



# Cabinet

## Minute of Decision

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### Arms (Prohibited Firearms, Magazines, and Parts) Amendment Regulations 2019

Portfolio                      Police

On 17 June 2019, following reference from the Cabinet Legislation Committee (LEG), Cabinet:

- 1        **noted** that the Arms (Prohibited Firearms, Magazines, and Parts) Amendment Act 2019 came into force on 12 April 2019;
- 2        **noted** that this Act introduced a regulation-making power for establishing one or more schemes for the payment of compensation by the Crown for prohibited items delivered to Police during an amnesty period;
- 3        **noted** that the Arms (Prohibited Firearms, Magazines, and Parts) Amendment Regulations (the Regulations) 2019 provide for:
  - 3.1       a person who before 12 April 2019 (or 21 March 2019 in relation to some prohibited firearms) lawfully possessed a prohibited item may apply to receive compensation if they deliver the item to Police or an approved licensed dealer during the amnesty period;
  - 3.2       the Commissioner of Police to issue price lists setting out the amount of compensation payable for prohibited items;
  - 3.3       a condition-based adjustment compensation system with a licence-holder paid 95 percent, 70 percent or 25 percent of the base price, depending on the condition of a firearm;
  - 3.4       a condition-based adjustment compensation system for prohibited parts and magazines with payment at either 70 percent or 25 percent of the base price, depending on the condition of the prohibited part or magazine;
  - 3.5       dealers who are contracted by Police as collection agents may receive a fee of \$50 per each successful licence-holder application and must record information directed by Police when they receive prohibited items;
  - 3.6       licensed dealers to be paid compensation for prohibited items held in stock (or currently under control of Customs), at import or wholesale cost (being whatever price they paid) including freight and any other direct costs associated with importing the stock, but excluding overhead costs, provided the stock was purchased or ordered prior to 21 March 2019;

- 3.7 licensed dealers may make a single claim for compensation within the 6 month period of the compensation scheme;
  - 3.8 licensed dealers must attempt to mitigate their losses and compensation may be payable for cost incurred;
  - 3.9 claims by licensed dealers must include records of price paid, but where this is not transparent, eg. trade-in items, the price list may apply;
  - 3.10 owners of prohibited firearms capable of being permanently modified to make them non-prohibited who choose to have their firearm modified may receive payment for the cost of the modification up to \$300;
  - 3.11 owners of unique items may pay a \$120 fee and apply to the Commissioner of Police provided the item is unique and not on the price list or is sufficiently different to the model on the price list which has increased the value by at least 30 percent;
  - 3.12 compensation will not include economic or consequential loss, loss for business interruption or any loss attributable to intrinsic or sentimental value;
- 4 **noted** the Arms (Prohibited Ammunition) Order 2019 (the Order) to be made under section 74A(e) of the Arms Act will declare certain ammunition as prohibited ammunition including: tracer, enhanced penetration, armour piercing, incendiary, explosive, multi-purpose ammunition that is armour piercing incendiary, discarding sabot ammunition (excluding shotgun), multi projectile ammunition (excluding shotgun cartridges), chemical or biological carrier ammunition, and flechettes (fin stabilized dart like projectiles);
- 5 **noted** that prohibited ammunition is not eligible for compensation in the Arms (Prohibited Firearms, Magazines, and Parts) Amendment Regulations 2019;
- 6 **noted** that the Regulations 2019 also provide for:
- 6.1 exempting directors or curators of museums and bona fide collectors of ammunition and researchers from possessing prohibited ammunition, where the researcher is employed or contracted by the New Zealand Defence Force or the Institute of Environmental Science and Research Limited and is researching the chemical makeup of certain types of prohibited ammunition;
  - 6.2 a temporary amnesty for persons possessing prohibited ammunition before 21 June 2019 where they notify Police they are in possession of the prohibited ammunition and they comply with any Police direction relating to the delivery of the ammunition to the Police;
  - 6.3 prohibited ammunition held by the New Zealand Customs Service on 21 June 2019 to be delivered to the Police;
  - 6.4 the security requirements for collectors, for the secure storage of vital parts of prohibited firearms;
  - 6.5 technical corrections or clarifications including amending the Arms Regulations to allow the permit to possess process to align with the new legislation regarding prohibited firearms;
  - 6.6 amnesty conditions that prohibit the use of prohibited items during the amnesty period and provide protections from offence provisions for those who may be handling or storing prohibited items during the amnesty period such as dealers;

- 7 **noted** that the Regulations have been subject to one policy change in relation to the modification of firearms by Ministers with Power to Act (as outlined in the paper under CAB-19-SUB-0299) and minor and technical changes, between consideration by LEG on 11 June 2019 and consideration by Cabinet on 17 June 2019;
- 8 **noted** that the Regulations also include date changes from which compensation will commence in order to compensate people and dealers for firearms lawfully held prior to 21 March 2019, but unlawfully held from 21 March to 12 April, as a result of the Order in Council that reclassified some semi-automatics to military style semi-automatics;
- 9 **authorised** the submission to the Executive Council (at a meeting to be held later in the week of 17 June 2019) of the:
- 9.1 Arms (Prohibited Firearms, Magazines, and Parts) Amendment Regulations 2019 [PCO 22121/17.0];
- 9.2 Arms (Prohibited Ammunition) Order 2019 [PCO 22166/7.0];
- subject to** final quality assurance review by the Parliamentary Counsel Office and Police, and amendment of the commencement date so that the Regulations and Order come into force on the day after notification in the Gazette;
- 10 **authorised** the Minister of Police and the Attorney-General to have Power to Act to amend the commencement date and time if absolutely necessary;
- 11 **noted** that a waiver of the 28-day rule is sought:
- 11.1 so the Regulations and Order can come into force as soon as possible;
- 11.2 on the grounds that it is important that the buy-back of prohibited items can commence as soon as possible and be completed by the end of 2019 and prevent the stockpiling of prohibited ammunition;
- 12 **agreed** to waive the 28-day rule so that the Regulations and Order can come into force on 21 June 2019;
- 13 **noted** that the buy-back period of six-months would also commence on 21 June 2019 and end on 20 December 2019.

Michael Webster  
Secretary of the Cabinet

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**Hard-copy distribution:**

Prime Minister  
Deputy Prime Minister  
Minister of Police