



**Arbitrators' and Mediators'  
Institute of New Zealand Inc**

Te Mana Kaiwhakatau, Takawaenga o Aotearoa

# **Submission on Financial Services Reform – Effective Financial Dispute Resolution**

**17 June 2024**

## Introduction

1. Thank you for the opportunity to provide feedback on the package of reforms concerning consumer credit, financial services conduct, and financial dispute resolution regulation in New Zealand.
2. The focus of this response is on the proposals for Effective Dispute Resolution.
3. This Submission does not seek to address the 24 questions in the discussion document/submission template.
4. It is clear from the discussion documents that the Ministry wishes to ensure that consumers are adequately protected through the financial dispute resolution processes that are available and to achieve an equality of arms (to the extent possible) in disputes between consumers and financial providers.
5. As the leading organisation for dispute resolution practitioners, [Arbitrators' and Mediators' Institute of New Zealand | Te Mana Kaiwhakatau, Takawaenga o Aotearoa](#) (AMINZ), this response comments on the issue of the oversight and accountability of the dispute resolution professionals resolving disputes under the various schemes.
6. AMINZ considers that one of the key factors in maintaining the integrity of any dispute resolution process is to ensure that the scheme has appropriate independent neutrals assisting with the resolution of disputes. Those independent neutrals should be trained and have the relevant experience and expertise. They should also be subject to ongoing professional development obligations, and they should be subject to a code of ethics (or similar professional rules or codes of conduct) and there should be a process for raising complaints in relation to the process and the dispute resolution professional.

## Background on AMINZ

7. AMINZ is New Zealand's largest organisation for dispute resolution professionals. It has over 1,000 members. Its membership includes many of this country's leading dispute resolution professionals and academics.
8. AMINZ is internationally recognised.<sup>1</sup> It trains and credentials dispute resolution professionals across a wide range of schemes. It has robust and long-standing ethics, CPD and complaints-management regimes.

---

<sup>1</sup> AMINZ is the only organisation globally that has reciprocal rights of membership with the Chartered Institute of Arbitrators – the largest dispute resolution organisation world-wide.

9. AMINZ is referenced in over 40 pieces of legislation to appoint dispute resolvers.
10. AMINZ has a long history of working with Government on best practice dispute resolution.
11. AMINZ has extensive experience in establishing, administering and/or providing mediators for mediation schemes.
12. AMINZ is an Approved Nominating Authority pursuant to the Construction Contracts Act 2002, to appoint adjudicators.
13. AMINZ is the body nominated by the Minister of Justice to make appointments of arbitrators in the stead of the High Court, pursuant to the Arbitration Act 1996.
14. Membership in AMINZ ensures adherence to a strict code of ethics, ongoing professional development, and a robust complaints process. These elements are vital for maintaining high standards, consistency, and accountability within the dispute resolution process, aligning with MBIE's objective of enhancing the effectiveness of these schemes through improved oversight and accountability (Issue 2).

#### **Links to key issues**

##### *Issue 1: Consumer Awareness of and Access to Dispute Resolution*

15. Requiring those engaged in the process of resolving financial disputes (after the issue has been through the internal dispute resolution process of the financial service provider) to be members of an organisation such as AMINZ, can help improve consumer awareness of and confidence in the schemes. Membership ensures that practitioners are well-trained and knowledgeable, which can enhance the overall quality of the service provided to consumers. Additionally, being part of a recognised professional body helps in promoting the visibility and credibility of the services offered, thereby increasing consumer trust and engagement.

##### *Issue 2: Enhancing Scheme Effectiveness through Improved Oversight and Accountability*

16. Membership in AMINZ directly contributes to the effectiveness of dispute resolution schemes by ensuring that practitioners adhere to a code of ethics and maintain continuing professional development (CPD) obligations. This oversight ensures that practitioners are up to date with best practices and ethical standards. Furthermore, the existence of a robust complaint procedure within AMINZ provides an additional layer of accountability, ensuring that any issues with practitioner conduct are addressed promptly and effectively.
17. AMINZ notes that it works with the Ministry for Primary Industries on maintaining a panel of suitably qualified professionals to sit on the Farm Debt Mediation Panel. Through partial funding from MPI, AMINZ provides education and training to members of the panel

on current and emerging issues and provides a forum for the mediators to share their experience and learn from each other (while maintaining the confidentiality of the individual disputes they have helped to resolve).

18. A similar approach could ensure that the dispute resolution professionals working under any of the four schemes can have ongoing professional development and a forum to share ideas and learn from each other.

## **Conclusion**

19. We appreciate MBIE's efforts to engage stakeholders in these important reforms and welcome the opportunity to provide our perspective. By requiring dispute resolution practitioners to be members of a professional body like AMINZ, we can significantly address issues related to consumer awareness and access, as well as enhance the effectiveness and accountability of the schemes.
20. Incorporating these principles will be instrumental in achieving the intended improvements in New Zealand's financial dispute resolution system. AMINZ has extensive experience and expertise in dispute resolution, and we can offer valuable insights and best practices that could be incorporated into the regulatory framework.
21. We thank you for the opportunity to contribute to these significant reforms and would be keen to remain engaged and contribute our expertise in dispute resolution if the opportunity arises.

## **Privacy of natural persons**

**Nicole Smith**  
AMINZ President