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Arms Regulations: Review of Fees 2022

New Zealand Game Animal Council

The New Zealand Game Animal Council (GAC), established under the Game Animal Council Act 2013, is a statutory agency with responsibilities for, *inter alia*, advising and making recommendations (in relation to game animals) to the Minister of Conservation, raising awareness of the views of the hunting sector, and advising on and managing aspects of game animals and hunting.

Game animals are defined under the Game Animal Council Act 2013 as wild pigs, chamois, tahr and all species of deer. Game animals are also recognised as valued introduced species in *Te Mana o te Taiao – the Aotearoa New Zealand Biodiversity Strategy 2020*.

New Zealand Hunting Sector

The number of big game (deer, tahr, chamois and wild pig) hunters in New Zealand is hard to estimate, however recent approximations put this at somewhere between 50,000 and 80,000 people. These hunters play a key role in the management of wild animals and conservation. It is estimated that recreational hunters alone are responsible for harvesting approximately half a million game animals and pest goats each year.¹ This management is important to maintain the health of the environment, look after indigenous species and maintain good quality game animal herds. In this way privately-funded hunters fulfil a role that otherwise private landowners, the Crown and local authorities would need to undertake.

Outdoor recreation, food gathering and commercial harvesting through hunting are also an important part of New Zealand life and culture. Reasonable access to firearms is critical to ensure that communities can participate in recreational and commercial hunting activities and contribute to the provision of free-range wild protein for many families.

Fundamentally, firearms are a hunter's tool; they are not in themselves the reason people go hunting. Rather they are like the tennis racket to the tennis player – equipment required to undertake the activity.

¹ GN Kerr & W Abell (2014) Big game hunting in New Zealand: per capita effort, harvest and expenditure in 2011–2012, *New Zealand Journal of Zoology*, 41:2, 124-138, DOI: 10.1080/03014223.2013.870586

Overview

1. The GAC welcomes the opportunity to provide a written submission on what is an extremely important issue to the hunting sector.
2. The following submission focuses on areas that are of responsibility to the GAC, its statutory mandate and hunting in New Zealand. We have not addressed questions that do not potentially impact hunters and hunting organisations.
3. The GAC represents the views of not only private recreational and meat hunters, but also industries involved in hunting and game animal management such as commercial harvesting and tourist hunting.
4. The GAC agrees that fees need to be modernised, having been unchanged since 1999. However, this must be balanced with affordability for individuals, the potential negative impact of increased fees on compliance and an acknowledgement of the utility of firearms in New Zealand communities, particularly outside main urban centres.
5. New Zealanders who privately own firearms play an important role in managing wild animal numbers in New Zealand's forests and mountains as well as across private land holdings. The GAC is extremely concerned that making fees and charges too expensive will have a detrimental impact on the number of hunters who contribute to the effective management of game animals and control of pests. We are particularly concerned at the effect it may have on young people, who are typically resource poor, who wish to get into hunting.
6. Landowners, the commercial hunting sector and contract hunters must also be supported to help manage game animal and pest numbers. Making compliance significantly more expensive will inevitably have an impact on that contribution, and would increase the investment required from the Crown for official management programmes.
7. Cost increases such as some of those proposed could have a detrimental impact on communities where the increase to the cost of living is already making things tough. Subsistence food gathering through hunting is an important resource for many families and the legal access to firearms is critical to that.
8. The GAC notes the extra costs proposed for firearms/parts/ammunition dealers and sellers. Police must be careful as to the extra costs they impose on this sector as it is a key part of the compliance and regulatory system. Imposing extra costs will at the very least drive prices up, and could in some circumstances lead to some exiting the industry. This may result in the establishment of a far larger black market for firearms than currently exists.

9. As the discussion document outlines the cost of implementing the firearms system has increased. This is in significant part due to legislative and regulatory changes brought in over the last few years “to keep New Zealanders safe”. These law changes do not primarily advantage licensed firearms owners, and in many cases, disadvantage them. It is the GAC’s view that a significant share of the extra costs necessary to administer what is now a far more onerous administrative system are most appropriately picked up by the Crown on behalf of taxpayers.
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The numbers from this point in the submission reflect the numbering in the discussion document.

Licence fees

Firearms licence

Should the safety training course fee be set on full or partial cost recovery?

1. It is appropriate that the fee for the firearms safety training course is set on a partial cost recovery basis. This reflects the fact that the beneficiaries of the course are both firearms licence holders as well as the general public. A lower fee to the participant through partial cost recovery will also encourage those who do not go on to gain their firearms licence, but may spend time around firearms as hunting companions or on farms, to undertake the course.

At which of the following potential rates should the fee for a firearms licence (excluding the fee for the safety training course fee) be partially set?

- A. 25% of full cost (estimated between \$208.55 (5-year) and \$242.50 (10-year))
 - B. 50% of full cost (estimated between \$417.10 (5-year) and \$485.00 (10-year))
 - C. 75% of full cost (estimated between \$625.60 (5-year) and \$727.50 (10-year))
2. The GAC strongly supports Option A – cost recovery at 25% of full cost. We believe this is an appropriate modernisation of costs, a significant yet reasonable cost to impose on new or aspiring hunters and reflects a fair split between firearms users and the general public. We believe Option A will not have a negative impact on either compliance or hunters’ contribution to game animal management and pest control.

We are concerned that not only are Options B and C unreasonable for young and aspiring hunters, but also disadvantage people in more provincial communities who rely on hunting and game animals as a valuable food source. The reality is for these people firearms are a critical tool to put food on the table and a severe increase in the cost of a licence will merely contribute to the current increases to the cost of living.

For some who cannot afford the proposed increases, these changes will promote a reduction in compliance and lead to increased numbers of firearms users and hunters possessing and using firearms illegally.

We do note that submitters are asked to consult on the options based on the estimated full cost of a licence as stated in the discussion document, however, the majority of submitters did not have the privilege of being provided the evidence as to how that estimate has been arrived at. This lack of clarity is disappointing, particularly as there exist a number of concerns over the lack of efficiency incentives for Te Tari Pūreke – the Firearms Safety Authority.

The GAC is disappointed to see a number of highly-questionable value judgements used in the discussion paper. There is absolutely no evidence provided to back-up the implication that a higher level of cost recovery/higher fee imposed on a licence applicant makes that person more inclined to act in the interests of public safety. That claim is elitist and would never be applied to those who could afford an expensive car over those who could only afford a cheaper model.

It is also wrong to suggest that licence holders are the beneficiaries of the higher fees proposed through Options B and C. Notwithstanding firearms users' opposition to many of the changes that have necessitated a more expensive system, it is highly inaccurate to characterise firearms licence holders 'beneficiaries' of it, particularly as justification for many of the recent legislative and regulatory changes was to "make New Zealand safer". The GAC disputes that many of the recent changes to the system regulating firearms ownership will actually make New Zealand safer, but regardless, the principal beneficiaries are all New Zealanders. This means it is entirely appropriate for all New Zealanders, through the Crown, to contribute the majority of the funding required to administer this far more costly licensing system.

If the fee for a firearms licence is increased significantly (that is the fee set at more than 50% of the cost), would you support Police investigating an option to issue a firearms licence conditional on a specified payment schedule?

3. The GAC supports the provision of a facility through which an applicant can pay by instalments and believes consideration should be given to extending this to a fee level at 25% of the cost (Option A) also. For many firearms users \$242.50 is still a significant one-off cost.

Firearms licence application costs may present a barrier for those on low household incomes, those who need to use firearms to supplement their food sources, or those who require a firearms licence to gain employment. Do you have any suggestions for support mechanisms outside the general firearms licensing system?

4. There currently exist government support schemes to help young and low-income people to gain their driver's licence as well as work up through the licence classes so they are qualified to drive a heavy vehicle. A similar scheme could be set up to assist people in communities where access to hunting and the availability of wild protein resources are both culturally and economically important. This should cover both firearms safety training and the application process for a licence.

If the fee is set at 50% or 75% of cost, do you consider a 10% discount is sufficient to encourage timely applications before their licence expires?

5. While we fundamentally disagree with Options B and C, we do support a prompt payment discount no matter the Option decided upon.

Dealer's licence

Should the annual fee for a dealer's licence be set on a full cost recovery basis?

6. The annual fee for a dealer's licence should not be set on a full cost recovery basis. The proposed annual fee must be reasonable to incentivise dealers to remain in the industry and maintain their contribution to a well-regulated system that promotes compliance. The GAC is concerned that the proposals could drive dealers out of the industry and the sale of a greater number of firearms underground.

How should the annual fee for a dealer's licence be set?

7. The GAC favours Option B – a subsequent applicant should pay a lower fee than a first-time applicant reflecting the reduced cost of processing.

If different average annual fees are set (Option B), how should they be set?

8. The GAC favours the use of a variable fee (Option B.2).

Dealer's licence – museum director/curator

Questions relating to museum directors/curators

- 9-12. The views from constituent hunting sector members who are involved in museums and curations is that there should be no fee.

Fee for visitor licence

Should the fee for a firearms visitor licence be set at full cost recovery?

13. The GAC is strongly opposed to the proposal to set the Visitor Licence Fee at full cost recovery as that would represent up to an 1800% increase on the current fee.

Guided hunting on both public conservation land and private land is an important industry in New Zealand, particularly in a number of rural communities. It is estimated to be worth around \$100 million in direct foreign investment to the country per annum,²

² The New Zealand Guided Hunting Industry and the Impact of Covid-19. Prepared on behalf of the New Zealand Professional Hunting Guides Association, the New Zealand Association of Game Estates & the New Zealand Taxidermy Association with support from the New Zealand Game Animal Council and Tourism Industry Aotearoa, July 2020.

and is a highly-professional, well-regulated sector that poses almost zero risk to the safety of New Zealanders while contributing to game animal management, conservation and our overall tourism offering.

Hunting tourism is an internationally competitive market and due to our Southern Hemisphere location New Zealand is in direct competition with Australia. Visitor licence fees should therefore be set at a similar level to those in Australia (\$50-\$100).

The proposed fee is likely to deter not only guided hunting visitors but also those that undertake independent hunting experiences in New Zealand once combined with the import permit fees on a firearm and ammunition. These people also make an economic contribution by using accommodation, transport and outfitting services while in the country.

Endorsement on dealer's licence

Dealer endorsements

Should the fee for each endorsement held on a dealer's licence be based on the additional cost of issuing an annual dealer's licence?

14. The GAC agrees that the cost for all dealers' endorsements be set at the estimated cost (\$110-\$130), however that should be for all endorsements and not a cumulative charge as there is very little administration required once the dealer is vetted.

Dealer employee endorsements

Should the fee for one or more endorsements held as a dealer employee be set at full cost recovery?

15. No, this should be the same as the cost for a dealer's endorsement (\$110-\$130) as employees must hold a firearms licence and have therefore been vetted. There is minimal administration cost to Police to process this endorsement.

Should the fee be the same for a first-time endorsement(s), no matter how many endorsements are sought as a dealer employee?

16. Yes, the fee should remain the same. There is no indication of extra costs to Police associated with multiple endorsements.

Should the fee be lower for a second and subsequent endorsement(s), no matter how many endorsements are sought as a dealer employee?

17. Yes, and consideration should be given to having no extra charge for second or subsequent endorsements as the employee has already been vetted and there is unlikely to be extra costs to Police.

Endorsements on firearms licence and permits to possess

Licence endorsements

Should the endorsement fee be set at:

- *Option A – the same fixed average fee for all types of endorsements*
- *Option B – for possession of a pistol, or prohibited item for pest control, or a memento/heirloom firearm): a different fixed average fee for each endorsement type*

18. The GAC does not believe the fee should be set at full cost recovery and is specifically concerned as to the implication of these proposals on pest controllers and game animal managers. The other endorsement types largely sit outside our statutory mandate.

The discussion document indicates the benefits of pest control and game animal management activities to the wider public; i.e., the removal of pests and management of game animals for conservation and economic purposes. We do not consider that this is fairly reflected in the proposed endorsement fees.

To provide further context, over the last year the Department of Conservation and the GAC have initiated a wild animal management strategy, Te Ara ki Mua, that seeks to effectively manage deer, tahr, wild pigs, chamois and wild goats to deliver good conservation outcomes and benefit local communities. The Government has contributed \$30 million over five years to fund this work. Success will only be achieved through a coordinated approach utilising and expanding the resources of both the recreational and commercial hunting sectors (of which pest controllers are a critical part). Any increase in costs that disincentivises the growth of the contract hunting sector will significantly undermine Te Ara ki Mua and the Crown's investment in it.

For bona fide and theatrical re-enactment endorsements: Should the endorsement fee for bona fide and theatrical re-enactment endorsements be set at a base fixed fee plus a variable fee (the variable fee being set according to the number of arms items held)?

19. This question sits outside the GAC's statutory mandate.

If you think the fee for each endorsement type should not be set at full cost recovery, on what basis should it be set?

20. Contract hunters/pest controllers who require the use of firearms that necessitate an endorsement play a critical role in managing pest and game animals for both private and public landowners (the taxpayer). This is a significant public good and should be reflected in the fee set for the endorsement. Police have insisted that a pest control endorsement needs to be reapplied for every 30 months. The GAC is unsure what the justification is for that 30-month timeframe and advises that this presents a significant ongoing business cost.

The proposed endorsement fee means pest controllers will be paying full cost recovery for what is ultimately contributing to a public good. Consequently, the GAC believes a P-endorsement applied for during the duration of the licence should not attract any additional cost.

Should an additional fee be set to meet the additional work required when an application for endorsement (or endorsements) is made in the duration of the licence?

21. Yes, we acknowledge the extra work for Police of an application made during the duration of the licence, however, as compliance is critical, we wish to see this fee set as low as possible. It must also be recognised that it is Police who have made the requirement that the P-endorsement license holder needs to have their suitability checked every 30 months.

The GAC wishes to see contract hunting organisations incentivised to employ more aspiring contract hunters to assist with important pest control and game animal management programmes. Unreasonably high additional fees will only serve to disincentivise this recruitment.

Do you consider that the application for endorsement for a renewal of the same endorsement should be set at a lesser fee than for a first-time application for that endorsement?

22. Yes, the fee should be significantly lower for the renewal of an endorsement as this reflects the work required to administer it.

Permit to possess an item needing endorsement

Do you agree that a full cost recovery fee should be charged for permits to possess?

23. The GAC broadly agrees with the proposed \$40 permit to possess fee and averaging that across all permits to possess.

Do you agree that the fee for a permit to possess should be averaged across all permits to possess, irrespective of the type of item being obtained?

24. Yes.

Miscellaneous fees

Fees for additional place of business (dealer employing a theatrical armourer)

Should the fee for a consent to an activity at an additional business site supervised by an on-site theatrical armourer be set at full cost recovery

25. This question sits outside the GAC's statutory mandate.

Fee for consent to hold/attend a gun show/auction

Should the fee for consent for a dealer to display, sell, or supply firearms at a gun show or auction be set at the estimated full cost to Police?

26. The GAC is concerned at the level of cost increase proposed and the impact that may have on hunting industry events. While some larger events are profitable, smaller events run by clubs are largely not-for-profit and fees upwards of \$2000 for consent to hold a show may be prohibitive. Hunting industry events are important not only for dealers and buyers but also to help inform and educate hunters when it comes to firearms use and safety.

Irrespective of your answer to 26, should the fee for the consent for a dealer to display, sell, supply firearms at a gun show or auction be comprised of a fixed fee and a variable component to cover the cost of Police's site attendance?

27. The fee should be variable to reflect the actual additional cost to Police, which may in many cases be minimal due to checks having already been carried out as part of the licence renewal and gun show approval processes.

Should the variable component referred to in 27 be spread across the number of dealers sharing the service at a specific gun show?

28. Yes, otherwise larger shows, such as the annual Sika Show, risk become a revenue-raising exercise.

If you answered yes to 28 above, should applications be made 90 days in advance of the gun show or auction so as to enable the variable component referred to in 27 and 28 to be spread across multiple dealers?

29. 90 days in advance seems excessive and we would suggest a shorter time – 30-50 days may be more reasonable for dealers to understand the value of the show or auction and how that aligns with the stock they may have to sell.

Fee for notification and approval of an ammunition seller

Do you agree that a full cost recovery fee should be set for the regulatory oversight of an ammunition seller?

30. No, because it is hard to see how the proposed fee can be justified considering the notification is processed with the firearms licence renewal.

The GAC is also concerned that the Arms Act defines anyone who sells or supplies ammunition as an ammunition seller. This will capture many people who do not sell ammunition for financial gain but rather supply ammunition as part of club or private activities. The GAC seeks assurance that the proposed fee would not cover these people.

Fee for mail order/internet sales

Do you agree that no fee should be charged for mail order and domestic internet sales?

31. Yes.

Fee for import permit for firearms, firearm parts etc

Do you agree to a fee for import permits set at full cost recovery?

32. No. Many of the firearms and parts imported are for use in areas that are of public benefit, including pest control and game animal management.

Do you prefer:

- *Option A: a fixed fee*
- *Option B: a fixed fee plus a variable fee*

33. The GAC favours Option B as this will not unfairly penalise those who only import the odd item for personal use. However, we are concerned that both options are potentially inequitable. If a very small and inexpensive part is imported, then the fee will far outweigh the cost of the part and significantly distort the market in New Zealand.

Fee for import permit for ammunition

Do you agree that a full cost recovery fee should be set for permits to import ammunition irrespective of the quantity or type of ammunition imported?

34. No. Again this proposal may disadvantage clubs and other non-commercial entities that import and supply small amounts of ammunition for no commercial gain. The proposed fee may be affordable for large commercial sellers of ammunition but considering sellers and dealers have already been vetted it's hard to see the justification for the proposed fee.

This proposal is also likely to disadvantage commercial guided hunting businesses who are currently requesting international clients bring their own ammunition because many classes of ammunition are unavailable in New Zealand.

Fee for import sample

Do you agree that a fee for an import sample should be the cost of an assessment of a sample by a qualified Police armourer or equivalent qualified person?

35. No, the GAC considers that the fee for this assessment should be set as partial cost recovery. The Police and wider public gain benefit from these assessments in the form of intelligence gathering and public safety therefore a split in the cost is appropriate.

Fee for replacement card or permit

Do you agree that the fee to issue a replacement firearms licence or permit be set at full cost recovery?

36. Yes, this is appropriate and in line with replacing a driver's licence.

Fee variation to endorsement – permission to carry

Do you agree that an application to obtain a permit to carry an endorsed item beyond the dwelling and the section in which it sits being set at an average full cost recovery fee?

37. This question sits outside the GAC's statutory mandate as it applies only to activities outside the hunting sector.

Modification/assembly of firearms

Do you agree that a full cost recovery fee should be charged for assessment of a modified firearm by a qualified Police-employed armourer?

38. No. The GAC is concerned that the proposed full cost recovery fee will reduce compliance and firearms owners who undertake modifications from appropriately notifying Police.

Contact

If you have any queries relating to this submission, please contact me on 021 688 531 or at tim.gale@nzgac.org.nz.

Yours sincerely



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