
GOING FOR GROWTH

Competitive Business Settings Update

SEPTEMBER 2025



Te Kāwanatanga o Aotearoa
New Zealand Government

Competitive Business Settings

A competitive business environment is vital for a small, open economy like New Zealand. It helps businesses of all sizes by keeping costs and rules manageable, encouraging investment and innovation, and supporting productivity and growth.

Ultimately, this leads to more jobs, better products, and a more resilient economy. But when regulations are too complex or restrictive, they slow investment, limit innovation, and reduce consumer choice. The Government is focused on making it easier for businesses to operate and grow, ultimately building a more agile, innovative, and productive economy.

Since *Going For Growth* began, the Government has taken concrete steps to strengthen competitive business settings, including:

- Introducing **Investment Boost** to encourage businesses to invest in growth-enhancing assets, making them more productive, competitive and able to pay higher wages.
- Passing the Customer and Product Data Act and agreeing to apply it to the banking sector to enable **open banking**.
- Completing the **Commerce Commission governance review** and the **review of New Zealand's competition settings**.
- Setting up an **express lane for supermarket developments** to boost competition in the grocery sector.

Responding to business needs

Every day, business owners identify new opportunities and face challenges in turning those opportunities into reality. Since the launch of *Going For Growth*, Ministers have been engaging directly with Kiwi businesses to understand what's needed to strengthen New Zealand's business environment. Businesses have consistently called for:

- reduce regulatory burden to make it easier to operate
- stronger incentives for capital investment to support expansion and innovation
- more competitive energy and banking sectors to lower costs and improve service
- greater access to Government procurement for New Zealand-based firms.

These (and other) insights are shaping the Government's growth-oriented policy agenda and helping to reset New Zealand's business landscape so opportunities can be realised faster and with fewer barriers and red tape.



Trimax Mowing Systems.

Case Studies

Improving Grocery Sector Competition



New Zealand grocery prices are high by international standards, and Kiwi shoppers are missing out on competitive grocery offerings. A lack of competition is a main reason for this; something this Government is committed to addressing. To make it easier and faster for new grocery developments to be built across New Zealand, the Government is launching reforms expected to be in place at the end of the year:

- **Fast-track supermarkets:** The fast-track process will be changed so that grocery developers with the potential to increase competition have more certainty and confidence over how to access it. Other workability improvements will also see timeframes for fast-track approvals reduced by over 6 weeks.
- **One-stop shop for building consents:** A single streamlined building consent process that will provide certainty and consistency for nationwide developments.
- **MultiProof design approvals:** Grocery chains and other developments will be able to replicate approved designs across the country with a streamlined process.

These reforms are part of a comprehensive programme of work that includes exploring options to strengthen government's tools to address anti-competitive behaviour, and investigating the potential for structural changes to the market.

Updating New Zealand's Competition Settings



New Zealand's competition law has not kept pace with increasingly concentrated markets. Outdated rules have made it difficult for new businesses to enter and for the Commerce Commission to act quickly when dominant firms block rivals.

The Government is modernising the Commerce Act so that problems can be addressed when they arise – such as stopping supermarkets from buying land just to block new competitors, tackling serial acquisitions of dentists or vet clinics that leave families with fewer options, or preventing large building suppliers from undercutting smaller rivals only to lift prices later.

An independent review of the Commission, led by Dame Paula Rebstock, also found that the Commission had outgrown its governance model, with the board responsible for both governance and regulatory decision making. This dual role, combined with a significantly increased workload, is contributing to delays and complexity. The Government is separating governance and regulatory functions to ensure the Commission can act faster and deliver better outcomes for consumers.

Together, these changes will make markets more open and competitive, reduce costs for businesses trying to grow, and ensure Kiwi consumers benefit from lower prices and more choice and innovation.

Investment Boost



Introduced in Budget 2025, this new tax incentive allows any business to accelerate depreciation of capital assets by immediately deducting 20 per cent of the cost of eligible assets from their tax bill.

Speeding up depreciation means a lower tax bill in the year an asset is purchased, improving cashflow and making more potential investments stack up financially.

The Government has heard many businesses are already acting – investing in equipment, machinery, or technology. Investment Boost applies broadly, not just to traditional assets like farm equipment, vehicles, buildings, and energy infrastructure, but also to advanced technologies.

The goal is clear: encourage businesses to invest in assets that lift productivity, sharpen competitiveness and support higher wages.

Making Agricultural Product Approvals Faster and Smarter



New Zealand's farmers and growers - our largest tradeable sector - face delays and complex regulatory processes when trying to get hold of the new agricultural and horticultural products that would keep them globally competitive.

To fix this, the Government is implementing reforms to streamline approvals and cut red tape:

- **Faster product approvals:** Long wait times and duplicated processes across agencies are being reduced. International approvals will be better recognised to speed things up.
- **Clearer requirements:** Application processes will be simplified and made more transparent, giving producers more certainty.
- **Omnibus Bill for reform:** Cabinet has endorsed 16 recommendations to overhaul the system, with legislation underway to deliver the changes.

These reforms are expected to unlock \$272 million in economic benefits over 20 years, while helping farmers access safer, more sustainable products faster.



Farmer working at the vineyard. Credit: Truestock.

Enable Open Banking to Facilitate Competition, Innovation and Productivity



Open Banking is a modern way for consumers and businesses to securely share financial data with trusted third-party providers. The passage of the Customer and Product Data Act in 2025 marked a major milestone toward Open Banking and a more dynamic and innovative banking sector.

Open Banking will make it easier for New Zealanders to get better deals, have more control over their financial data, and make use of innovative banking or financial services. It will encourage new entrants in the banking and finance sector, and allow these businesses to offer more personalised and competitive financial products and services.

The Government is developing Regulations under the Act that will require ANZ, ASB, BNZ and Westpac to provide Open Banking from 1 December 2025, and Kiwibank in 2026.



Wallet filled with New Zealand currency. Credit: Shutterstock.

Government's Actions

The Government has delivered 14 actions under the Competitive Business Settings part of *Going For Growth*. Since February, 10 new actions to support competitive business settings have been identified and started.

Delivered

Delivered since February 2025

- Passed the **Customer and Product Data Act**, enabling data portability in the banking sector to drive competition and innovation, and agreed to apply the Act to the banking sector.
- Implemented **Investment Boost** to reduce upfront costs for capital investment.
- Passed **tax simplification measures** through the Taxation (Annual Rates for 2024–25, Emergency Response, and Remedial Measures) Act to reduce complexity and compliance costs in the tax system.
- Removed the prospective financial information requirement at the initial public offering stage, **reducing costs and complexity in our capital market settings**.
- Completed sector reviews for:
 - **agricultural and horticultural products**, to improve the availability of new products to New Zealand's farmers and horticulturalists and lift the productivity of both sectors
 - **hairdressing and barbering**, to remove outdated rules and thereby reduce costs of compliance in this largely small-business sector.
- Concluded the Governance and Effectiveness **Review of the Commerce Commission** and decided on response.
- Completed the **review of New Zealand's competition settings** and decided on changes to the Commerce Act.

Delivered prior to February 2025

- **Repealed so-called 'Fair Pay Agreements'**, which reduced flexibility and increased costs for employers.
- **Extended 90 Day Trials** to all employers so they can take a chance on a new employee.
- Revoked overly prescriptive affordability requirements for **accessing credit** through amendments to the Credit Contracts and Consumer Finance Act.
- Passed the **Contracts of Insurance Act** to modernise insurance law.
- Conducted a sector review of **Early Childhood Education** to help early childhood education centres safely educate and care for our children without excessive compliance requirements and costs.
- Launched a **review of New Zealand's competition rules** to combat monopolies and improve economic productivity.

New actions since February 2025

- Drafting **legislation to amend the Commerce Act** to ensure economy-wide competition settings are fit for purpose.
- Implementing the Government's response to the Governance and Effectiveness **Review of the Commerce Commission**.
- Strengthening trans-Tasman and **international regulatory standards alignment** to reduce duplication and compliance costs for businesses operating across borders.
- Developing a **joint government and industry anti-scam response** to ensure that consumers and businesses can transact confidently online.
- Initiating a **sector review of the telecommunications sector** to reduce complexity and ensure the settings are right to enable innovation in the sector.
- Reviewing the **regulation of product labelling** to allow for more innovative ways of communicating key information.
- Reviewing the Crown Pastoral Land Act to **support economic growth** through productive use of Crown land.
- Progressing amendments to the **Māori Trustee Act** to unlock funding and improve land productivity.
- Engaging with financial institutions to **improve Māori access to capital**, including developing data collection processes.
- Enhancing monitoring and evaluation of funds available for Māori in **support of Māori economic development**.



Commerce and Consumer Affairs Minister Hon Scott Simpson with Science, Innovation and Technology Minister Hon Dr Shane Reti at Rhodium Ltd.

Actions underway prior to February 2025

- Continuing work on implementing the recommendations from the Commerce Commission's **review of competition in into personal banking services** and **responding to Select Committee inquiry into banking competition**.
- Progressing work on **electricity market reform** to ensure access to reliable and affordable electricity.
- Progressing work to **improve competition in the grocery sector**, including reforms to **make it easier and faster for new supermarkets to be built across New Zealand**.
- Continuing to focus on ensuring that **tax settings** enable economic growth.
- Progressing **reform of health and safety laws** to reduce the compliance burden on employers and improve the focus on critical risks.
- Progressing reforms of the **Holidays Act and Employment Relations Act**, to simplify them, **give businesses certainty, and reduce compliance costs**.
- Progressing work on legislation to **streamline financial services regulations** and cut red tape.
- Progressing work to **modernise, simplify and digitise key legislation** for businesses, including improving the patenting process for New Zealand businesses.
- Continuing to **improve capital markets settings** and encourage investment in New Zealand.
- Examining settings around **Māori land use** to enable more productive use of Māori land.
- Implementing the sector review of **Early Childhood Education** to improve regulatory settings and reduce regulatory burden.
- Progressing the **Regulatory Standards Bill** to bring greater scrutiny to regulatory restrictions.
- Improving the **Government Procurement Rules** to reduce red tape and ensure spending promotes competition and supports New Zealand businesses.

If you want more on *Going For Growth* including this pillar and why it is key for economic growth see: **www.goingforgrowth.govt.nz**

goingforgrowth.govt.nz

Published by the Ministry of Business, Innovation and Employment

ISSN (print): 3021-3665 ISSN (online): 3021-3673

© Crown copyright



Te Kāwanatanga o Aotearoa
New Zealand Government