



**MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT**  
HĪKINA WHAKATUTUKI



**Ministry for  
Regulation**

# **Proposed approach to transition the Government Regulatory Practice Initiative (G-REG) function from the Ministry of Business, Innovation and Employment to the Ministry for Regulation**

27 March 2024



# Introduction

The Ministry for Regulation is being set up in recognition of the critical role that regulation plays in the life of all New Zealanders. The establishment of the Ministry, and its status as a new central agency, provides a platform to build on the work that you, and many of your colleagues already do, to ensure that our regulatory settings are high quality and achieving better outcomes for New Zealanders.

The setting up of any new Ministry represents a new and exciting opportunity. I want to work with you to ensure we build the Ministry to be best placed to deliver on the vision to improve the lives of New Zealanders by ensuring high quality regulatory systems and practices.

I am excited about the transition of the important work you and your colleagues do, and have done, that drive better performance in regulation. I have valued and enjoyed our interactions to date and have appreciated the work you have all done to support myself and the establishing Ministry.

At the same time, I want to recognise that moving organisations, and becoming part of something new, brings with it uncertainty. While some of the answers to the questions you may have are ones that we will need to work through together, I want you to know that I am available to you to help support you through this change.

Thank you for your continuing dedication, expertise and professionalism during this process. I am very much looking forward to working together with you all to seize the opportunity that the prioritisation of regulatory management and systems by the Government has created.

*Graeme M Moss*

## Foreword

Regulatory systems involve a wide range of activities beyond legislative design, and all parts needs to be working well to achieve the intended objectives. As you know, the Ministry for Regulation was established as of 1 March 2024, and has a broad focus on lifting regulatory quality across all parts of regulatory systems, such as how regulation is implemented, not just the quality of legislation.

The Government Regulatory Practice Initiative (G-REG) will be shifting from MBIE to form an integral part of this new Ministry. I am very proud of the success that G-REG has had since it's establishment at MBIE, and this change provides an opportunity to build on that success.

James and I are committed to supporting you through the transition, and ensuring there is as little disruption as possible as the new Ministry is fully established and as the programmes are moved and people are welcomed.

We'd like your input on how we can best position the team in the Ministry for Regulation to ensure the continued success. Please take time to consider what's being proposed in this document and let us know your feedback and suggestions by emailing [Margaret.Robinson@mbie.govt.nz](mailto:Margaret.Robinson@mbie.govt.nz) by 5.00 pm on 11 April 2024.

You are our top priority, and we want to ensure you are enabled to keep achieving in your roles, as individuals and teams, and that stakeholders receive the same, or even a better experience going forward.

We would both like to thank you for your hard mahi and dedication. Our leaders, and the People and Culture team, are keen to support you and answer your questions . Please remember that you can talk to us any time and the Employee Assistance Programme (EAP) is also available if you need it (0800 327 669).

We understand that change can be difficult. We want to thank you in advance for your feedback and for your ongoing professionalism as you continue your important work, which improves regulatory practice across the public sector, and in turn, improves the lives of New Zealanders.

Ngā mihi nui

Melanie Porter

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## Rationale for transition of functions

In January 2024 Cabinet made the decision to establish a Ministry for Regulation and transition some regulatory functions within Treasury and the Ministry for Business, Innovation and Employment to the new agency to support its priorities.

The Ministry's initial core functions, which will be developed further once the ministry has been established and resources will include:

- evaluating proposals for new regulation;
- leading the carrying out of regulatory reviews, in consultation with other Ministers as necessary;
- producing omnibus bills to implement the findings of regulatory system reviews;
- administration and support of the cross-government regulatory practice initiative (G-REG);
- provision of guidance and support to agencies to help them improve their regulatory stewardship capability;
- strategic co-ordination and oversight of regulatory management, including advising on strengthening Regulatory Impact Analysis (RIA);
- administration of the RIA requirements for regulatory proposals;
- advising/delivering on New Zealand's international good regulatory practice (GRP) obligations;
- administration and stewardship of the Regulatory Standards Bill once enacted.

The decision to transition and develop these functions under the Ministry for Regulation was made through a lens of consolidating government regulatory functions to bring an increased focus to regulatory quality and improve the quality of regulation for New Zealand. This transition aims to establish an entity to lead and examine the ways that regulations are designed and implemented to ensure efficiency.

# What's happened so far and next steps

## December 2023

- The Government's 100-day plan invited the Minister for Regulation to return to Cabinet with plans for improving the quality of regulation, including the preferred approach to establishment of the new regulation agency.

## January 2024

- A cabinet paper was approved on 17 January 2024 that authorises the transfer of the G-REG function from the Ministry of Business, Innovation and Employment and the Regulatory Strategy function from Treasury to a new public service department named the Ministry for Regulation.
- Melleny Black, General Manager Regulatory Stewardship, informed you of the Minister's decision to transition the G-REG function and people to the Ministry for Regulation.

## February 2024

- Te Kawa Mataaho (Public Service Commission), MBIE and Treasury together formed a transition team to oversee the transition of functions and people to the new Ministry.

## March 2024

- The Ministry for Regulation was legally established on 1 March 2024.
- Gráinne Moss was appointed as Acting Secretary for Regulation and Chief Executive, Ministry for Regulation. An establishment team was appointed to shape the operating model and design of the new Ministry and commence work on the key deliverables of the Ministry.

## April 2024

- Following consultation, teams from MBIE and the Treasury to transition to the new Ministry at the end of April 2024.

## Our Transition Principles

To ensure a smooth transition, we felt it was important to have principles in place all the way through that would guide the team in its decision-making and stay true to the intent of the programmes of work across MBIE.

**People focused:** We will support our people in the transition. We acknowledge the expertise of the people managing the programmes and both agencies will prioritise the wellbeing and care of all people throughout the transition process.

**Continued delivery:** We will aim to ensure that there is as little as possible disruption to providers or clients. We will communicate effectively with people in both agencies (engaged, communicate and listen).

**Initiatives:** The policy and design intent of the programmes are not intended to change through this transition process.

# Functions transitioning to the Ministry for Regulation

## Ministry of Business, Innovation and Employment

- Government Regulatory Practice Initiative (G-REG)

## Treasury

- Regulatory Strategy

The following slides set out in detail the transition of positions from within MBIE and who is intended will move to the new Ministry. This includes both the current state and the interim structure that has been proposed.



## What the transition means for you

Under the Ministerial decision, the G-REG function and resources will transition to the Ministry for Regulation.

The roles outlined in this proposal are covered by the Employee Protection Provisions of MBIE's employment agreements, specifically Section 85 of MBIE's 2022-2024 Collective Agreement and Section 50 of the Individual Agreement, as well as Sections 86,87 and 91 of the Public Service Act.

This means that part or all of the activities currently carried out by MBIE that are identified in the Cabinet paper will transition to the Ministry for Regulation, MBIE will:

- address the likely impact of this event on you, including whether it is possible to transition you to that entity, and, if so,
- discuss with the new entity whether any such transition will be offered to you on no less favourable terms and conditions of employment.

## What the transition means for you (continued)

Your current position has been identified as ongoing and will be available to you within the Ministry for Regulation. Following consideration of any feedback received as part of this process, should you transition, then you will do so on terms and conditions no less favourable for the duration of your employment.

For individuals on fixed term employment agreements, your MBIE fixed term employment agreement will be terminated on the date of transition, and a new employment agreement on no less favourable terms and conditions will be offered by the Ministry for Regulation to begin the following day.

Three fixed-term employees will receive offers of permanent employment agreements with MfR. The fixed-term Project Lead will receive a contract offer which aligns with the expected timeline of the Regulatory Essentials Project.

For individuals on permanent employment agreements, you will be offered a new Ministry for Regulation employment agreement on no less favourable terms and conditions to begin on the day of transition.

In either situation, if you choose to transition you will get the same pay, perform the same duties and have your service recognised.

**Locations:** Your location of work will change to the Ministry for Regulation office based within the Wellington CBD, the exact location of which will be confirmed soon. From mid-2025, the permanent location of MfR will be Bowen House.

Those who have existing approved working arrangements outside of Wellington will have those arrangements recognised.

## What the transition means for you (continued)

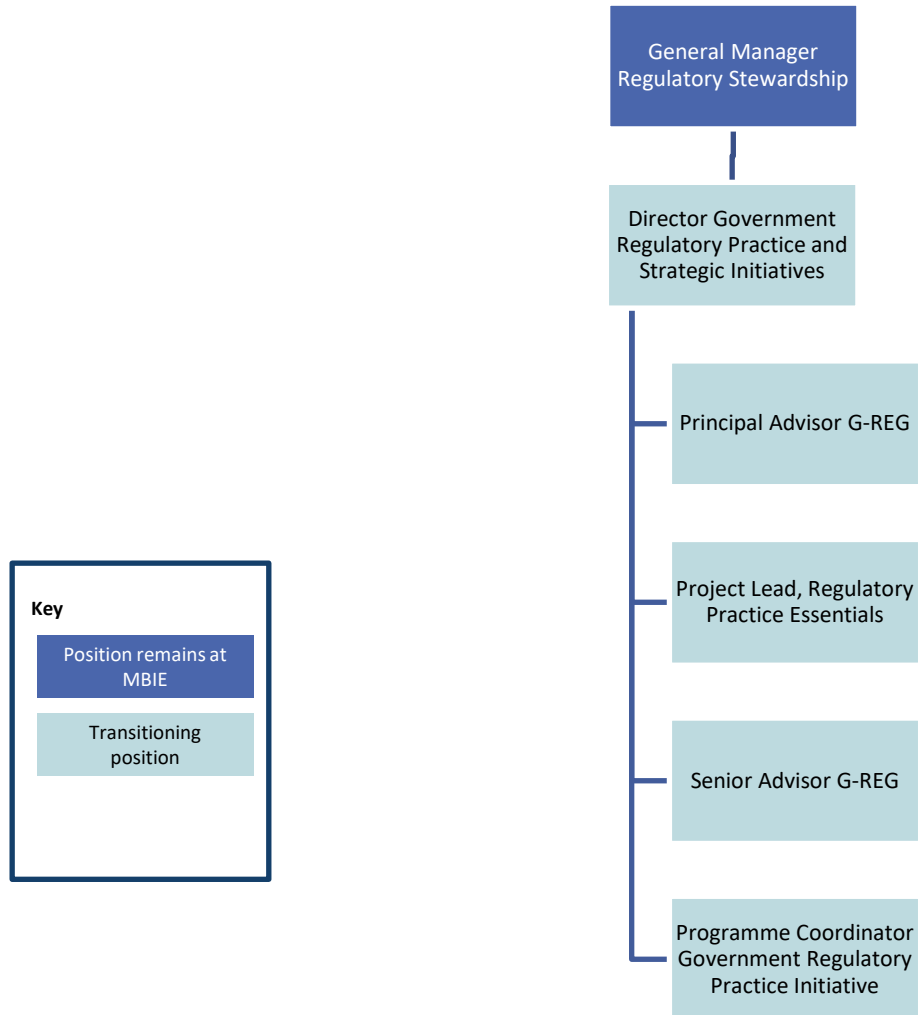
For permanent employees only, the process for determining your entitlements will be the application of the following provisions:

- *regardless of the terms offered, where you accept a transition to the new entity, no redundancy compensation will be payable*
- *where you are offered a transition to the new entity on no less favourable terms and conditions of employment but elect not to accept that offer, no redundancy compensation will be payable.*

Both permanent and fixed-term employees have the option of not transitioning. In this situation, you are able to apply for roles in MBIE and the normal recruitment and selection process will be applied, that is, appointments to roles will be merit-based. This means you are able to apply for other roles advertised.

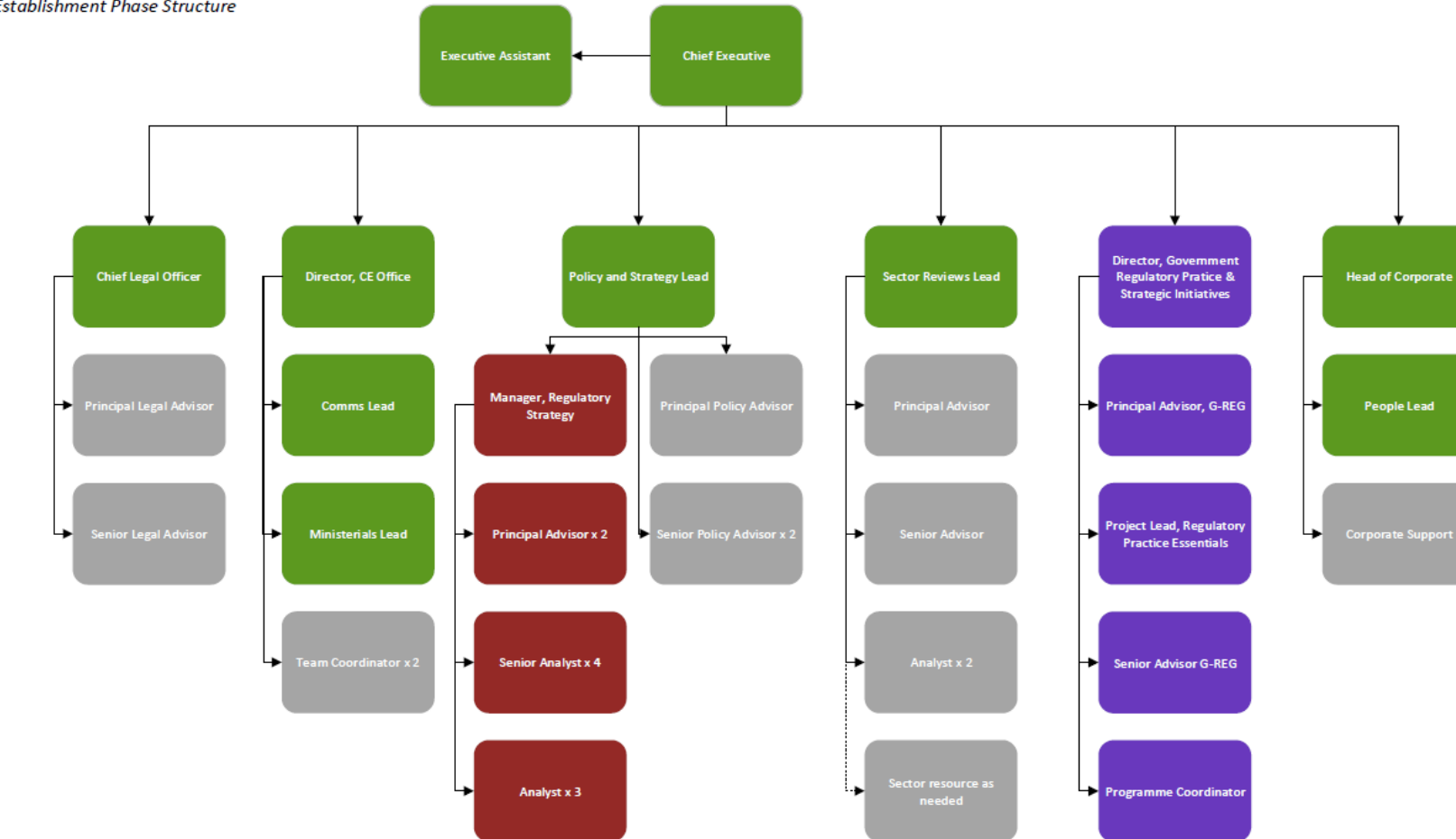
If you choose not to transition to the Ministry for Regulation and do not have on-going employment with MBIE as of 30 April 2024, then your employment will come to an end by way of resignation.

# Current MBIE structure with identified transitioning roles



# Proposed positioning of the teams in the Ministry of Regulation

Ministry for Regulation  
 Establishment Phase Structure



- Establishment position - filled
- Establishment position - vacant
- Treasury
- MBIE

## Summary of proposed changes - MBIE

<b>Position</b>	<b>Current Reporting line</b>	<b>Proposed change</b>
Director Government Regulatory Practice and Strategic Initiatives	General Manager, Regulatory Stewardship	Change of reporting line to Chief Executive, Ministry for Regulation. Transitions to Ministry of Regulation.
Principal Advisor, Government Regulatory Practice Initiative	Director, Government Regulatory Practice and Strategic Initiatives	No Change of reporting line. Transitions to Ministry for Regulation. Offer of permanent employment contract.
Project Lead, Regulatory Practice Essentials	Director, Government Regulatory Practice and Strategic Initiatives	No Change of reporting line. Transitions to Ministry for Regulation. Offer of extended fixed-term contract.
Senior Advisor, Government Regulatory Practice Initiative	Director, Government Regulatory Practice and Strategic Initiatives	No Change of reporting line. Transitions to Ministry for Regulation. Offer of permanent employment contract.
Programme Coordinator, Government Regulatory Practice Initiative	Director, Government Regulatory Practice and Strategic Initiatives	No Change of reporting line. Transitions to Ministry for Regulation. Offer of permanent employment contract.

## Feedback process

### **We are seeking your feedback on:**

- The proposed structure and whether the new groupings make sense or if there are other options when considering MBIE work programmes.
- What the changes proposed mean for you and your position.
- The timeline to transition people.

### **We are not seeking feedback on the jobs or work streams transitioning to the Ministry for Regulation.**

Following consultation on this proposal for transition, any feedback will be assessed and considered before decisions are made.

The decisions will be made by the Deputy Secretary Te Waka Pūtahitanga in consultation with the GM, Regulatory Stewardship.

Individual letters confirming the final decision will then be sent and we'll start work on implementing the agreed changes.

## Giving feedback and next steps

At this stage, we want to know what you think before final decisions are made on the groupings of the new Ministry.

You can make either an individual submission or a group submission, or both.

When giving feedback please explain your reasoning. If you have any questions or want to discuss any aspects of the proposed structures and/or transition process, please speak directly to your people leader or email [margaret.robinson@mbie.govt.nz](mailto:margaret.robinson@mbie.govt.nz).

**Please email your feedback to  
[margaret.robinson@mbie.govt.nz](mailto:margaret.robinson@mbie.govt.nz) by 5pm on 11 April 2024**

Indicative timeframe	
Date	Description
<b>27 March 2024</b>	Consultation commences
<b>11 April 2024</b>	Consultation closes
<b>12-17 April 2024</b>	All feedback considered, decisions made and approved
<b>18 April 2024</b>	Final decisions announced
<b>30 April 2024</b>	Proposed final day at MBIE
<b>1 May 2024</b>	Proposed first day at Ministry for Regulation



## Support

- We know that change can create uncertainty. As part of the transition phase, we are working with your people leaders and your teams to develop an integration plan to help support you through this process. We will look to update you with further details as soon as possible.
- The PSA has been sent a copy of this document. Please feel free to contact your local PSA organiser or your PSA delegate if you wish to raise any concerns or obtain additional support.
- EAP support is also available as and if needed through 0800 327 669 or [www.eapservices.co.nz](http://www.eapservices.co.nz)
- MBIE has a range of wellbeing support available on Te Taura, and you can also contact the Wellbeing, Health and Safety team at [Safetyandwellbeing@mbie.govt.nz](mailto:Safetyandwellbeing@mbie.govt.nz)