

# REGULATORY INSTITUTIONS AND PRACTICES

## SUBMISSION TO THE NEW ZEALAND PRODUCTIVITY COMMISSION

25 OCTOBER 2013

---

### 1. ABOUT IPENZ

The Institution of Professional Engineers New Zealand (IPENZ) is the lead national professional body representing the engineering profession in New Zealand. It has approximately 15,000 Members, including a cross-section from engineering students, to practising engineers, to senior Members in positions of responsibility in business. IPENZ is non-aligned and seeks to contribute to the community in matters of national interest giving a learned view on important issues, independent of any commercial interest.

### 2. GENERAL COMMENTS

#### 2.1 THE INTERRELATIONSHIP BETWEEN REGULATORY MODELS AND OCCUPATIONAL REGULATION

In a number of sectors in recent years performance based regulatory models have been adopted. A common argument for doing so is that they provide an enabling environment for innovation, whereas the more prescriptive regulatory models incorporate the current state of knowledge and hence are likely to inhibit innovation.

In *Enhancing Performance-Based Regulation* Mumford<sup>i</sup> compares standards based regulatory models to performance based models in the context of the building control system. In managing the risks of performance based models he points out where the science is uncertain and the costs of failure are high, judgements are required and there is a dependence on the quality of the expertise of the individual or group exercising the judgement. He infers that technology thresholds can be pushed out further if those exercising expert judgement can be relied upon, but not otherwise. A potential weakness of performance-based regulation is that if the skill level in entities which need to comply is too low, those entities may not be aware that they are underperforming against their obligations i.e. they do not know what they do not know.

This implies that in performance based regulation the experts involved need to have the relevant knowledge and competence. Hence, there is a role for occupational regulation to operate in parallel with or as part of performance based regulation. By limiting who can do a task to those above a competence threshold, the likelihood that any misunderstanding by the regulated of the complexity of the actions needed to comply, will be significantly reduced.

This interrelationship is exemplified in the building sector with the introduction of risk based consenting which requires that the extent of checking and inspection is

aligned to the complexity of the work, and the skills and the capabilities of the people doing the work.

The importance of recognising this interrelationship in high risk environments was highlighted in the *Report of the Royal Commission on the Pike River Coal Mine Tragedy*<sup>ii</sup>.

However, one of the recommendations was for the regulator to supervise the granting of mining qualifications to managers and workers, and to identify the required qualifications and training of specific roles. IPENZ is strongly of the view that this emphasis on qualifications and experience is a weaker approach than one based around actual and direct competence measurement - there can be many paths to competence, and direct measurement based on recent performance is a better predictor than other means. Current competence needs to be regularly tested, supported by disciplinary processes and should include sanctions for poor performance. IPENZ was encouraged by a recommendation of the Canterbury Earthquakes Royal Commission<sup>iii</sup> which indicated it was satisfied the current system for registering of Chartered Professional Engineers and assessing on-going competence is appropriate and represents best-practice in international terms.

Further, within occupational regulatory systems there needs to be clear recognition of the distinction between licensing for lower level tasks such as performing of designated tasks, e.g. trades regulation, and professional regulation where the means to comply cannot be ascertained exactly due to the need to apply judgement, and the absence of accepted standard ways to perform tasks. Professional regulation is historically the preserve of professional bodies working in partnership with the central regulator, whereas lower level occupational regulation, in the absence of professional bodies, has been provided directly by government.

Therefore, in our view performance based regulatory regimes often need to be complemented by occupational regulation. This will ensure that only competent experts perform certain high risk activities.

## **2.2 INCLINATION TO RUSH REGULATION POST MAJOR DISASTERS.**

IPENZ is concerned with the possibility that after two major disasters New Zealand could fall into the trap of premature or over-regulation.

We are concerned the proposals for earthquake-prone buildings has set a time-frame for strengthening these buildings (five years for assessments and 15 years for strengthening or demolition), without adequate knowledge of the actual number of earthquake-prone buildings. The number estimated by the Ministry of Business, Innovation and Employment (MBIE) was 15,000 to 25,000, a large range which indicated that the state of knowledge of the building stock is poor. Accordingly the assessments of the economic impacts of this regulation are inadequate.

There is now growing concern that the proposed health and safety regulation across all industries post the Pike River Mine Tragedy will be more prescriptive. In addition, there seems to have been little consideration given to the fact the decline in New Zealand's workplace injuries over a number of years although it is acknowledged that they are higher than comparable economies. Also, the proposed regulations may have a significant negative impact on the economy and on individual businesses due to increased compliance costs.

One of the mechanisms to address these issues is a regulatory impact statement. However but as the earthquake-prone building regulation shows, there can be such

momentum and drive for change, that these regulatory impact statements can be inadequate and not given sufficient weight.

We suggest there needs to be a better balance between the public's desire for immediate action and the need to design evidence based regulation, which may have far reaching and long term effects. In these cases interim regulation may be appropriate – for example in the case of earthquake-prone buildings, IPENZ recommends interim steps could be taken to address high risk buildings and elements of buildings, rather than prematurely introducing wider regulation where the information on impacts was poorly understood.

### **2.3 BUSINESS COMPLIANCE VERSUS SAFETY COMPLIANCE**

As an observation, with economic or monetary regulation the focus is to comply and no more, and businesses allocate resources into achieving this benchmark. With performance based regulations, such as are used for health and safety, a higher level of performance is targeted by those companies wishing to ensure compliance, i.e. the aim is for best practice. Where such performance based legislation is or can be used, there are already provisions in some regulation for businesses to be granted recognition for a higher level of self-management, and e.g. where they have achieved accreditation or certification to a recognized system.

This type of provision is beneficial, as high performing employers are able to manage their compliance costs. It warrants wider consideration for extension to regulations where performance criteria are able to be specified.

### **2.4 SAFETY REGULATION IS OFTEN THE AMBULANCE AT THE BOTTOM OF THE CLIFF**

For safety regulation in particular, regulation is the fall-back – the regulated have obligations to their shareholders, employees and the wider public to do the right thing in the first place. This extends from ensuring there is the appropriate expertise at the governance level, senior management and at lower levels. This was a well-publicised issue at Pike River. Best practice requires codified guidance, training and appropriate recruitment policies. It is often not feasible to regulate all these aspects.

The Productivity Commission therefore needs to recognize that regulation, on its own, has its limitations and is part of a package of measures that contribute to appropriate outcomes.

## **3. RESPONSES TO THE COMMISSION'S QUESTIONS**

### **3.1 THE COMMISSION'S APPROACH TO THIS INQUIRY:**

**Question 1: What sort of institutional arrangements and regulatory practices should the Commission review?**

IPENZ is interested in the inter-relationship between occupational regulation and regulatory models and this should be further considered by the Commission.

We note the Commission intends, as a second part of the *Boosting Productivity in the Services Sector*, to have a dedicated inquiry on improvements to New Zealand's occupational licensing system, given the size and complexity of this topic. While we believe there needs to be a clear understanding of the differences and interrelationships, there isn't necessarily a simple formula or model. IPENZ does not

necessarily support a review of occupational regulation, without an adequate problem definition.

In terms of the regulatory practices the Commission should review, we note in a business compliance cost survey by Business New Zealand<sup>iv</sup> in 2008, businesses said their top four compliance cost priorities were tax, ACC, Employment Relations Act, and the Health and Safety in Employment Act.

**Question 2: The Commission has been asked to produce guidelines to assist in the design of regulatory regimes. What type of guidelines would be helpful?**

We note the Treasury has published a best practice model that includes principles and indicators. In light of recent developments with the establishment of a High Hazards Unit, there may be the need for more guidance on the design of regulatory regimes, particularly on how to evaluate risks such as fiscal risk, health and safety risk, and environmental risk.

One area for guidance is on the roles of the regulator. These are the subject of debate in many forums. Are they the educator, the prosecutor or the adjudicator or should they perform two or all three of these roles?

Businesses are reluctant to seek advice from a regulator who is also the prosecutor as the simple fact of seeking advice may identify an issue to the regulator who decides to investigate for enforcement action. In addition, many regulators have duties to consider and provide exemptions, authorisations and other recognitions under their regulations. The adviser and adjudicator roles are consistent with each other, but the prosecutor role is inconsistent.

We believe the Productivity Commission should consider the interdependencies of these roles and provide guidance on best practice.

We also suggest that there could be benefit in providing guidance for engaging and consulting with stakeholders in the formulation of regulatory policy. We discuss this issue further in our response to Question 45.

### **3.2 REGULATION IN NEW ZEALAND**

**Question 3: Does New Zealand have (or need) a unique “regulatory style” as a result of our specific characteristics?**

As part of the public sector reforms of the 1980s and 1990s, New Zealand went through a significant period of de-regulation that included labour markets and widespread development of performance based approaches. These included performance based procurement, and the economic regulation of monopoly utilities was based on light handed regulation (e.g. telecommunications, lines companies, rail networks, airports). The performance based approach was introduced to the Building Act in the early 1990s. Some of these arrangements have been undone by subsequent governments and some have been spectacular failures.

This has led to a “unique” regulatory style that has to some extent become embedded in Government policy. While there have been some failures, for the most part this style has been to the advantage of the economy. We note that in the World Economic Forum report 2012-2013<sup>v</sup>, New Zealand was ranked 14<sup>th</sup> out of 144 countries for the “burden of government regulation”.

However, the 2011 OECD Economic Survey of New Zealand<sup>vi</sup> states regulatory quality has lost ground in New Zealand. It recommends improved systems of

regulatory governance, and more rigorous use of quantified regulatory impact analysis to justify policy changes.

This information suggests the current regulatory style has merit, but care needs to be exercised to ensure further ground is not lost to the detriment of productivity.

It is our view that New Zealand's small size has a significant effect on the design of any regulatory regime. For example the lack of telecommunications regulation (prior to the Telecommunications Act 2001) and more recently administered by the Telecommunication's Commissioner. In New Zealand most people in an industry know many/most of the other people in that industry, there is a high degree of scrutiny, which mean it is difficult (but not impossible) for an organisation or individual to get away with "bad behaviour" for an extended period (whatever form this might take) without it being exposed.

**Question 4: What influence has New Zealand's specific characteristics had on the way regulation is designed and operated in New Zealand?**

Due to the relatively small size of our country and economy it has sometimes been necessary to permit alternative means of attaining satisfactory public-good outcomes that are more readily available in larger economies. A successful example is the MBIE authorisation (via an Approved Code of Practice) for Operator Protective Structures on mobile plant to be certified on the basis of analysis by Chartered Professional Engineers rather than only by destructive laboratory testing, as is generally the case overseas. This is a reflection of the small, often one-off, nature of the New Zealand market for such structures and the acknowledged competence of those engineers doing such work.

### **3.3 CLARITY OF ROLE, FUNCTION AND DUTIES**

**Question 6: Can you provide examples of regulatory regimes with particularly clear or (conversely) unclear objectives? What have been the consequences of unclear regulatory objectives?**

The regulation of amusement devices by MBIE has excellent public good objectives. However clear objectives are necessary but are not sufficient. In this instance, the objectives have been undermined over time by a seeming inability of the regulator to adopt a flexible attitude to changing circumstances that, in the opinion of IPENZ, are permissible by existing legislation. The consequence has been the rapid development latterly of quite unnecessary gaps in the new regulatory framework.

**Question 7: Where regulators are allocated multiple objectives, are there clear and transparent frameworks for managing trade-offs? What evidence is there that these frameworks are working well/poorly?**

Expanding the scope of the Building Act to include domestic cable cars has placed fundamentally mechanical equipment under the regulation of agencies (local authorities) that are ill-suited to administer this type of equipment. One result has been that reports submitted on the condition of substandard cable car systems have been filed by local authorities as received but not requiring remedial action on the part of the owner. This is because all the Building Act requires them to do is to – obtain a report. Further, local authorities are ill-placed to approve persons to inspect and report on such equipment, as they generally lack expertise on the matter.

**Question 9: Can you provide examples of where a single agency is responsible for both industry promotion and the administration of regulations? What processes are in place to align the incentives of the**

### **regulator with the desired regulatory outcomes? What evidence is there of success or failure of these processes?**

The future of Standards New Zealand has just been announced and the change will be to create a statutorily independent Standards board supported by an operating arm within MBIE. This raises some interesting issues.

There are two types of Standard – those that support regulation (and are cited in regulation) and those that are business-enabling – for example ensuring that there are standard light fittings and standard pipe fittings. These two purposes have not traditionally been separated. This raises the issue of whether the “standard” has become the default regulation, rather than the regulation itself that cites the standard.

In addition MBIE developing standards creates the risk of a potential conflict of interest. MBIE’s responsibility for setting the agenda for Standards development and maintenance could result in less focus on issues that are not on MBIE’s policy agenda. Alternatively, MBIE’s priorities may not align with industry priorities.

### **3.4 OVERLAPPING AND CONSISTENT REGULATORY REGIMES**

#### **Question 11: Can you provide examples where two or more regulators have been assigned conflicting or overlapping functions? How, and how well, is this managed?**

The Transport Accident Investigation Commission (TAIC), the NZ Transport Agency and MBIE (Labour Group) have the power to investigate transport accidents. The effectiveness of the TAIC regimes needs consideration. Also some TAIC’s accident reports do not appear until two to three years after the event and there is insufficient understanding around the status of accident report “recommendations” versus directives.

Also the Electricity and Gas Acts primarily apply to public safety and the Electricity (Safety) Regulations also contain workplace safety requirements.

The Health and Safety in Employment (Pressure Equipment Cranes & Passenger Ropeways) Regulations apply to some Gas Appliances as defined in the Gas Act. Even though the provision exists in both items of legislation, the two regulators have declined to provide an exemption from the less appropriate legislation, thus requiring continuing duplicate coverage.

The Commerce Commission requirements for electricity distribution company performance specify maximum acceptable System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI) performance without any specific consideration of safety of the workers as specified by the Health and Safety in Employment Act.

There are probably other examples of industry specific safety regulation overlapping with the Health and Safety in Employment Act 1992 and other legislation. There may also be overlap between public safety and employee safety considerations.

#### **Question 12: Are there examples of where regulators are explicitly empowered or required to cooperate with other agencies where this will assist in meeting their common objective?**

Rather than providing an example of where regulators were empowered to cooperate with other agencies, we are aware of an example where this did not

happen. Arising from the Tama here Cool Store fire in 2008, the New Zealand Fire Service inquiry report<sup>vii</sup> concluded the fundamental cause of the incident may lie in part in systemic defects in the regulatory environment and the communication between the various agencies. It was recommended the regulatory regime be reviewed to promote the sharing of information about hazardous substances between regulatory and other interested agencies.

**Question 13: Can you provide examples of where two seemingly similar regulatory areas are regulated under different regulatory structures? What factors have contributed to differences in the regulatory structures?**

Under the Electricity Act 2013, prescribed electrical work and the corresponding requirement to use licensed workers for all for this type of work compares with the lesser regime under the Gas Act 1992 and the requirement to use licensed gasfitters for gas fitting only on “gas installations”. Conversely, there is no mandated requirement for who may carry out work on gas supply systems, compared with the requirements for licensed workers to carry out prescribed electrical work on electricity supply systems.

An example of where two seemingly similar regulatory areas are regulated under different regulatory structures is the case of cranes and elevating work platforms. Cranes are regulated under the Health and Safety in Employment (Pressure Equipment, Cranes, and Passenger Ropeways) Regulations 1999 (covering design verification, inspection bodies etc.). Elevating work platforms on the other hand are under the parent Act and an approved Code of Practice for power-operated elevating work platforms which outlines safe work practices.

### **3.5 REGULATORY INDEPENDENCE AND INSTITUTIONAL FORM**

**Question 15: Which of these dimensions of independence is most important to ensure a regulator is seen to be independent?**

IPENZ believes all four dimensions of regulatory independence are equally important (flexibility, operational and political independence, and political independence on governance and staff matters).

**Question 21: Do particular types of institutional form lend themselves to more enduring regulatory regimes?**

With the aggregating of government departments we are concerned there are a number of cases where central government regulatory functions are buried in very large organisations. Examples are the Labour Group in MBIE, and transport regulators in the New Zealand Transport Agency.

The influence of these regulators within those organisations must be limited, as the organisational focus is so broad that wider corporate interests may dominate. This could raise issues about visibility, funding trade-offs between functions, and competition for the training and professional development budgets. Larger organisations also enable the potential secondment of staff in and out of the regulatory function, which might affect regulatory capacity and capability.

Smaller and more focussed regulatory organisations can be more effective, visible and accountable.

### **3.6 DECISION REVIEW AND APPEAL:**

**Question 29: Can you provide examples of regimes where risks are borne by a regulator, regulated party, or the public/consumers, but they are not best-placed to manage those risks?**

The example on misallocated risk in the document does highlight some misconceptions. This example suggests that local authorities make decisions on land use but the Earthquake Commission largely pays for property damage from liquefaction.

The first point is that under the Resource Management Act 1991, local authorities were not able to prohibit development on land subject to liquefaction i.e. that decision was made by central government.

Secondly liquefaction, induced by a major earthquake is a very rare event – the Canterbury earthquakes had return periods of approximately one in 8,000 years. Therefore prohibiting development on such land is not straightforward, and has the very real potential to create a very large economic loss to the community and nation on otherwise suitable land. This compares to the very low probability of EQC incurring a cost.

The general point is that care has to be taken in firstly identifying who the regulator really is, secondly correctly assigning who might bear the cost, and thirdly what is the probability of that cost actually being incurred. In the case of major catastrophic and rare natural hazards events, it is the nature of governments (and taxpayers) that they are the ultimate bearers of the cost. In the case of major events it is overly simplistic to attempt to allocate costs more effectively.

### **3.7 FUNDING AND RESOURCING:**

**Question 30: Can you provide examples of where the mix of funding sources contributes to the effectiveness or ineffectiveness of a regulatory regime?**

Rather than specific examples, we suggest some standard principles could be developed for effective levy mechanisms. These principles could include the beneficiary principle (parties pay in proportion to the benefits that accrue to them), the ability to pay principle (parties who are unable to afford a levy may lead to high levels of non-compliance) and administrative simplicity.

### **3.8 REGULATOR WORKFORCE CAPABILITIES:**

**Question 35: What restrains or enables a regulator to develop the capability they need in the New Zealand context?**

In our view the restraints to developing regulatory capability are:

- Reduction in funding by the Government – this has been particularly relevant in the Pike River Mine Tragedy. This has an impact on the ability to attract and retain capable staff and to reduce staff turnover.
- Reassigning staff to policy formulation. Some regulatory practitioners, due to their operational knowledge, can make valuable contributions to policy development – but this erodes the capability of the regulator.
- Skill shortages – in some areas, particularly technical areas, the Government is competing in a global market place. This has to be recognised and the Government has to pay the going rate.

- Reputation of the regulator – some agencies have well known shortcomings in their culture – and therefore have difficulty in recruiting staff.
- Some regulators see regulation as a process checking function – and little technical knowledge is required. This is mistaking form over function. However regulators need to have industry knowledge to be able to drill down below the “form”.

**Question 36: Where are there gaps in regulator workforce capability? Can you provide examples?**

One of the principles outlined in the Treasury’s best practice regulation model is that capable regulators need to have the necessary people and systems, and capability assessment should occur at regular intervals. Having an adequate number of qualified safety inspectors has been a lesson learnt with the Pike River Mine Tragedy.

It is our view that sometimes there is an over-reliance on third party certification and process checking by regulators, and that the regulator has little or no technical expertise or operational knowledge in-house. This is the case in a number of local authorities for building consents.

**Question 37: What is the potential to improve capability through combining regulators with similar functions, compared with other alternative approaches?**

While there can be some benefits from combining regulators, there are also risks. The benefits include economies of scale and scope. While this proposal sounds good in theory, each agency will have its own unique needs and focus. Also staff will have to work within the agency’s systems and procedures, so would still need training and support from the agency. As discussed under our response to Question 21, combining regulators can also lead to inappropriate competition for funding and resources.

It also may lead to a generic box ticking approach to compliance, and the importance of technical knowledge and competence being under-rated.

### **3.9 COMPLIANCE MONITORING AND ENFORCEMENT:**

**Question 43: Can you provide examples of where risk-based approaches have been used well? What are the critical pre-conditions for effective implementation of risk-based approaches to compliance monitoring and enforcement in New Zealand?**

Pressure equipment regulations provide for items of pressure equipment to be classified in one of five classes of hazard level, which then determines the controls to be applied. This regime works well for pressure equipment because it is a very mature and specialist industry.

**Question 44: What are the challenges to adopting risk-based approaches in New Zealand?**

The document refers to the concept of prioritising regulatory effort to where non-compliance is likely to pose the greatest risks – for example food safety. However related to this is that the regulation itself should be designed to target the highest

risks – both in terms of likelihood and impact. This is particularly relevant in designing regulation to mitigate the impacts of natural hazards: our concern with potential over-reaction discussed in Section 2.1.

Perceptions of risk are poorly understood and are different for communities, regulators, technical experts and decision-makers. There is a body of literature on risk perception – it can be exaggerated post-events, and it can diminish with time.

At the very least, decisions in the design of regulation should be informed by sound analysis. The typical mechanism for this is a Regulatory Impact Statement and the Regulatory Impact Analysis Handbook<sup>viii</sup> - Annex 1.1 – “Preliminary impact and risk assessment” makes only very brief reference to the concepts of risk and there is no reference to likelihood and consequence.

We suggest this risk issue be better addressed in the Handbook.

### **3.10 ENGAGEMENT:**

**Question 45: Can you provide examples of where regulatory regimes require too much or too little consultation or engagement? What are the consequences?**

There have been a number of occasions in the last 12 months where Government agencies have given very little time for consultation. We recognize that often officials are constrained, but there needs to be an understanding that consultation not only adds value to the design of regulation, but also facilitates stakeholder buy in and ultimately assists with compliance.

Short time frames can be a problem with membership based organisations such as IPENZ, as we need time to consult with members and produce a coherent industry view on an issue. For IPENZ, the quality of a submission is compromised by short consultation time-frames.

It should be noted that the Local Government Act 2002 Section 82 contains some useful principles of consultation. This includes providing access to relevant information, providing a reasonable opportunity for input (time, format), ensuring input is considered with an open mind, and post-decision reasons are provided for with the decision.

There could be benefit in providing similar guidance for engaging stakeholders in the formulation of regulatory policy.

Consultation also has limitations – it is better to engage key stakeholders early in the formulation of policy. A formal consultation process can be seen as a check at the end of the process, and allows a wider pool of stakeholders to have input.

**Question 46: What are the characteristics that make some regulations more suited to prescriptive consultation requirements than others?**

In this submission – Section 2.1 we discuss this issue in relationship to occupational regulation.

**Question 47: What forms of engagement are appropriate for different types of regulatory regime? When do formal advisory boards work or not work well?**

Advisory boards can work well if an appropriate range of people are appointed. However they can be captured by board members' individual interests. They have limitations as they only have a limited number of members, which can mean certain perspectives are not heard until late in process when consultation is undertaken.

Advisory Boards should not be seen as a substitute for consultation, or other engagement mechanisms such as focus groups, or surveys. We therefore support a range of tools for seeking advice and input, depending on the purpose of engagement.

### **3.11 ORGANISATIONAL CULTURE:**

#### **Question 49: What elements of a regulatory regime's design have the biggest influence on culture? Why?**

This question should really be re-phrased as "how organisational culture can influence the design and application of regulation". The culture of the organisation should educate, encourage and promote regulatory compliance, and avoid a pure compliance and process (box ticking) mentality. The regulators need to be able to engage at a technical level with the regulated and seek to help the regulated to comply. In other words an effective regulator can take a constructive leadership role.

The organisation's culture can be evident (or not) from the type and extent of stakeholder engagement mechanism used in the design of regulation. The engagement process should be inclusive, collaborative, be prepared to listen, and ensure appropriate expertise is used in the deliberations on the input.

#### **Question 51: Can you provide examples where the culture or attitude of the regulator has contributed to good or poor regulatory outcomes? How?**

MBIE (Building Group) has constructively engaged with the structural engineering profession in designing regulation of earthquake-prone buildings. After the key decisions were made, they established a reference group to assist with detailed design of the regulation, and have supported the development and promulgation of best practice.

## **CONCLUSION**

IPENZ would like to thank the Productivity Commission for the opportunity to make this submission.

If further information is required please contact:

Tim Davin – Director External Relations,

Phone 04 473 2027 or e-mail [tdavin@ipenz.org.nz](mailto:tdavin@ipenz.org.nz)

---

<sup>i</sup>Mumford P.J. (2011), *Enhancing Performance-Based Regulation – Lessons from New Zealand's Building Control System*, Institute of Policy Studies, Victoria University of Wellington

<sup>ii</sup> Royal Commission on the Pike River Coal Mine Tragedy (2012), *Report of the Royal Commission, Volume 1*, October 2012

<sup>iii</sup> Canterbury Earthquakes Royal Commission (2012), *Final Report of the Royal Commission Roles and Responsibilities*, Vol. 7, p86.

<sup>iv</sup> Business NZ and KPMG, (2009), *Summary Report of the Business New Zealand – KPMG Compliance Cost Survey*, October 2008.

---

<sup>v</sup> Schwab K, (2012), *the Global Competitiveness Report 2012-13*, Full Data Edition, World Economic Forum.

<sup>vi</sup> Economic and Development Review Committee of the OECD (2011), *OECD Economic Surveys – New Zealand – Overview*, April 2011.

<sup>vii</sup> New Zealand Fire Service (2008), *Inquiry into the Explosion and Fire at Icepak Coolstores, Tamahere on 5 April 2008*, New Zealand Fire Service Commission

<sup>viii</sup> The Treasury (2013), *Regulatory Impact Analysis Handbook*, New Zealand Government, July 2013.