

7 December 2023

Hon Judith Collins, Attorney-General

Consistency with the New Zealand Bill of Rights Act 1990: Reserve Bank of New Zealand (Economic Objective) Amendment Bill

Purpose

1. We have considered whether the Reserve Bank of New Zealand (Economic Objective) Amendment Bill (the Bill) is consistent with the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990 (the Bill of Rights Act).
2. We have not yet received a final version of the Bill. This advice has been prepared in relation to the latest version of the Bill (PCO 25936/1.8). We will provide you with further advice if the final version includes amendments that affect the conclusions in this advice.
3. The Bill amends the Reserve Bank of New Zealand Act 2021 (the principal Act) so that in making monetary policy decisions, the Reserve Bank will now be principally focused on targeting low and stable inflation. The Bill does this by amending section 9 of the principal Act to remove the maximum sustainable employment objective from the Reserve Bank's current 'dual' economic objective mandate and providing the Reserve Bank with a single economic objective of achieving and maintaining price stability. The Bill also makes a number of consequential amendments to the principal Act, mainly to replace references to "economic objectives" with "economic objective".
4. We have concluded that the Bill appears to be consistent with the rights and freedoms affirmed in the Bill of Rights Act.



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