



COVERSHEET

Minister	Hon Dr Duncan Webb	Portfolio	Commerce and Consumer Affairs
Title of Cabinet paper	Exemption for Temporary Credit to Consumers Affected by Upper North Island Flooding	Date to be published	20 March 2023

List of documents that have been proactively released		
Date	Title	Author
7 February 2023	Exemption for Temporary Credit to Consumers Affected by Upper North Island Flooding	Office of the Minister of Commerce and Consumer Affairs
February 2023	Exemption for temporary credit to consumers affected by upper North Island flooding CAB-23-MIN-0017 Minute	Cabinet office
February 2023	Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations (No 2) 2023	Office of the Minister of Commerce and Consumer Affairs
20 February 2023	Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations (No 2) 2023 CAB-23-MIN-0042 Minute	Cabinet office

Information redacted

YES

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.

Some information has been withheld under

- Confidential advice to Government
- Free and frank opinions
- Confidential information entrusted to Government.



Cabinet

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.

Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations (No 2) 2023

Portfolio Commerce and Consumer Affairs

On 20 February 2023, Cabinet:

- 1 **noted** that on 13 February 2023, the Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations 2023 (the Regulations) exempted certain temporary overdrafts and home loan top-ups from the affordability assessment requirements of the Credit Contracts and Consumer Finance Act 2003 (CCCFA), where lending is for the purpose of addressing the impacts of upper North Island flooding and other weather-related damage in January and February 2023;
- 2 **noted** that the Regulations apply to borrowers who suffered damage in the flooding in the upper North Island, namely Northland, Auckland, Waikato and Bay of Plenty;
- 3 **agreed** to extend the exemption to the Gisborne / Tairāwhiti and Hawke's Bay regions and Tararua District on the same terms and conditions as the existing exemption;
- 4 **noted** that the Regulations give effect to the decision referred to in paragraph 3 above;
- 5 **authorised** the submission to the Executive Council of the Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations (No 2) 2023 [PCO 25339/5.0];
- 6 **noted** that a waiver of the 28-day rule is sought:
 - 6.1 so that the Regulations can come into force as soon as possible;
 - 6.2 on the grounds that:
 - 6.2.1 the regulations are being made in response to an emergency;
 - 6.2.2 it is necessary for the regulations to have the intended legal effect;
- 7 **agreed** to waive the 28-day rule so that the regulations can come into force on the day after they are notified in the Gazette;

- 8 **noted** that section 138(1A) of the CCCFA provides that the Minister of Commerce and Consumer Affairs (the Minister) may only recommend regulations under section 138(1)(ab) if:
- 8.1 the Minister has had regard to the purposes of the CCCFA set out in section 3;
 - 8.2 the Minister is satisfied the exemption would not cause significant detriment to debtors under credit contracts, lessees under consumer leases, or occupiers under buy-back transactions;
 - 8.3 compliance with the relevant provision or provisions would, in the circumstances, require a creditor, lessor, or transferee or a class of creditors, lessors, or transferees to comply with requirements that are unduly onerous or burdensome;
- 9 **noted** that the Minister advises that these statutory conditions have been met.

Rachel Hayward
Secretary of the Cabinet