

# 20 | Opinion Letters

## On the bill

Eric Crampton (*Making sense of case for compensation in bill*, July 14) spends his entire article systematically ignoring and avoiding the central point made by me and others in our submissions on the Regulatory Standards Bill: there is not, and never has been, any general principle that the sovereign must always compensate those who lose from government actions.

The power to tax is merely the most obvious demonstration of that simple point. The Public Works Act is not, as Crampton seems to think, an exemplar of some general rule: it is an exception to the general rule. In the case of public works, Parliament has decided that compensation should generally be paid for taking or impairment of property.

The fact that it took an explicit Act of Parliament to lay this down underlines the fact that this was an exception, not the rule. A universal requirement for compensation for taking or impairment cannot be a "principle of responsible regulation", because it would completely reverse the established position under which the state has always the opportunity to compensate, but no general obligation to do so.

**Geoff Bertram, Karori**