



COVERSHEET

Minister	Hon Dr Shane Reti	Portfolio	Science, Innovation and Technology
Title of Cabinet paper	Meteorological Services (Acquisition and Policies) Legislation Amendment Bill: Approval for Introduction	Date to be published	21 November 2025

List of documents that have been proactively released

Date	Title	Author
October 2025	Meteorological Services (Acquisition and Policies) Legislation Amendment Bill: Approval for Introduction	Office of the Minister of Science, Innovation and Technology
October 2025	Meteorological Services (Acquisition and Policies) Legislation Amendment Bill: Approval for Introduction LEG-25-MIN-0204 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 for the reason of free and frank opinions.

In Confidence

Office of the Minister of Science, Innovation and Technology
Cabinet Legislation Committee

Meteorological Services (Acquisition and Policies) Legislation Amendment Bill: Approval for Introduction

Proposal

- 1 I propose that Meteorological Services (Acquisition and Policies) Legislation Amendment Bill (the Bill) be approved for introduction to the House.

Policy

- 2 The Bill gives effect to the 2 April 2025 Cabinet Economic Policy Committee [ECO-25-MIN-0025.01] and final Cabinet decision on 7 April 2025 [CAB-25-MIN-0102] to make changes to New Zealand's Weather Forecasting System following a comprehensive review performed by Sapere.
- 3 The key change is to allow the National Institute of Water and Atmospheric Research Limited (NIWA), which subsequently amalgamated with the Institute of Geological and Nuclear Sciences Limited, to become the New Zealand Institute for Earth Science Limited (NZIES), to acquire the Meteorological Service of New Zealand Limited (MetService) as a wholly-owned subsidiary and to improve weather data access arrangements. This proposal aligns with the outcomes of the ongoing science system reforms, which will better align science with Government priorities.
- 4 The Bill amends the State-Owned Enterprise Act 1986 (the SOEs Act), and a number of other Acts in terms of transitional and consequential amendments, to implement these changes. Specifically, it:
 - 4.1 removes MetService from the SOEs Act, meaning MetService will no longer be a State enterprise. This is necessary to allow NIWA (now NZIES) to acquire MetService as a wholly-owned subsidiary, as shareholding Ministers of State enterprises are otherwise restricted from transferring shares,
 - 4.2 exempts the acquisition transaction from Part 3 of the Commerce Act 1986,
 - 4.3 amends the Crown Research Institutes Act 1992 to require NZIES to publish its observational weather data access policies, and
 - 4.4 includes a number of transitional, savings, enabling, and consequential provisions to implement and reflect these changes.

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- 5 I note that Cabinet authorised the Minister of Science, Innovation and Technology (the Minister) to further clarify, develop and make decisions on additional policy and/or technical matters to be included in the Bill which are consistent with the intent of the paper under ECO-25-SUB-0025 [ECO-25-MIN-0025.01 and CAB-25-MIN-0102 refers].
- 6 Under this authorisation, I have made the following decisions that I wish to bring to your attention:
- 6.1 the inclusion of the following transitional and savings provisions to ensure that MetService ceasing to be a State enterprise, and/or the proposed acquisition of MetService by NIWA (now NZIES) does not, in itself:
- 6.1.1 alter any contractual agreement, deed, arrangement, obligation, or right;
- 6.1.2 trigger redundancies and severance payments;
- 6.1.3 release any surety wholly or in part from any obligation;
- 6.1.4 invalidate or discharge any contract or security;
- 6.1.5 give rise to a claim for breach of contract;
- 6.1.6 break any person's employment for the purposes of any provision of an employment contract relating to continuity of service, unless the Board of MetService specifically seeks to achieve such a result;
- 6.1.7 break any person's Government service for the purposes of the Government Superannuation Fund Act 1956 (if that person is a contributor to the Government Superannuation Fund), and to preserve the Government Superannuation Fund Act 1956 (GSF) entitlements of relevant MetService employees in the event they come to be employed by NZIES, as a result of any future merger between MetService and NZIES, or following and as a result of a restructure and/or transfer of MetService's functions into NZIES;
- 6.2 the following technical and consequential amendments, to preserve existing legal positions and avoid unintended consequences, and to reflect MetService ceasing to be a State enterprise:
- 6.2.1 removing MetService from Part 2 of Schedule 1 of the Ombudsmen Act 1975, Schedule 1 of the Official Information Act 1982, and Part A of Schedule 36 of the Income Tax Act 2007;
- 6.2.2 revoking the State-Owned Enterprises Order 1992;

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- 6.2.3 continuing to apply section 22 of the SOEs Act to MetService, despite it ceasing to be a State enterprise, while Ministers of the Crown are shareholders in MetService on behalf of the Crown;
- 6.2.4 continuing to apply sections 23-30 of the SOEs Act, and any Orders in Council made or *Gazette* notices given under those sections, to MetService indefinitely, and irrespective of whether Ministers of the Crown hold shares in MetService on behalf of the Crown, as if MetService were a State enterprise, despite it ceasing to be one; and
- 6.2.5 providing, for the avoidance of doubt, that each Minister of the Crown who holds shares in MetService on behalf of the Crown may exercise all or any of the Crown's rights and powers as the holder of those shares, despite MetService ceasing to be a State enterprise.

Impact analysis

- 7 The regulatory impact analysis requirements apply to the proposals being given effect through the Bill, and a Regulatory Impact Statement (RIS) was submitted at the time that policy approval relating to the Bill was sought [ECO-25-MIN-0025.01].
- 8 MBIE's Regulatory Impact Analysis Review Panel reviewed the RIS prepared by MBIE and The Treasury. The panel considered that the information and analysis summarised in the RIS met the criteria necessary for Ministers to make informed decisions on the proposals in this paper.
- 9 The final RIS (with appropriate redactions – e.g., for legal privilege) is now publicly available on the websites of both MBIE and The Treasury.

Compliance

- 10 I consider the Bill complies with:
 - 10.1 the principles of the Treaty of Waitangi;
 - 10.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993 (noting that the Bill is subject to advice from the Ministry of Justice on compliance with the rights and freedoms of the New Zealand Bill of Rights Act 1990, and that this LEG paper will be updated with the outcome of that advice prior to lodgement);
 - 10.3 the disclosure statement requirements (a Departmental Disclosure Statement has been prepared and is attached to the paper as **Annex One**);
 - 10.4 the principles and guidelines set out in the Privacy Act 2020;

- 10.5 relevant international standards and obligations; and
- 10.6 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee.

Consultation

- 11 MBIE and The Treasury consulted with the following agencies on this paper and the draft Bill: NIWA (now the NZIES); MetService; National Emergency Management Agency; Commerce Commission (the Commission); Ministry of Transport; Department of the Prime Minister and Cabinet; Ministry for Regulation; Public Service Commission; Ministry for the Environment; Inland Revenue; Te Puni Kokiri; Ministry for Primary Industries; Ministry of Justice; Government Superannuation Fund Authority; and the Office of the Ombudsman.
- 12 Appropriate processes were followed to ensure the maintenance of legal privilege in relation to the draft Bill and agencies were largely supportive of the proposals.
- 13 However, the Commission raised some matters in respect of the content and scope of the requirement for the NZIES to publish its observational weather data access policies. In particular, the Commission raised matters such as:
 - a. How 'fair and reasonable' weather data access might be best encouraged, whether through legislation or some other non-legislative means.
 - b. The scope of the proposed weather data access policies provision, including whether it would contain soil moisture data and rain radar imagery, and the inclusion of climate data.
 - c. Whether the meaning of "observational weather data" would include both historic and real/near real-time data.

Free and frank opinions

Free and frank opinions

Binding on the Crown

- 17 The proposals in the Bill will be binding on the Crown.

Creating new agencies or amending law relating to existing agencies

- 18 The Bill does not seek to create a new agency, but it does amend law relating to MetService as an existing agency in the following ways:

- 18.1 MetService will cease to be a State enterprise and will be removed from the SOEs Act 1986. MetService is currently legally separate from the Crown, and there will be no change to this following its acquisition by NZIES. Post-acquisition, MetService will become a Crown entity subsidiary of NZIES. Consequently, MetService's governance and accountability framework will change as the company moves from the State enterprises regime to the Crown entity/Crown Research Institute regime; and
- 18.2 MetService's listing in the relevant schedules of the Official Information Act 1982 and the Ombudsmen Act 1975 will be removed by this Bill as consequential amendments. However, both Acts will continue to apply to MetService by virtue of it becoming a "related company of a Crown Research Institute" upon acquisition. In both Acts, MetService is currently listed in its own right by reason of being a State enterprise. While the acquisition of MetService by NZIES is expected to follow immediately upon commencement of this Bill (at which point the "related company" status will ensure the continued application of those Acts to MetService), these particular amendments will come into force with a delayed commencement of three months, to provide for any unexpected delays and ensure that there is no gap in coverage of the official information and Ombudsman regimes with respect to MetService. The Ministry of Justice and the Office of the Ombudsman were consulted on these provisions and did not have any concerns.

Allocation of decision-making powers

- 19 The Bill does not involve the allocation of decision-making powers between the executive, the courts, and tribunals.

Associated regulations

- 20 The Bill does not create any new regulation-making powers nor are new regulations required to give effect to this Bill.

Other instruments

- 21 The Bill does not create any provision empowering the making of other instruments that are deemed to be legislative instruments or disallowable instruments.

Definition of Minister/department

- 22 The Bill does not contain a definition of Minister, Department (or equivalent government agency), or chief executive of a department (or equivalent position).

Commencement of legislation

- 23 The Bill will come into force on the day after the date of Royal assent (except clause 9(2) – dealing with certain consequential amendments related to MetService – which will come into force three months later). NZIES will be required to publish its first observational weather data access policy within three months of the Bill coming into force.

Parliamentary stages

- 24 I intend to introduce the Bill at the next available opportunity.
- 25 I propose the Bill be referred to the Economic Development, Science and Innovation Committee, for a period of four months. The Leader of the House has been consulted on this timeframe.

Proactive Release

- 26 This paper will be proactively released (subject to redactions in line with the Official Information Act 1982) within 30 business days of decisions being confirmed by Cabinet.

Recommendations

I recommend that the Cabinet Legislation Committee:

- 1 **note** that Cabinet has agreed to make changes to New Zealand's Weather Forecasting System, following a comprehensive review performed by Sapere.
- 2 **note** that the Meteorological Services (Acquisition and Policies) Legislation Amendment Bill (**the Bill**) holds a category 5 priority on the 2025 Legislation Programme.
- 3 **note** that the Bill amends the State-Owned Enterprise Act 1986 (the SOEs Act) and a number of other Acts, in terms of transitional and consequential amendments and includes a provision for greater transparency over weather data access policies.
- 4 **note** that the Bill implements the changes to the weather forecasting system agreed by Cabinet, and related decisions on this legislation, including:

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- 4.1 removing Meteorological Service of New Zealand Limited (MetService) from the SOEs Act to allow National Institute of Water and Atmospheric Research Limited (NIWA), now NZIES, to acquire MetService as a wholly-owned subsidiary through an acquisition transaction,
 - 4.2 repealing provisions relating to MetService from the State-Owned Enterprises (Meteorological Service of New Zealand Limited and Vehicle Testing New Zealand Limited) Amendment Act 1999, which have never been brought into force, and which will become redundant with the commencement of this Bill,
 - 4.3 exempting the acquisition transaction from Part 3 of the Commerce Act 1986,
 - 4.4 amending the Crown Research Institutes Act 1992 to require NZIES to publish its observational weather data access policies,
 - 4.5 including a number of transitional, savings, enabling, and consequential provisions to implement and reflect these changes, such as ensuring the Government Superannuation Fund (GSF) entitlements of relevant employees at MetService are not affected by MetService ceasing to be a State enterprise and ensuring that they remain should MetService employees come to be employed at NZIES, as a result of any future merger between MetService and NZIES, or following and as a result of a restructure and/or transfer of MetService's functions into NZIES.
- 5 **note** that Cabinet authorised the Minister of Science, Innovation and Technology (the Minister) to further clarify, develop and make decisions on additional policy and/or technical matters to be included in the Bill which are consistent with the intent of the paper under ECO-25-SUB-0025 [ECO-25-MIN-0025.01 and CAB-25-MIN-0102 refers];
- 6 **note** that under the authorisation referred to in paragraph 5, the Minister made the following decisions:
- 6.1 the inclusion of the following transitional and savings provisions to ensure that MetService ceasing to be a State enterprise, and/or the proposed acquisition of MetService by NIWA (now NZIES) does not, in itself:
 - 6.1.1 alter any contractual agreement, deed, arrangement, obligation, or right;
 - 6.1.2 trigger redundancies and severance payments;
 - 6.1.3 release any surety wholly or in part from any obligation;
 - 6.1.4 invalidate or discharge any contract or security;
 - 6.1.5 give rise to a claim for breach of contract;

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- 6.1.6 break any person's employment for the purposes of any provision of an employment contract relating to continuity of service, unless the MetService Board specifically seeks to achieve such a result;
- 6.1.7 break any person's Government service for the purposes of the Government Superannuation Fund Act 1956 (if that person is a contributor to the Government Superannuation Fund), including a 'future-proofing' scenario should relevant MetService employees come to be employed at NZIES following a future merger or restructuring of MetService into NZIES;
- 6.2 the following technical and consequential amendments, to preserve existing legal positions and avoid unintended consequences, and to reflect MetService ceasing to be a State enterprise:
 - 6.2.1 removing MetService from Part 2 of Schedule 1 of the Ombudsmen Act 1975, Schedule 1 of the Official Information Act 1982, and Part A of Schedule 36 of the Income Tax Act 2007;
 - 6.2.2 revoking the State-Owned Enterprises Order 1992;
 - 6.2.3 continuing to apply section 22 of the SOEs Act to MetService, despite it ceasing to be a State enterprise, while Ministers of the Crown are shareholders in MetService on behalf of the Crown;
 - 6.2.4 continuing to apply sections 23-30 of the SOEs Act, and any Orders in Council made and *Gazette* notices given under those sections, to MetService indefinitely, and irrespective of whether Ministers of the Crown hold shares in MetService on behalf of the Crown, as if MetService were a State enterprise, despite it ceasing to be one;
 - 6.2.5 providing, for the avoidance of doubt, that each Minister of the Crown who holds shares in MetService on behalf of the Crown may exercise all, or any of the Crown's rights and powers as the holder of those shares, despite MetService ceasing to be a State enterprise.
- 7 **agree** that:
 - 7.1 the Minister may approve minor and technical changes to the Bill, prior to introduction;
 - 7.2 the Parliamentary Counsel Office can make minor proofreading and editorial changes to the Bill, prior to introduction.
- 8 **approve** the Bill for introduction, subject to the final approval of the Government caucus and sufficient support in the House of Representatives.

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- 9 **agree** that the Government propose that the Bill be introduced at the next available opportunity.
- 10 **agree** that the Government propose that the Bill be referred to the Economic Development, Science and Innovation Committee for a period of four months.

Authorised for lodgement

Hon Dr Shane Reti
Minister of Science, Innovation and Technology

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