

MINISTERIAL BRIEFING NOTE

Subject	Regulatory Funding and Fees Review: Feedback and Options on Fees and Charges
Date	16 September 2022
Briefing number	BRI-2587

Contact(s) for telephone discussion (if required)				
Name	Position	Direct line	Cell phone	1st contact
Kane Patena	General Manager Regulatory Services and Director Land Transport	Section 9(2)(a)	Section 9(2)(a)	

Action taken by Office of the Minister

- Noted
- Seen by Minister
- Agreed
- Feedback provided
- Forwarded to
- Needs change [please specify]
- Withdrawn
- Overtaken by events

Released under the Official Information Act 1982

Out of scope



Proposal 6: Changes to fees and charges for motor vehicle certifier activities

43. Motor vehicle certifier industry submissions strongly opposed the removal of application fees for certifiers being replaced with new group charges. Concerns ranged from the potential calibre of the applications, and supply and fairness of existing certifiers subsidising future certifiers. Waka Kotahi reviewed the issues and confirms there will still be an application process and that there is no intention to change the standard to become a certifier. The current multi-year contract with Engineering New Zealand will help understand the levels required to increase the supply of certifiers with the contract, prioritising work to identify a training pathway for new entrant certifiers.
44. However, removal of the certifier application fee barrier is one part, along with working with industry groups, to ensure a healthy certification regulatory environment in an area that has had significant regulatory failure and only some investment being made to date, and more is needed. Waka Kotahi is not recommending change in this area.

Out of scope



Out of scope

<p>Proposal 6 - Changes to fees and charges for motor vehicle certifier activities</p> <ul style="list-style-type: none"> Discontinuing/replacing six fees Increasing six charges Reducing one charge 	<ul style="list-style-type: none"> Feedback: overall, unsupportive of increases due to: <ul style="list-style-type: none"> inflationary costs hitting the sector, some certifiers noting cumulative effect of multiple increases for different certifications. potential for unintended consequences. 	<p>Removal of the certifier application fee may increase the number of poor calibre applicants</p>	<ul style="list-style-type: none"> The potential increase in applications and the potential calibre of the applications cannot be quantified and there is no evidence to show any potential Waka Kotahi is not changing the standard to become a certifier The current multi-year contract with Engineering NZ will help understand levels to increase the supply of certifiers. The contract is prioritising work with a training pathway for new entrant certifiers.
		<p>Removal of the certifier application fee may mean existing certifiers are unfairly subsidising future certifiers</p>	<ul style="list-style-type: none"> The industry needs to increase capacity and have a healthy pool of certifiers to assess vehicles against safety standards Removal of this fee barrier is one part, along with working with industry groups to ensure a healthy certification regulatory environment.
		<p>Removal of the certifier application fee may remove an employment incentive</p>	<ul style="list-style-type: none"> Any fee paid by the employer is tax deductible There is little evidence or logic to support the continued use of a fee (barrier to entry) as an employer carrot and decision making on fees versus group change can swing on this fringe issue Removal of this fee barrier is one part, along with working with industry groups to ensure a healthy certification regulatory environment.

Out of scope