



**National Council of  
Women of New Zealand**

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Wahine O Aotearoa

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**Submission to the Finance and Expenditure Select Committee  
on the Overseas Investment Bill**

The National Council of Women of New Zealand (NCWNZ) is an umbrella organisation representing 42 nationally organised societies. It has 33 branches throughout the country attended by representatives of those societies and some 150 other societies. NCWNZ also represents a number of individual women. The Council's function is to serve women, the family and the community at local, national and international levels through research, study, discussion and action.

Our organisation has made a number of submissions on proposed government legislation controlling foreign ownership of land and our established policy is :

“That the Government be approached urging that further acquiring of private ownership of foreshores on sea beaches and lakes be disallowed and that the sea and lake foreshores should wherever possible be set apart as public reserves” (1924).

In 2003 this policy was expanded in the following resolution:

“That NCWNZ request the government to review existing legislation in order to prohibit any further sale of land into foreign ownership.”

Last year the Overseas Investment (Queen's Chain Extension) Amendment Bill was introduced to Parliament. NCWNZ supported the proposals of that private member's bill. The response from our members, which formed the basis for the NCWNZ submission, indicated clear support for rigorous monitoring of any applications to the Overseas Investment Commission for land purchase by overseas interests and for effective environmental as well as economic controls.

Because only a few months have elapsed since that time it was not considered necessary to survey the whole membership again so the following general comments are made by members of the Public Issues Standing Committee with input from the Environment Standing Committee.

**Part 2 Consent and Conditions Regime,  
Subpart 1 – When consent required and criteria for consent**

**Clauses 18 (1) & (2)** Criteria for assessing benefit of overseas investment in sensitive land.

NCWNZ would like to see the criteria expressed in Cl 18 (1) & (2) extended so that they could be applied to *all* overseas purchasers of sensitive land whether there is an intention to be a permanent resident or a non-residential owner. Although it is in the Minister's discretion which criteria to apply and how to weight them we would urge that the issues raised in Cl 18 (2) (b) (c) (d) are of such importance that they should receive special recognition. These criteria with their emphasis on conservation, historic values and recreational uses cover a wider scope than economic issues and NCWNZ strongly supports this. Overseas purchasers of land may not be aware of how much importance we attach to certain conservation principles or, if aware, may not care, and so it is important that legislation ensures complete protection of special areas, now and in the future.



Our earlier submissions both on this topic and on the Foreshore and Seabed Bill have consistently emphasised the importance to New Zealand of holistic land management and we are particularly pleased to see the criteria for protection of vegetation and fauna and heritage sites. Careful use of these criteria will ensure that there can be positive outcomes for New Zealand from overseas investment in land.

**Clause 21 Exemptions from farm land offer requirements**

We are unclear why short term leases or those less than 21 years should be exempt – leasing could be a precursor to freeholding and, if the lease is already in the hands of an overseas owner, there must be another assessment of the situation should the land be freeholded.

**Subpart 3 –Administration**

**Clause 32 What regulator does**

(d) This clause states the regulator’s function is to monitor compliance with conditions of consent. NCWNZ considers that monitoring of compliance is vital and enforcement needs to be stringent.

(g) This clause contains a requirement for the regulator to “provide general information for the benefit of applicants for consent about New Zealand’s rules relating to —

- (ii) the preservation of its natural and historic heritage:
- (iii) walking access”

NCWNZ recommends much more specific direction and suggests alternative wording:

“The regulator’s functions are to ....

(g) ensure that overseas purchasers are carefully instructed about all aspects of the Resource Management Act requirements and the ethos of access that New Zealanders enjoy as part of their culture.”

**Subpart 5 Enforcement**

Many of the clauses in this Bill adjust financial thresholds and raise penalty payments. This is a realistic recognition that these compliance costs are crucial factors in determining investment decisions and we support the proposals. NCWNZ would also like to see the legislation include measures to ensure that penalties and fines are paid although we are well aware of how difficult it can be to pursue some malefactors.

At the same time NCWNZ considers that the justification for the charges should be a transparent process to protect New Zealand’s reputation as a fair and corruption-free society in which to do business.

**Subpart 7 Transitional provisions and amendments to other enactments**

**Clause 63 Commission dissolved**

We note that the Overseas Investment Commission will be dissolved and removed from the control of the Reserve Bank, which is a statutory organisation. The matters it dealt with are to be transferred to a Government department. We will monitor with interest whether this change means that decisions regarding the sometimes emotive issue of the foreign ownership of land will now be more susceptible to party political policies.



**Clause 73** Amendments to Fisheries Act 1966

We support these consequent changes to the Fisheries ACT 1996 which requires that an additional and specific consent must be sought by the buyer when an overseas buyer is acquiring 25% or more of shares in a quota owning company. The establishment of the concept of fishing quota in New Zealand and the negotiation of them has a significant economic and cultural history. Given that most of our fish stocks are fairly precarious, regular over-fishing could easily mean a move from precarious to critically endangered and it is very important for overseas investors to fully participate in the management of this.

NCWNZ appreciates the opportunity to make a submission on this Bill.

Christine Low  
National President

Mary Gavin  
Convener, Public Issues Standing Committee