



COVERSHEET

Minister	Hon Chris Penk	Portfolio	Small Business and Manufacturing
Title of Cabinet paper	New Zealand Business Number (amendments to Schedule 4 of the New Zealand Business Number Act 2014) Order in Council	Date to be published	24 June 2025

List of documents that have been proactively released

Date	Title	Author
May 2025	New Zealand Number (amendments to Schedule 4 of the New Zealand Business Number Act 2016) Order in Council	Office of the Minister for Small Business and Manufacturing
8 May 2025	New Zealand Business Number Order 2025 LEG-25-MIN-0072 Minute	Cabinet Office

Information redacted

NO (please select)

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IN-CONFIDENCE

Office of the Minister for Small Business and Manufacturing
Cabinet Legislation Committee

New Zealand Business Number (amendments to Schedule 4 of the New Zealand Business Number Act 2016) Order in Council

Proposal

- 1 This paper seeks authorisation for submission to the Executive Council of amendments to Schedule 4 of the NZBN Act 2016 (the Act) to:
 - 1.1 introduce bank account names;
 - 1.2 align the definition of a Māori business with Stats NZ's data standard.
- 2 It also seeks to rescind a decision made by Cabinet to introduce a Small Business Identifier (SBI).

Policy

- 3 The New Zealand Business Number (NZBN) is a unique digital business identifier available to all New Zealand businesses. It is designed to make doing business here faster and easier, by enabling core business information (such as a business's trading name and contact details) to be prepopulated from data on the NZBN register (the register).
- 4 On 5 August 2024 Cabinet agreed to changes aimed at increasing the NZBN's utility and use [CAB-24-MIN-0290]. This Order will give effect to these Cabinet decisions, via two changes to Schedule 4 of the Act. Schedule 4 contains data which is optional for businesses to include on the register. If businesses wish, they can also set this data to 'private', meaning it is not publicly visible.
- 5 The first change is to add payment bank account name. In 2018, Cabinet agreed to add bank account numbers to the NZBN register [CAB-18-MIN-06350]. The banks have now introduced cross-checking between bank account names and numbers ('confirmation of payee'), so Cabinet agreed to add bank account names to sit alongside bank account numbers on the register.
- 6 The change will increase the NZBN's utility, as it enables improved security of businesses' details in an online environment with increased risk of scams.
- 7 The second change is to update the information field for a Māori entity as it relates to the NZBN's Māori Business Identifier (MBI). In 2020, Cabinet agreed to introduce a MBI on the NZBN register. The definition of a Māori entity MBIE used at the time has since been superseded, as Stats NZ has since introduced a 'data standard' for Māori businesses. It states that only businesses with Māori ownership are a Māori business.

- 8 Cabinet agreed to align the NZBN definition with the new data standard. This will ensure one definition of Māori business is used across government.
- 9 Cabinet also agreed to introduce a Small Business Identifier (SBI) to support a voluntary payment times code being developed by BusinessNZ. Small businesses can struggle with cashflow, especially when they are paid late. The purpose of the voluntary code was to improve business-to-business payment times and reduce the incidence of late payments.
- 10 The SBI was intended to support this by enabling code signatories (large businesses) to quickly ascertain which of their suppliers should get the benefit of the code's provisions. Signatories to the code would be able to use the register to find out which of their suppliers should benefit from that commitment.
- 11 As there have been differing views in the business community about the proposed payment code, BusinessNZ decided to pause work on it; hence there is no need to implement the SBI. Following consultation with BusinessNZ, I now seek to rescind this decision.

Timing and 28-day rule

- 12 I recommend that changes to Schedule 4 of the NZBN Act come into force from Thursday, 12 June 2025. No waiver on the 28 day rule is sought.

Compliance

- 13 Section 22(b) of the NZBN Act states that before making a recommendation to amend Schedule 4, the Minister for Small Business and Manufacturing must have regard to the advantages and disadvantages of the information or the type of information being included in the register.
- 14 The proposed amendments have the following advantages:
 - 14.1 Adding bank account names will provide an additional layer to business identification, ensuring increased security in an online environment with increased risks of scams.
 - 14.2 Aligning the NZBN definition with Stats NZ data standard will ensure there is one definition for Māori business used consistently across government.
- 15 I do not anticipate any disadvantages from the above proposals.
- 16 The Order complies with each of the following:
 - 16.1 the principles of the Treaty of Waitangi;
 - 16.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993;
 - 16.3 the principles and guidelines set out in the Privacy Act 2020;

- 16.4 relevant international standards and obligations; and
- 16.5 the Legislation Design and Advisory Committee's Guidelines on Process and Content of Legislation.

Regulations Review Committee

- 17 There are no anticipated grounds for the Regulations Review Committee to draw the Regulations to the attention of the House under Standing Order 327.

Certification by Parliamentary Counsel

- 18 Parliamentary Counsel Office (PCO) has certified the draft regulations as being in order for submission to Cabinet.

Impact Analysis

- 19 The Ministry for Regulation has determined that this proposal is exempt from the requirement to provide a Regulatory Impact Statement (RIS) on the grounds that there are no or only minor impacts on businesses, individuals, and not-for-profit entities.

Publicity

- 20 MBIE will issue public communications relating to the changes on the NZBN web page.

Proactive release

- 21 I intend to release this paper proactively, subject to appropriate redactions equivalent to those under the Official Information Act 1982.

Consultation

- 22 I have consulted with BusinessNZ, who have confirmed that it no longer requires a SBI on the NZBN register as it is not developing a voluntary payment times code.

Recommendations

I recommend that the Cabinet Legislation Committee:

- 1 Note that, on 5 August 2024, Cabinet agreed to Schedule 4 amendments of the New Zealand Business Number Act 2016 to [CAB-24-MIN-0290]:
 - 1.1 introduce bank account names, to sit alongside bank account numbers
 - 1.2 update the definition of Māori business as it relates to the Māori Business Identifier (MBI) to align with Stats NZ's 'data standard' for Māori business
 - 1.3 introduce a field enabling entities to identify themselves as a small business (a 'Small Business Identifier') to support a voluntary payment times code being developed by BusinessNZ.

- 2 Note that Business NZ has recently decided not to proceed with the voluntary business code, so the Small Business Identifier is no longer required;
- 3 Rescind Cabinet's decision to introduce a Small Business Identifier;
- 4 Authorise the submission of the attached Order in Council to the Executive Council; and
- 5 Note that the Order in Council for the above changes will come into force on Thursday, 12 June 2025.

Authorised for lodgement

Hon Chris Penk
Minister for Small Business and Manufacturing