

### ***Background***

In December 2018, Cabinet approved the establishment of a statutory scheme for the mediation of farm debt in New Zealand. The proposed scheme would require secured creditors to farm businesses to offer statutory mediation before taking any enforcement action in relation to debt held over that business. It would also allow for farmers to initiate statutory mediation with a secured creditor.

The Bill would provide for fair, equitable and timely resolution of farm debt issues. It would have the following two key objectives:

- to enable farmers and secured creditors to meet in an equitable manner to constructively and objectively explore options for business turnaround;
- to provide for a timely and dignified exit for those where few other options exist.

### ***Redactions have been applied with consideration of the Official Information Act 1982***

- Section 6(a) – the making available of the information would be likely to prejudice the security or defence of New Zealand or the international relations of the Government of New Zealand.
- Section 9(2)(a) – to protect the privacy of natural persons, including that of deceased natural persons.
- Section 9(2)(ba)(i) – to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.
- Section 9(2)(f)(iv) - to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials.
- Section 9(2)(g) – to maintain the effective conduct of public affairs through - (i) the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any department or organisation in the course of their duty.
- Section 9(2)(h) - to maintain legal professional privilege.