



COVERSHEET

Ministers	Hon Dr David Clark Hon Aupito William Sio	Portfolio	Commerce and Consumer Affairs Courts
Title of Cabinet paper	Motor Vehicle Traders Register Fees and Motor Vehicle Disputes Tribunal Levy: Proposed Amendments	Date to be published	16 May 2022

List of documents that have been proactively released

Date	Title	Author
March 2022	Motor Vehicle Traders Register Fees and Motor Vehicle Disputes Tribunal Levy: Proposed Amendments	Office of the Minister of Commerce and Consumer Affairs
March 2022	Review of Motor Vehicle Traders Register Fees and Motor Vehicle Disputes Tribunal Levy – Cost Recovery Impact Statement	MBIE & MoJ
March 2022	Review of Motor Vehicle Traders Register Fees and Motor Vehicle Disputes Tribunal Levy – Summary of submissions	MBIE & MoJ
6 April 2022	Motor Vehicle Traders Register Fees and Motor Vehicle Disputes Tribunal Levy: Proposed Amendments DEV-22-MIN-0070	Cabinet Office

Information redacted

YES / NO

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.



Cabinet Economic Development Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Motor Vehicle Traders Register Fees and Motor Vehicle Disputes Tribunal Levy: Proposed Amendments

Portfolios Commerce and Consumer Affairs / Courts

On 6 April 2022, the Cabinet Economic Development Committee (DEV):

Background

1 **noted** that:

- 1.1 on 10 November 2021, DEV agreed to the release of a discussion document on proposed adjustments to Motor Vehicle Traders Register fees and the Motor Vehicle Dispute Tribunal levy [DEV-21-MIN-0227];
- 1.2 the Ministry of Business, Innovation and Employment and the Ministry of Justice consulted on the proposed fees and levy in January and February 2022;

Motor Vehicle Traders Register

- 2 **agreed** that the annual renewal fee for companies and individuals referred to in paragraph 5 below include a component to recover, over a five-year period, the \$1.297 million deficit in the Motor Vehicle Traders Register Memorandum Account;
- 3 **agreed** to the increase in spending for costs of monitoring and compliance functions, IT system upgrades and enhancements, and a level of overheads to support the efficiency and effectiveness of the Motor Vehicle Traders regime, to be recovered from fees;
- 4 **agreed** that the fee structure for the Motor Vehicle Traders Register should be tiered, by individual and company, and by registration application and renewals;
- 5 **agreed** that the fees payable by motor vehicle traders when they apply to register or renew on the Motor Vehicle Traders Register be as follows, on and from 1 August 2022:

Fee category	Proposed fee (GST exclusive)
Registration application - individual	\$432.00
Registration application - company	\$863.00
Renewal - individual	\$401.00
Renewal - company	\$802.00

- 6 **approved** the following changes to appropriations to give effect to the policy decisions in paragraphs 3, 4, and 5 above, with no corresponding impact on the operating balance and net core Crown debt:

Vote Business, Science and Innovation Minister of Commerce and Consumer Affairs	\$m – increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & outyears
Departmental Output Expense: Commerce and Consumer Affairs: Registration and Provision of Statutory Information (funded by revenue other)	-	0.502	0.502	0.502	0.502

- 7 **noted** that with these fee changes, the Motor Vehicle Traders Register Memorandum Account is expected to reach a nil balance by 2024/25, but will be reviewed annually and will inform the next fees review planned within the next three to five years;

Motor Vehicle Disputes Tribunal levy

- 8 **agreed** to the increase in cost pressures from increases in staffing to meet higher transaction volumes, technology changes resulting in increased hearing volumes, and other general inflationary cost increases, in order to maintain access to justice for consumers should a dispute occur, to be recovered from the levy;
- 9 **agreed** that the Motor Vehicle Disputes Tribunal levy payable by motor vehicle traders when they apply to register or renew on the Motor Vehicle Traders Register on and from 1 August 2022 be increased to \$210.00 (excluding GST);
- 10 **approved** the following changes to appropriations to give effect to the policy decisions in paragraphs 8 and 9 above, with no corresponding impact on the operating balance and net core Crown debt:

Vote Courts Minister for Courts	\$m – increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & outyears
Multi-Category Expenses and Capital Expenditure: Courts, Tribunals and Other Authorities Services, including the Collection and Enforcement of Fines and Civil Debts Services MCA Departmental Output Expense: Specialist Courts, Tribunals and Other Authorities Services (funded by revenue other)	-	0.319	0.319	0.319	0.319

- 11 **noted** that the Ministry of Business, Innovation and Employment will continue to collect the Tribunal levy on behalf of the Ministry of Justice, and will pay it over to the Ministry on a monthly basis;

Legislative implications

- 12 **invited** the Minister of Commerce and Consumer Affairs to issue drafting instructions to the Parliamentary Counsel Office to give effect to paragraphs 5 and 9 above;
- 13 **authorised** the Minister of Commerce and Consumer Affairs to make decisions on any minor or technical matters that may arise during the drafting process;
- 14 **noted** that the Minister of Commerce and Consumer Affairs will seek final approval of the regulations from the Cabinet Legislation Committee in the second quarter of 2022.

Janine Harvey
Committee Secretary

Present:

Hon Grant Robertson (Chair)
Hon Dr Megan Woods
Hon David Parker
Hon Nanaia Mahuta
Hon Poto Williams
Hon Damien O'Connor
Hon Stuart Nash
Hon Kris Faafoi
Hon Willie Jackson
Hon Michael Wood
Hon Dr David Clark
Hon Phil Twyford
Rino Tirikatene, MP

Officials present from:

Office of the Prime Minister
Officials Committee for DEV