PUBLIC VERSION

NZBA CROSS-SUBMISSION IN RESPONSE TO ARMOURGUARD'S 14 APRIL SUBMISSION

22 APRIL 2026

INTRODUCTION AND EXECUTIVE SUMMARY

1. This cross-submission responds to Armourguard's 14 April 2026 submission ("**Armourguard Submission**") on the Commission's Draft Determination dated 24 March 2026 ("**Draft Determination**").[1]

2. In response, NZBA's view is that:

   (a) **Armourguard has not presented any new evidence:** The Armourguard Submission simply restates evidence that the Commission has already considered and appropriately weighed in its analysis.

   (b) **Armourguard will not be a passive bystander in any collective bargaining:** Armourguard will play an active role in collective bargaining and has both the incentive and ability to protect its interests. The hypothetical detriments that Armourguard now claims depend on assumptions that are inconsistent with the evidence, including Armourguard's negotiating strength and recent conduct.

   (c) **The Draft Determination identified real and orthodox efficiencies:** The Commission has properly identified genuine efficiencies that go beyond mere transfers of wealth.

   (d) **There is broad consensus that there is a real competition concern with CIT services:** The current state of competition in the CIT sector is not optimal and change is required. Authorisation allows for an industry led solution that avoids the costs of Part 4 Regulation [REDACTED].

   (e) **A modified total welfare standard would further support granting authorisation:** To the extent that there are any bare transfers of wealth, they are nonetheless public benefits as they will flow from the offshore owners of Armourguard to both (i) wholly or partially New Zealand owned participants; and (ii) everyday New Zealand businesses and New Zealanders who rely on cash to participate in the economy.

3. In short, the Armourguard Submission contains no sound basis for the Commission to depart from its Draft Determination.

ARMOURGUARD HAS NOT PRESENTED ANY NEW EVIDENCE

4. The Armourguard Submission does not present any new evidence that was not already before the Commission when it made its Draft Determination. The Commission's analysis in the Draft Determination reflects a careful and thorough assessment of all the evidence and the Armourguard Submission provides no basis for the Commission to alter its draft decision.

[1] This cross-submission addresses the key issues raised in Armourguard's submission. For the avoidance of doubt, the fact that a specific point in Armourguard's submission is not expressly addressed should not be taken as acceptance of, or agreement with, that point.

5. Much of the Armourguard Submission relies on historical market conditions that no longer reflect current reality. In particular, Armourguard places weight on the market dynamics as the Commission found them when considering the *Evergreen/ACM* clearance application, rather than engaging with Armourguard's conduct and the changes to the market over the past twelve months.[2]

6. The Draft Determination correctly recognises that the Commission must make a forward-looking assessment of current and future market dynamics based on the evidence now before it.[3] The current in-market experience described in the Draft Determination is consistent with that evidence, including that:[4]

   (a) Armourguard holds significantly more bargaining power than each individual party.

   (b) Participants do not have access to a quality offering that could replace Armourguard's aggregated wholesale CIT services.

   (c) Armourguard can afford to delay or walk away from any agreement in the short term to minimal loss to itself (whereas some banks must acquire wholesale CIT services to continue to provide cash and comply with their banking obligations), meaning Armourguard can (and has) run out the clock on banks in negotiations.

   (d) Armourguard can take advantage of the information advantages it has to potentially charge higher prices and increase its profits overall (noting it may not be aware of each customer's breaking point before they switch).

ARMOURGUARD WILL NOT BE A PASSIVE BYSTANDER IN COLLECTIVE NEGOTIATIONS

7. A recurring theme in the Armourguard Submission is that the Proposed Arrangement would expose Armourguard to coordinated buyer pressure that would force it to accept unsustainable pricing.[5] That characterisation is not supported by either the evidence of Armourguard's own conduct or with economic theory.

8. Armourguard is a sophisticated commercial entity with the ability and incentive to protect its own interests in any negotiation (whether bilateral or collective). It has demonstrated this repeatedly: it designed and implemented the Industry Access Fee ("**IAF**") pricing model; it proposed uniform national contract terms; and it has refused to accept terms it considers uneconomic, including by [REDACTED].[6] Armourguard itself acknowledges that it "was not obliged to accept demands that it considered uneconomic or commercially unsustainable".[7]

9. Consistent with this, the Commission has found that, for collective bargaining to be successful, Participants would likely need to offer Armourguard prices that recover costs and allow a reasonable return on investment, and that failing to do so would likely lead to an impasse, with bilaterally agreed contracts remaining the default position.[8] Any pricing framework that may be offered by the Participants is therefore necessarily constrained by Armourguard's

[2] Armourguard Submission at [2.3] – [2.4].
[3] Draft Determination at [52].
[4] Ibid at [169] – [169.3].
[5] Armourguard Submission at [8.5]–[8.6].
[6] Draft Determination at [17] – [23.4].
[7] Armourguard Submission at [7.3](c), [7.7].
[8] Draft Determination at [189].

commercial requirements.[9] If no collective mechanism is agreed, the fallback is the counterfactual (bilateral negotiation), which provides a commercial backstop.[10]

10. Armourguard's concerns are also inconsistent with established economic theory on bargaining outcomes. Any negotiated price must satisfy the "participation constraint" - namely, any price must at least cover the supplier's costs.[11] Any price below this will be refused on the basis that it leaves the supplier worse off than its alternative of not supplying. Neither Armourguard, nor the Participants, are obliged to accept uneconomic terms:[12]

> The seller would like to charge the monopoly price; the buyer would like to pay the monopsony price. But neither side can unilaterally impose its preferred terms, and the final price will fall somewhere between them. What determines the boundaries of the feasible range? Each party's limit is set by its reservation value or "walk-away" point, the payoff from its best alternative if negotiations fail. The seller will not accept any price below what it could obtain elsewhere; the buyer will not pay more than the value of its next-best option. The set of outcomes that both parties prefer to their respective reservation values is the contract zone. Any agreement within this zone is mutually beneficial, but which point the parties actually reach remains indeterminate…

11. Armourguard is therefore not at risk of being forced into sub-economic outcomes. It retains its monopoly position for aggregated wholesale CIT services, its ability to refuse uneconomic terms, and its existing bilateral contracts as an alternative. The portrayal of Armourguard as vulnerable to buyer power is inconsistent with Armourguard's own demonstrated conduct and with the Commission's findings. Armourguard's direct participation in the negotiations prevents many of the speculative detriments claimed by Armourguard from eventuating.

THE COMMISSION CORRECTLY IDENTIFIED REAL EFFICIENCIES FROM AUTHORISATION

12. The public benefit test requires the Commission to be satisfied that the Proposed Arrangement is likely to result in such a benefit to the public that the conduct should be permitted.[13] Section 3A requires the Commission to have regard to efficiencies (allocative, productive, and dynamic) as a mandatory consideration, though "others are not excluded".[14]

13. An effect is "likely" if there is a "real and substantial risk" that it will occur - more than a mere possibility but not necessarily more likely than not.[15] Qualitative analysis is permissible where quantification is impracticable, and qualitative factors can be given "independent and, where appropriate, decisive weight".[16]

14. As to wealth transfers, the Guidelines provide that changes in wealth distribution are generally not relevant unless a modified total welfare approach is applied, because they do not involve

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[9] Ibid at [193].
[10] Ibid.
[11] Flavio Toxvaerd, *Bilateral Monopoly Revisited: Price Formation, Efficiency and Countervailing Powers*, 2025 at p.12. See: https://assets.publishing.service.gov.uk/media/683f14c3d21e8a73d10d32e3/market_power_in_bilateral_monopoly.pdf
[12] Stefan Ruediger. *Bargaining under Bilateral Monopoly, 2026*, at 1. See: https://www.researchgate.net/publication/403132169_Bargaining_Under_Bilateral_Monopoly
[13] Sections 61(6) and 61(8) of the Commerce Act.
[14] Commerce Act, at s 3A; *NZME Ltd v Commerce Commission* [2018] NZCA 389 ("***NZME v Commerce Commission***") at [71].
[15] *NZME v Commerce Commission*, at [86(a)], citing *Port Nelson Ltd v Commerce Commission* [1996] 3 NZLR 554 (CA) at 562–563.
[16] *Godfrey Hirst NZ Ltd v Commerce Commission* [2016] NZCA 560 at [38]; Commerce Commission Authorisation Guidelines (June 2023) ("**Authorisation Guidelines**") at [48] and [52].

a change in overall public benefit.[17] This principle applies to *mere redistributions* – not where the conduct produces real resource savings, corrects a market failure, or improves resource allocation.

15. The benefits identified in the Draft Determination are not wealth transfers but genuine efficiency gains, as set out below.

Price/volume effects

16. The Commission found that collective bargaining is likely to result in improved allocative efficiencies through more competitive pricing, assessing this as a "small benefit". While collective bargaining may not be likely to result in substantial volume expansion, more competitive collectively negotiated prices could mitigate limited volume reductions that could otherwise arise in the counterfactual.

17. The Commission found that information asymmetry and mistrust between Armourguard and the Participants could result in inefficient contracts. [18] This is a textbook market failure: its correction through collective negotiation is a real resource improvement and not a wealth transfer. Prices moving closer to efficient, cost-reflective levels reduce deadweight loss, which is a welfare gain.

18. Armourguard contends that the Commission's use of "could" does not meet the "likely" threshold, but this language simply reflects appropriate analytical caution, consistent with the Court of Appeal's recognition that factuals and counterfactuals are "necessarily incapable of accurate assessment" and qualitative factors can be given decisive weight.[19]

19. Armourguard further characterises any price change as a "wealth transfer" and argues that coordinated buyer conduct may compress prices below sustainable levels.[20] As to under-pricing risk, the Commission found the envisaged pricing framework would allow recovery of costs and a reasonable return, particularly if designed by an independent third party. [21] Furthermore, as Armourguard is currently, [REDACTED][22] the only wholesale CIT provider, the Participants have a strong incentive to ensure Armourguard continues operating as, without Armourguard, their ability to maintain cash services may be compromised. In any event, as discussed above, Armourguard will be an active participant in the collective bargaining and would walk away if the prices offered are uneconomic.

Non-price contract terms

20. The Commission found a likely public benefit arising from collective negotiation of non-price contract terms, including allocative efficiency gains from reduced information asymmetry and more balanced contractual terms. The Commission identified clauses in Armourguard's bilaterally negotiated agreements that could lead to inefficient risk allocation (including provisions relating to volume risk, operational adjustments, and external events) and found that while some elements may reflect wealth transfers, there is also the prospect of inefficient processes or misallocation of risk leading to a loss of productive efficiency.

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[17] Authorisation Guidelines, at [88].
[18] Draft Determination at [142].
[19] *NZME v Commerce Commission* at [85], citing *Commerce Commission v Woolworths Ltd* [2008] NZCA 276, (2008) 12 TCLR 194 at [75]
[20] Armourguard Submission at [8.10].
[21] Draft Determination at [193].
[22] [REDACTED].

21. The NZBA agrees that current information asymmetry limits Participants' ability to monitor Armourguard's actions (eg Participants cannot know whether higher prices in fee reviews result from the inefficiencies of a monopolist or other causes). This is a classic information failure that generates deadweight loss, not merely redistribution: the misallocation of risk between parties produces inefficient contractual outcomes. The Commission correctly differentiated between wealth transfers and genuine inefficiency, expressly noting that "while some elements of these clauses may reflect mere wealth transfers, there is also the prospect of inefficient processes or misallocation of risk leading to loss of productive efficiency".[23]

22. Armourguard submits that the Commission accepted these concerns without testing, and maintains that its contractual provisions are commercially justified to secure recovery of fixed costs.[24] It also argues that collective negotiation would merely reinforce purchaser power and that banks would impose asymmetric terms themselves.[25] Critically, however, the Commission found that collective bargaining would reduce these inefficiencies without shifting excessive risk onto Armourguard, directly answering the concern about asymmetric terms being imposed in the opposite direction.[26] Armourguard's belief that its existing contractual terms are commercially justified does not negate the finding; the statutory question is whether the Proposed Arrangement is likely to produce more efficient outcomes than the counterfactual, and the Commission has found that it is.

Operational efficiencies

23. The Commission found that collective bargaining is likely to lead to productive efficiency improvements by allowing better use of existing capacity and creating economies of scale or scope. It assessed this as a "small benefit", noting that bilateral negotiations may not achieve these improvements because of a lack of mutual coordination required to overcome individual incentives.

24. The Commission correctly identified a genuine productive efficiency. Reducing the total cost of delivering CIT services by coordinating operations across customers is a real resource saving, not redistribution. The absence of a precise quantification of this benefit does not diminish it; the Commission identified the mechanism (coordination and rationalisation), the barrier in the counterfactual (individual incentives preventing mutual coordination), and why collective negotiation would overcome it.[27]

25. Armourguard contends that the claimed efficiencies are not clear, not quantified, and not evidenced, and that its commercial experience shows the barrier is customer willingness, not the absence of a coordination mechanism.[28] It also submits that operational coordination could occur bilaterally.[29] The Commission rightly rejected this because efficiency gains for one Participant would be offset by the need to maintain separate and parallel processes, routes, and resources for others.[30] In addition, individual Participants have little incentive to reveal potential efficiencies in a bilateral negotiation where those efficiencies will not reliably flow back to them in the form of cost savings. This is precisely the coordination failure that collective negotiation resolves. That certain customers have historically resisted

[23] Draft Determination at [202.4].
[24] Armourguard Submission at [2.6], [4.4] and [4.10] – [4.13].
[25] Ibid. at Section 2 and at [5.51]
[26] Draft Determination at [205] – [206].
[27] Ibid. at [221] – [231].
[28] Armourguard Submission at p. 38 and pp. 102 – 103.
[29] Ibid.
[30] Draft Determination at [224].

"optimisation" imposed by Armourguard unilaterally shows the possible benefit from coordination.

Transaction costs

26. The Commission found that collective bargaining could lead to a reduction in transaction costs but treated this as neutral, lacking sufficient evidence to place weight on the benefit and sufficient certainty that it could not, in some scenarios, become a detriment.[31] This shows the evidence-led careful analysis that the Commission has undertaken in the Draft Determination.

27. The NZBA does not rely on transaction cost savings as a material benefit. Armourguard argues this should be a net detriment, citing establishment, governance, advisory, and coordination costs, sunk bilateral negotiation costs, and parallels with Part 4 pricing processes.[32] The Commission has already acknowledged uncertainty in both directions.[33] Treating this as neutral is a legitimate exercise of evaluative judgement, consistent with the Court of Appeal's guidance that the weighing of benefits is left to the Commission.[34]

28. As to sunk costs, they are neutral – they have been incurred (as a direct consequence of the interim authorisation application being declined) and cannot be recovered regardless of whether authorisation is granted. The relevant inquiry is prospective. In the counterfactual, there is a real prospect that [REDACTED].

Investment effects

29. The Commission found a potentially small detriment from deferred non-essential investment by Armourguard but concluded this was unlikely to be authorisation-specific, treating it as neutral.[35] Armourguard is likely to continue making essential investments given existing bilateral commitments, and the uncertainties about future investment are unlikely to be fully resolved through bilateral negotiations even without authorisation. Armourguard's thinly veiled threats to reduce investment and charge even higher prices if it needs to redeploy such infrastructure is a further sign of Armourguard's market power and ability to act in its own self-interest.

30. Nonetheless, the Commission's neutral finding is well-supported. The uncertainties about future investment are not authorisation-specific. They equally exist in the counterfactual, for example Armourguard submits it is already scaling back investment.[36] Armourguard argues that collective bargaining introduces a material risk of systematic price compression that would weaken investment incentives, and that the distinction between "essential" and "non-essential" investment is artificial.[37] Armourguard has inflated the risk of price compression by ignoring the fact that Armourguard will be an active participant in the collective bargaining. In any event, the Participants have consistently submitted that a collectively negotiated pricing mechanism would *support* Armourguard's investment by providing a fair long-term return that ensures sustainable cost recovery.

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[31] Ibid. at [242] – [248].
[32] Armourguard Submission at pp. 107 – 108.
[33] Draft Determination at [246] – [247].
[34] *NZME v Commerce Commission* at [73], citing *Tru Tone Ltd v Festival Records Retail Marketing Ltd* [1988] 2 NZLR 352 (CA) at 358.
[35] Draft Determination at [235] – [238].
[36] Armourguard Submission at [7.6].
[37] Ibid. at p. 104.

Step-in rights

31. The Commission found a "small benefit" from collectively negotiating contractual step-in rights, noting that collective bargaining could generate benefits for all customers by ensuring better crisis management. While there is already some degree of cooperation in the exercise of step-in rights, the mere existence of coordination absent Authorisation does not negate any further benefit likely to arise from the alignment and coordination achieved through the Proposed Arrangement.[38]

32. The benefits from coordinated step-in rights are genuine. Coordination will likely result in improved crisis management and system resilience for critical national payment infrastructure, not a wealth transfer. Coordinated exercise reduces the risk of uncoordinated individual bank actions that exists in the current bilateral model that could escalate a crisis and harm other banks and non-bank customers alike.

33. Armourguard accepts that step-in rights are essential[39] but contends that [REDACTED],[40] that step-in rights create a moral hazard enabling downward pricing pressure, and that the Draft Determination wrongly characterises them as solely crisis mechanisms.[41]

34. Armourguard's submission relies on the narrative that the banks seek to use step-in rights as a tool to engineer Armourguard's collapse and take over its business. This narrative is divorced from reality and should be given no weight. The contractual obligations previously agreed in relation to step-in rights do not support the suggestion that banks seek to collapse or own Armourguard, and the Commission has expressly found as much.[42]

35. Step-in rights are prudential safeguards of last resort, implemented for robust resilience under the RBNZ's Outsourcing Policy BS-11, to ensure the continuity of critical outsourced services. They exist for one purpose: to enable banks to manage an emergency situation (a critical service failure) that no party wants to see eventuate. NZBA has explained that step-in rights are designed for "emergency situations only" and grant banks the ability to step in and operate the infrastructure only whilst a more permanent solution can be found.

36. Step-in rights are, by their nature, a temporary measure. They are merely a bridge to a more permanent solution in a crisis scenario. Collectively negotiating step-in rights is about ensuring that, if the worst were ever to happen (which the NZBA does not want to see eventuate), the response is coordinated, effective, and minimises harm to the entire cash system.

37. Moreover, as noted at 32 above, serious practical issues exist with the current bilateral step-in arrangements. As the Commission has found, the effectiveness of existing individual step-in rights is reduced, because the uncoordinated exercise of step-in rights by one bank could negatively affect other banks and non-bank customers whose CIT service needs would be disrupted.[43] The Participants take their competition law obligations seriously and, contrary to the view expressed by Armourguard, [REDACTED]. If the Commission has a contrary view, any comfort it can provide would be welcomed.

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[38] Draft Determination, at [254].
[39] Armourguard Submission, at p. 40.
[40] Ibid. p. 49.
[41] Ibid at [5.20] – [5.37].
[42] Draft Determination at [251.2].
[43] Draft Determination at [255.3] – [255.4]

Coordination risk

38. The Commission identified a potential small detriment from the risk that information-sharing between Participants could increase coordination in other markets.[44] It considered this risk relatively low but relatively high-impact, and concluded that proposed conditions on the authorisation can reduce it substantially, if not entirely. NZBA agrees.

39. Armourguard's concerns are overstated and in any event fully addressed by the proposed conditions. The Commission found coordination risk to be relatively low and that the Proposed Arrangement would not materially change competitive dynamics between Participants.[45]

40. Armourguard submits that the Commission gave no adequate basis for concluding the risk is low and cites the Personal Banking Services Market Study ("**Market Study**") to support its view.[46] With respect, the Market Study findings are not relevant to the matter at hand. The Market Study did not consider CIT services or the provision of cash by banks. The NZBA considers that the Commission has correctly identified that:[47]

    (a) The acquisition of CIT services seems not to be a source of material competitive differentiation between the banks.

    (b) The risk of detriments arising from coordination (and any resulting loss of competition) between Participants in any other markets is likely to be relatively low.

    (c) The Proposed Arrangement would likely not materially change the way the Participants would compete in the factual compared to the counterfactual.

41. In any event, the conditions proposed by the Commission are an appropriate "belts and braces" measure to mitigate the low risk of this detriment arising.[48]

THE BROADER CONTEXT SUPPORTS AUTHORISATION

42. There is broad consensus among all stakeholders that the current market structure and the conduct of negotiations are undesirable for what is an essential service underpinning New Zealand's cash system.[49]

43. The RBNZ has called for an industry solution.[50] It has stated that it supports a utility-like pricing structure for CIT services and that, if the IAF is not appropriate, the Commission should regulate pricing under Part 4 of the Commerce Act 1986 ("**Commerce Act**").[51] Even Armourguard, in the face of mounting criticism over the credibility and efficacy of its IAF, now appears to support Part 4 Regulation.[52]

44. In these circumstances, the Proposed Arrangement represents a proportionate and less intrusive alternative to formal regulation. Collective bargaining allows the parties to negotiate a sustainable pricing framework directly, with the possibility of an independent third-party

[44] Ibid at [210].
[45] Ibid.
[46] Armourguard Submission at [5.14] – [5.19].
[47] Draft Determination at [210] – [212].
[48] See also Draft Determination at [211] and [266].
[49] Armourguard Submission at [3.4]–[3.6]; Draft Determination at [34]–[42].
[50] Reserve Bank of New Zealand, *Updates on Cash-in-transit Developments* (Briefing 6327) ("**RBNZ Briefing**") at [18].
[51] RBNZ submission on the Commerce Commission Statement of Preliminary Issues (10 October 2025), at p.6; RBNZ Briefing at [12].
[52] Armourguard Submission [2.11]

determining pricing. The alternative (Part 4 Regulation) would impose greater regulatory costs and constraints on all parties (including on the Commission). The avoidance of such costs should rightly be recognised as a public benefit. As the Commission indicated in *News Publishers Association*:[53]

> Avoiding costs associated with regulation or public funding may constitute a public benefit in certain circumstances.

45. [REDACTED].

46. The NZBA accordingly submits that the broader context supports the Commission granting authorisation as the most proportionate and constructive response to the challenges facing the CIT sector.

EVEN UNDER A MODIFIED TOTAL WELFARE APPROACH, THE COMMISSION'S FINDING IS UNAFFECTED

47. The NZBA is surprised that Armourguard advocates for the adoption of a modified total welfare standard.[54] Even if the Commission applied a modified total welfare standard the outcome would not change. In fact, a modified total welfare analysis would *reinforce* the case for authorisation.

48. Under that approach, the Commission may adjust the weight given to benefits and detriments to reflect their distribution, giving less weight to benefits flowing to a limited number of shareholders and more weight to benefits realised by the wider community.[55] Critically, a transfer of wealth from another country to New Zealand may be a public benefit, while a transfer in the opposite direction may be a detriment.[56]

49. These principles favour authorisation:

    (a) Armourguard is ultimately owned by Evergreen International NZ, LLC, a foreign entity - meaning any reduction in its rents would be borne by offshore owners.

    (b) On the other hand, the Participants are a mix of foreign- and domestically-owned institutions, with even the Australian-listed Participants having some ultimate New Zealand shareholders. Kiwibank, TSB, and The Co-operative Bank are wholly New Zealand-owned, with Kiwibank being a state-owned enterprise ultimately owned by the New Zealand Government. Any margin transfer between Armourguard and the Participants will be a net-transfer from overseas persons to New Zealanders.

    (c) Even for the Australian-listed banks, cost savings from more efficient CIT pricing will be realised by their New Zealand operations and are likely to be passed through to their New Zealand customers – millions of individuals, families, small businesses, and communities who depend on affordable cash services.

    (d) For the New Zealand-owned Participants, the case is stronger still. Surplus flows directly to New Zealand owners and, in Kiwibank's case, to the Crown.

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[53] News Publishers Association of New Zealand Incorporated Authorisation [2022] NZCC 35, at [155].
[54] Armourguard Submission at [8.6].
[55] *NZME v Commerce Commission* at [66] – [67] and [75].
[56] *Air New Zealand and Qantas Airways Limited v Commerce Commission* (2004) 11 TCLR 347 (HC), at [242].

50. The net distributional effect overwhelmingly favours authorisation. The party bearing any surplus reduction is a foreign entity whose profits flow offshore; the beneficiaries are New Zealand consumers regardless of bank ownership. Any strict redistribution is predominantly a transfer from offshore shareholders to the New Zealand community, which is precisely what the modified total welfare approach would weight *in favour of* authorisation.

51. Moreover, the Commission has found that CIT cost changes are likely to be passed on to end customers. More competitive pricing therefore benefits New Zealand consumers, including financially excluded or vulnerable groups who rely disproportionately on cash. The RBNZ has recognised that cash remains important to these groups.

52. Accordingly, Armourguard's request for a modified total welfare assessment would, if invoked, give *greater* weight to community benefits and *lesser* weight to returns flowing offshore. Whether total welfare or modified total welfare is applied, the conclusion is the same: authorisation should be granted.

CONCLUSION

53. For the reasons set out in this submission, NZBA considers that all the evidence, and the legal framework, demonstrates that:

    (a) Armourguard's submissions are not valid; and

    (b) The approach adopted by the Commission in its Draft Determination was correct, both from a factual and legal perspective.

54. The NZBA agrees with the Commission that the likely public benefits of the collective bargaining outweigh any potential detriments (especially once the conditions are considered) and, therefore, that authorisation should be granted.