

26 April 2022

Hon David Parker, Attorney-General

Consistency with the New Zealand Bill of Rights Act 1990: Companies Office Funding Validation Bill

1. We have considered whether the Companies Office Funding Validation 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 24219/3.0). We will provide you with further advice if the final version includes amendments that affect the conclusions in this advice.
3. The Bill proposes to:
 - a. amend a number of enactments to enable the historical surpluses collected by the Companies Office to be used to fund the functions of the Companies Office; and
 - b. retrospectively validate the Companies Office's charging and expenditure.
4. The Companies Office provides essential registry services to both businesses and community and voluntary organisations.
5. Historically, registers have been self-funded from fees charged to users of that system. However, over time the Companies Office has moved to a more unified registry system such that the fragmented charge mechanisms are no longer fit for purpose. Consequently, the Companies Office has been funding its corporate registry services in a way that is not consistent with the fee setting provisions under which that money was collected.
6. The Bill remedies this issue by retrospectively validating the collection and use of fees by the Companies Office before 30 June 2022 on all 16 of the corporate registers it maintains. It also expressly authorises the Companies Office to use existing surplus funds to cover predicted short falls on its registers after 1 July 2022, until its new funding system is implemented. The Bill forms a package with the Companies (Levies) Amendment Bill, which lays out the legislative framework for the new funding system.
7. 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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