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MP Hon Scott Simpson

MP for Coromandel, Minister of Commerce & Consumer Affairs, Minister for ACC

As Commerce and Consumer Affairs Minister, I'm leading a portfolio balancing many business developments and consumer interests. No day is the same. At Parliament we're hard at work fixing the basics and building New Zealand's future, and this means a continued focus on improved competition. Healthy, competitive markets and a thriving and productive economy come hand-in-hand. We're also working to make sure regulation suits the situation and isn't holding businesses back. This Government has multiple initiatives underway to cut red tape and improve competition.

Competition reforms

This year we'll usher in the biggest reforms to competition settings in two decades with major updates to the Commerce Act. These will stop market dominance by stealth and open the way for business collaborations that benefit consumers. They'll deter creeping acquisitions by pausing a firm's ability to roll up small competitors over time. The reforms will also stop killer acquisitions, a frequent problem in our current landscape. To enforce these changes, the Commerce Commission will have explicit powers to assess these sorts of mergers and the harm they pose to competition and consumers.

Our updates to the merger regime also recognise the many economic benefits mergers can deliver. Mergers provide an opportunity for businesses to scale up and increase efficiencies. Consumers benefit when these efficiencies are passed on to them in the form of lower prices, better products and improved services. However, we have heard that businesses are finding merger processes time-consuming and uncertain. Our changes will lead to quicker, clearer merger decisions within set timeframes, creating much more certainty for business. We're also making sure the Commission has the right governance structure to remain an effective competition agency, which is in everyone's best interests.

Open banking and electricity

In another new development of note, competition is also the driver behind the introduction of open banking and open electricity. Banking and electricity are the first sectors to be designated under the Customer and Product Data Act 2025, which gives customers greater control over how their own data is used and disclosed. Open banking took effect on 1 December 2025, with businesses able to apply to be 'accredited requestors' of customer data. Those companies will be able to offer new or improved services to consumers seeking more personalised and competitive payment services and better insights into their money.

This is a major milestone towards a more dynamic, competitive banking sector, and one I'm really excited about.

Power prices are a hot topic in my Coromandel electorate and in the Beehive. Open electricity will give New Zealanders the power to act on their power bill concerns. It will give businesses and households secure access to their consumption data, and allow them to share their data securely with businesses who can help them find the best deal for their needs. We're aiming to have open electricity underway by mid-2027.

While open banking and electricity are great news for customers, they're also an opportunity for our innovators to disrupt traditional markets with new products and services. If you're a fintech owner, I encourage you to consider the possibilities.

Consumer protection

Ensuring we have proportionate regulation that protects consumers is also a key focus for me. This year, we'll pass legislation reforming financial services laws, giving New Zealanders better access to credit and strengthening dispute resolution services. And we'll also progress legislation to beef up penalties for breaches of the Fair Trading Act, like misleading customers about pricing or promotions. Penalties for breaching most provisions will increase from a maximum of \$600,000 to the highest of \$5 million for businesses (or \$1 million for individuals), three times the value of the commercial gain, or the value of the transactions.

This Government is serious about deterring unfair behaviour. However, it won't be a worry for firms which are aware of and scrupulous of the law. Where there are breaches, the courts will still have discretion to impose penalties that are appropriate and proportionate to the situation and the business involved.

The New Zealand Anti-Scam Alliance launched last year will continue its coordinated work to protect New Zealanders from scams. As a collective, we're committed to stamping out online financial scams, which cost Kiwis an estimated \$265 million in January to October 2025 alone. The Alliance brings together banks, telecommunications providers, digital platforms, consumer groups and government agencies to tackle some important work, and so much has already been achieved. Combined efforts saw banks invest in shared fraud intelligence, telcos tightening the gates on scam and spam text messages and voice calls, digital platforms lifting the pace on removing fake content, and consumer groups ensuring those most at risk are front and centre. That's why I am progressing targeted legislative changes to give industry the confidence to proactively disrupt scams.

Modernising company law

Also on our agenda for 2026 is modernising New Zealand's company law to make it easier and safer to do business. Upcoming changes to the Companies Act are aimed at reducing compliance costs for legitimate businesses while strengthening the overall integrity of the corporate system. A key feature of the reforms is the introduction of a unique identifier for

company directors. This identifier will make it easier to track an individual's involvement across multiple companies. The goal is to improve transparency and help to deter poor business practices like phoenixing, where companies go bankrupt, leaving behind debts and unfulfilled orders, only for the same traders to re-enter the market under a new company name.

Together, these updates build a clearer and more resilient regulatory environment that supports fair competition and provides greater confidence for those who interact with New Zealand companies.

2026 is already a very busy year as the Government pushes ahead with these and other changes that will make a real difference to businesses, consumers and the economy. I look forward to engaging with you and wider regional representatives over the coming months.

Authorised by Scott Simpson, MP for Coromandel, Minister of Commerce & Consumer Affairs, Minister for ACC.