

3 February 2016

Hon Christopher Finlayson QC, Attorney-General

**Consistency with the New Zealand Bill of Rights Act 1990: Consumer Guarantees (Removal of Unrelated Party Lender Responsibility) Amendment Bill**

1. We have considered whether the Consumer Guarantees (Removal of Unrelated Party Lender Responsibility) 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. The Bill amends the definition of 'supplier' in the Consumer Guarantees Act 2003 ('the Act'). Currently, both a trader, and a creditor within the meaning of the Credit Contracts and Consumer Finance Act 2003 who has lent money on the security of goods supplied by that trader, are 'suppliers'. The Act provides consumers a right of redress against suppliers. Under the Bill, the definition will exclude those creditors when the trader and creditor are not 'related' in terms of the New Zealand Equivalent to International Accounting Standard 24 ('NZ IAS 24'). The Bill also adds to the Act a definition of NZ IAS 24. The amendments will allow a consumer redress under the Act against a creditor who has lent money on the security of goods supplied to that consumer only when the trader and creditor are related parties.
3. 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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