

Keston Ruxton
Commerce Commission
By email: regulation.branch@comcom.govt.nz

27 September 2017

Dear Keston,

Input Methodologies Review Draft Decision: Related Party Transactions

Thank you for the opportunity to comment on the Input Methodologies Review Draft Decision regarding related party transactions.

We commend the Commission in taking steps to improve the disclosure regime for related party transactions. We support the proposed changes which better promote the purpose of Part 4 of the Commerce Act.

The Commission's review is timely given related party transactions are increasing and therefore so too is risk to consumers. We endorse a regime for related party transactions that is simplified, clearer, and more transparent. Related party transactions should not be valued more than would be the case if the transaction was at arm's-length.

We do however consider that there are wider issues as identified by ERANZ that would benefit from reform and would therefore encourage the Commission to undertake a first principles review of the regulatory framework, such as the scope of 'related services'.

We endorse the ERANZ submission and rely on the same to represent our more detailed views.

If you have any questions regarding this submission, please contact Rebekah McCrae
rebekah.mccrae@mercury.co.nz 09 308 8237.

Yours sincerely



Rebekah McCrae
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