Submission form

Improving Payment Practices

How to have your say

Submissions process

The Ministry of Business, Innovation and Employment (MBIE) seeks written submissions on the issues raised in this document by 9am on Tuesday 14 April, 2020. Your submission may respond to any or all of these issues. Where possible, please include evidence to support your views, for example references to independent research, facts and figures, or relevant examples.

Please include your contact details in the cover letter or e-mail accompanying your submission.

You can make your submission by:

* sending your submission as a Microsoft Word document to:

[FeedbackImprovingPaymentPractices@mbie.govt.nz](https://mako.wd.govt.nz/otcsdav/nodes/98971116/mailto%3AFeedbackImprovingPaymentPractices%40mbie.govt.nz)

* mailing your submission to:

Small Business Policy
Ministry of Business, Innovation & Employment
PO Box 1473

Wellington 6140

Please direct any questions that you have in relation to the submissions process to [FeedbackImprovingPaymentPractices@mbie.govt.nz](https://mako.wd.govt.nz/otcsdav/nodes/98971116/mailto%3AFeedbackImprovingPaymentPractices%40mbie.govt.nz)

Use and release of information

The information provided in submissions will be used to inform MBIE’s policy development process, and will inform advice to Ministers on improving payment practices.

MBIE intends to upload PDF copies of submissions received to its website at [www.mbie.govt.nz](http://www.mbie.govt.nz). MBIE will consider you to have consented to uploading by making a submission, unless you clearly specify otherwise in your submission. If your submission contains any information that is confidential or you otherwise wish us not to publish, please:

* indicate this on the front of the submission, with any confidential information clearly marked within the text
* provide a separate version excluding the relevant information for publication on our website.

Submissions remain subject to request under the Official Information Act 1982. Please set out clearly in the cover letter or e-mail accompanying your submission if you have any objection to the release of any information in the submission, and in particular, which parts you consider should be withheld, together with the reasons for withholding the information. MBIE will take such objections into account and will consult with submitters when responding to requests under the Official Information Act 1982.

The Privacy Act 1993 establishes certain principles with respect to the collection, use and disclosure of information about individuals by various agencies, including MBIE. Any personal information you supply to MBIE in the course of making a submission will only be used for the purpose of assisting in the development of policy advice in relation to this review. Please clearly indicate in the cover letter or e-mail accompanying your submission if you do not wish your name, or any other personal information, to be included in any summary of submissions that MBIE may publish.

Submitter information

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| **What is the name of the person completing this submission?** |
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| **If you are submitting on behalf of an organisation, what is the name of that organisation?** |
|  |
| **Is it okay for your name and/or organisation details to be published if we publish your submission or a summary of submissions?** |
| [ ]  Yes, you can publish my name and organisation details with my submission.[ ]  No, keep my name and organisation details confidential. |
| **Please provide us with at least one method of contacting you, in case we need to discuss your submission further.** |
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|  |  |
| --- | --- |
| Email |  |
| Phone |  |
| Postal address |  |
| Alternative |  |

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| **What sector(s) does your submission most closely relate to, if applicable?** For example, the sector you may work, operate or be a representative in. |
| [ ]  Agriculture, forestry and fishing [ ]  Information media and telecommunications[ ]  Mining [ ]  Financial and insurance services[ ]  Manufacturing [ ]  Rental, hiring and real estate[ ]  Electricity, gas, water and waste services [ ]  Professional, scientific and technical services[ ]  Construction [ ]  Administrative and support services[ ]  Wholesale trade [ ]  Public administration and safety[ ]  Retail trade [ ]  Education and training[ ]  Accommodation and food services [ ]  Health care and social assistance[ ]  Transport [ ]  Arts and recreation services[ ]  Other (*please specify*) |

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| **Which of the following most closely describes your perspective as a submitter?** |
| [ ]  Sole Trader/sub-contractor [ ]  Government (Central or Local)[ ]  Business manager [ ]  Iwi, hapū or Māori organisation[ ]  Business owner [ ]  Accounting services provider [ ]  Accountant [ ]  Law firm and/or legal expert[ ]  Academic [ ]  Media[ ]  Individual [ ]  Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (*please specify*) |
| **What is the size of your organisation?**  |
| [ ]  No employees [ ]  1 – 5 employees (full time and part-time) [ ]  6 – 20 employees [ ]  21 – 50 employees [ ]  More than 50 employees [ ]  Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (*please specify*)  |
| **What type of organisations are you mainly supplying and who consequently pays most of your invoices** |
| [ ]  Consumers [ ]  Businesses with 0 – 5 employees (full time and part-time) [ ]  Businesses with 6 – 20 employees [ ]  Business with 21 – 50 employees [ ]  Businesses with more than 50 employees [ ]  Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (*please specify*)  |
| **We want to ensure we are hearing views from a range of stakeholders. If you or your organisation identifies with an ethnicity, you can choose to indicate this below.**  |
| [ ]  Māori [ ]  New Zealand European[ ]  Samoan [ ]  Cook Island Māori[ ]  Tongan [ ]  Niuean[ ]  Chinese [ ]  Indian[ ]  Other (*please specify*) |

Improving business-to-business payment practices

Discussion Paper Questions

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|  | Have you experienced problems with extended payment terms? Do you require your suppliers to offer them? Please tell us about your experiences. |
|  | Would you support a legal maximum payment term? If you do support a legal maximum term, do you think it should be 20 days or some other term?  |
|  | Should they only apply to large businesses, or to large contracts, or to standard term contracts? |
|  | Should any industries or classes of goods have longer or shorter maximum terms? |
|  | What sorts of contractual relationships might it be inappropriate to apply a maximum term to? |
|  | Should businesses be able to contract out, and if so, in what circumstances?  |
|  | If you agree with contracting out where a term is not “grossly unfair”, do you agree with the circumstances to be considered in determining “gross unfairness”? Are there other circumstances that we should consider? |
|  | Do you agree with the proposed definition for determining the 20-day period, and a process of acceptance or verification of goods or services? |
|  | Have you experienced problems with late payments or paid invoices late yourself? Please tell us about your experiences. |
|  | What costs do you incur as a result of late, or deferred, payments? |
|  | Would you support an automatic right to claim interest for late payments? Why or why not? |
|  | Do you have late payment fees or interest clauses in your contracts or on your invoices? Do your suppliers charge you interest or fees for late payment? |
|  | Should a right to claim interest apply equally to all kinds and sizes of businesses? |
|  | Should there be some ability to vary or replace the interest rate for late payment in some cases? If so, in what cases? |
|  | If there were to be new legislative requirements designed to prevent unfair payment terms and invoicing practices, what do you think would be the best way to encourage businesses to comply? |
|  | Do you have any other views you would like to share on how to improve payment practices in New Zealand? |