

## **Canterbury Earthquake Recovery Review Panel**

Private Bag 4999  
Christchurch 8140

19 March 2012

Hon Gerry Brownlee  
Minister for Canterbury Earthquake Recovery  
Executive Wing, 7.6  
Parliament Buildings  
**WELLINGTON**

Hon Gerry Brownlee  
Minister Responsible for the  
Earthquake Commission  
Executive Wing  
Parliament Buildings  
**WELLINGTON**

Dear Minister

### **Canterbury Earthquake (Earthquake Commission Act) Order 2012**

On 19 March 2012 the Canterbury Earthquake Recovery Review Panel (the Review Panel) considered the Canterbury Earthquake (Earthquake Commission Act) Order 2012 (version PCO 15579/4.0).

As required under section 73(3) of the Canterbury Earthquake Recovery Act 2011, please find attached the Review Panel's report on the draft Order including our recommendation.

Yours sincerely



The Honourable Sir John Hansen  
**Convenor, Canterbury Earthquake Recovery Review Panel**

cc Secretary to the Treasury

# **Canterbury Earthquake Recovery Review Panel**

## **IN THE MATTER**

of the Canterbury Earthquake Recovery Act 2011

## **AND**

## **IN THE MATTER**

of the Canterbury Earthquake Recovery Review Panel appointed under s72 (1) of the Canterbury Earthquake Recovery Act 2011 to provide advice on Orders in Council that may be required for the purposes of the Act

## **THE REVIEW PANEL**

The Honourable Sir John Hansen (Convenor)  
Right Honourable Dame Jenny Shipley  
Murray Sherwin  
Anake Goodall

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## **REPORT AND RECOMMENDATION OF THE REVIEW PANEL**

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### **CANTERBURY EARTHQUAKE (EARTHQUAKE COMMISSION ACT) ORDER 2012**

1. On 19 March 2012 the Canterbury Earthquake Recovery Review Panel (the Review Panel) considered the draft Canterbury Earthquake (Earthquake Commission Act) Order 2012 (version PCO 15579/4.0).
2. The Review Panel considered the letter from Tom Hall from the Treasury dated 6 March 2012. The Review Panel requested additional information and further letters from Tom Hall dated 12 March and 16 March were sent to the Review Panel.
3. The Review Panel noted that the overarching purpose of the draft Order in Council is to enable the Earthquake Commission (EQC) to carry out the managed repair of residential land and property in Canterbury, particularly through the Project Management Office established by the Commission.

4. The Review Panel also noted that the draft Order exempts EQC from the requirement to settle reinstatement claims within one year after the amount of damage has been determined; and expressly allows EQC to invoice claimants for the excess so that EQC is not in breach of its statutory cap on liability. The Review Panel is concerned about the retrospective nature of the proposal but notes that given the unique circumstances of the case the Review Panel agrees that the Order be made. Furthermore, the Review Panel believes that :
  - the Order in Council should be reviewed in two years time; and
  - there be regular reporting on progress, and that this information be shared with the Review Panel.
5. The Review Panel is of the view that the draft Order is necessary, expedient and meets the purposes of the Canterbury Earthquake Recovery Act 2011.

### **Recommendation**

1. The Review Panel recommends to the Minister Responsible for the Earthquake Commission that the Canterbury Earthquake (Earthquake Commission Act) Order 2012 (version PCO 15579/4.0) be made. The Review Panel recommends that the Order be reviewed in two years time and that there be regular reporting on progress.

A handwritten signature in black ink, appearing to read 'J. W. Hansen', with a long horizontal stroke extending to the right.

Date 19 March 2012

The Honourable Sir John Hansen  
**Convenor, Canterbury Earthquake Recovery Review Panel**