters

The content of this proposed Bill places major constraints on governments so it would be very hard for them to act in ways which are inconsistent with those principles. For example, if future governments need to prioritise public good over private good.

The RSB gives individuals and corporations the ability to challenge laws or regulation they say are inconsistent with one or more of those principles through a new "Regulatory Services Board". This Board only needs to consider the RSB's principles and not wider issues or effects on others.

The RSB allows corporations to claim that regulations, including those aiming to protect public health, unfairly infringe upon their "rights." The "fair compensation" clause means that even if the regulations were effective at protecting the public from harms, the government could have to pay for the loss of business profits resulting from regulation. For example, if a new law limited promotion of tobacco, the affected companies could claim their property rights or commercial interests were "taken" or "impaired" and demand compensation.

The RSB would largely remove Te Tiriti o Waitangi and the New Zealand Bill of Rights from our law-making and regulatory systems. It will make it difficult for future governments to reverse these restrictions without having to compensate corporate interests. We are concerned that this Bill will limit opportunities for future elected Governments to act in the best interests and stated preferences of voters.

Rather than the RSB, we think it would be useful to strengthen other mechanisms for improving the quality of lawmaking. For example, greater use of the New Zealand Bill of Rights as a fundamental basis for defining the role of government and the rights of individuals. Ideally, this process would go alongside measures to protect and enhance the functioning of our democratic decision-making system (as articulated by Sir Geoffrey Palmer<sup>1</sup>).

## The RSB imposes very unbalanced rules/principles for assessing benefits and costs of future laws and regulations

The RSB is presented as a way of improving regulation and productivity in Aotearoa New Zealand. It appears to assume that New Zealand society and prosperity will be advanced by less government activity to improve public health and wellbeing, environmental protections, and equity. An alternative perspective would be that we need government to balance economic goals with wider considerations of health, wellbeing, and environmental sustainability.

The public health sector routinely seeks to identify measures that achieve multiple benefits, including cost-effectiveness. For example, regulating through the Building Code to improve insulation standards in housing results in health, economic and environmental benefits.<sup>2</sup>

The RSB creates a set of rules (principles) that most laws and regulation need to comply with:

- Principles centre around property rights and individual/corporation rights. There is no requirement to consider human rights, societal wellbeing, the environment, and Te Tiriti.
- It restricts government's ability to apply taxes, fees, and levies which are needed to fund public services and infrastructure.
- It proposed widespread deregulation through application of the narrow definition of regulatory stewardship.

The RSB is far too narrow in the range of considerations it will impose on government decision-making.

Rather than the RSB, we consider there are other existing mechanisms which could be further developed to achieve the goal of improving the quality of government regulation. For example, the requirement for Regulatory Impact Statements.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> https://newsroom.co.nz/2025/01/06/protecting-our-democracy-by-reforming-parliament

<sup>&</sup>lt;sup>2</sup> https://www.phcc.org.nz/briefing/new-zealands-hard-won-improvements-our-building-code-must-be-retained-heres-why

<sup>&</sup>lt;sup>3</sup> https://www.treasury.govt.nz/publications/legislation/regulatory-impact-assessments