



NEW ZEALAND COUNCIL OF TRADE UNIONS  
*Te Kauae Kaimahi*

**Submission of the  
New Zealand Council of Trade Unions  
Te Kauae Kaimahi**

**to the**

**Finance and Expenditure Committee**

**on the**

**Overseas Investment Amendment Bill**

**P O Box 6645**

**Wellington**

**23 January 2018**

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- 1.1. This submission is made on behalf of the 30 unions affiliated to the New Zealand Council of Trade Unions Te Kauae Kaimahi (CTU). With 320,000 members, the CTU is one of the largest democratic organisations in New Zealand.
- 1.2. The CTU acknowledges Te Tiriti o Waitangi as the founding document of Aotearoa New Zealand and formally acknowledges this through Te Rūnanga o Ngā Kaimahi Māori o Aotearoa (Te Rūnanga) the Māori arm of Te Kauae Kaimahi (CTU) which represents approximately 60,000 Māori workers.
- 1.3. We strongly support the principle of restricting ownership of residential land to bona fide residents of New Zealand and therefore support this Bill.
- 1.4. We observe that this bill is rushed because of the Government's desire to sign and ratify the "Comprehensive and Progressive Agreement for Trans-Pacific Partnership" (CPTPP). As the Committee will be aware, we oppose New Zealand joining this agreement for reasons we have previously submitted on. Those reasons are illustrated by the urgency with which this Bill is being passed through Parliament. From the point New Zealand signs this agreement it will in practice be impossible to strengthen or correct problems with New Zealand's controls over overseas ownership of land because it would require the consent of all CPTPP signatories. Undoubtedly other measures which this or future Governments wish to put in place in the interests of New Zealanders, which cannot be anticipated at this time, will be ruled out in the same way.
- 1.5. The previous National-led Government attempted to use the TPPA to cement in its own political preferences – namely no restriction on overseas ownership of residential land. Only the timeliness of the election prevented that happening.
- 1.6. We do not comment on the detail of the bill other than two points:

### **Information**

- 1.7. We understand the Government intends to create a register of overseas owned land. We would support this. There is also a longstanding need for the Overseas Investment Office (OIO) to be much more open in its processes (including inviting submissions on decisions on particularly applications before they are made) and in the statistics it publishes. We hope that the Government is working towards those objectives.

- 1.8. The proposed s 41D (in cl 25) allows the regulator (the OIO) to “by written notice to a person to whom any information or document is published or disclosed under section 41C(2)(c) to (f), impose any conditions in relation to the publication, disclosure, or use of the information or document by the person.”
- 1.9. We would be very concerned if this allows the OIO to impose conditions on information released under the Official Information Act or the Privacy Act. That would be a highly undesirable precedent.

## **Forestry**

- 1.10. We understand that the Government is consulting on extending forestry land covered by the Overseas Investment Act to include forestry cutting rights. This is not covered by the present Bill as it has been provided to submitters.
- 1.11. We would support this step for a number of reasons. One important reason is the terrible health and safety conditions in the logging industry. Information from the Forestry Owners Association<sup>1</sup> shows that at least 48.8% of forests are overseas owned or managed (it would be a higher proportion if information on overseas ownership of smaller forestry blocks were available). Overseas owners are therefore a major influence on the industry. The Overseas Investment Act would provide the means to place conditions on the acquisition or control of land by overseas owners requiring exemplary management of health and safety and other employment practices in the forests over which they have some degree of control. This may require a further condition being available to the OIO which could be exercised in conjunction with WorkSafe and other regulators.
- 1.12. We ask to be consulted further on this matter.
- 1.13. Thank you for the opportunity to make this submission. We do not wish to be heard by the Committee.

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<sup>1</sup> “Facts and Figures 2016/17: New Zealand Plantation Forest Industry”, NZ Forest Owners Association, p.12, 13, available at <https://www.nzfoa.org.nz/resources/publications/facts-and-figures>