



COVERSHEET

Minister	Hon Nicola Willis	Portfolio	Economic Growth
	Hon Cameron Brewer		Commerce and Consumer Affairs
Title of proactive release	Cabinet papers for the Fair Trading Amendment Bill	Date to be published	11 June 2026

List of documents that have been proactively released

Date	Title	Author
October 2025	Cabinet paper: Amendments to the Fair Trading Act 1986	Office of the Minister of Commerce and Consumer Affairs
13 October 2025	Amendments to the Fair Trading Act 1986 CAB-25-MIN-0353 Minute (revised)	Cabinet Office
April 2026	Cabinet paper: Fair Trading Amendment Bill – Approval for Introduction	Office of the Minister of Commerce and Consumer Affairs
30 April 2026	Fair Trading Amendment Bill: Approval for Introduction LEG-26-MIN-0077 Minute	Cabinet Office

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of Constitutional conventions.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Fair Trading Act 1986: Proposed Amendments

Portfolio Commerce and Consumer Affairs

On 13 October 2025, following reference from the Cabinet Economic Policy Committee, Cabinet:

Strengthening the Fair Trading Act 1986 penalties regime

- 1 **agreed** to amend the Fair Trading Act 1986 (the Act) to replace the majority of the existing criminal liability regime with a civil liability regime for breaches of the Act;
- 2 **agreed** to set maximum penalties under the civil liability regime in the Act in line with the following levels:

Provisions in the Act	Maximum penalty (per offence)
<ul style="list-style-type: none"> • Part 1: Unfair conduct (except sections relating to accepting payment with no intent to deliver, pyramid schemes, and asserting right to payment for unsolicited goods). • Part 3: Product safety sections relating to voluntary product recalls. 	The greater of: <ol style="list-style-type: none"> i. \$1 million for individuals or \$5 million for body corporates; or ii. three times the value of the commercial gain made or loss avoided; or iii. the value of the consideration for the transaction(s) that constituted the contravention.
<ul style="list-style-type: none"> • Part 2: Consumer information (except infringement offences). • Part 4A: Consumer transactions and auctions (except infringement offences). 	\$60,000 for an individual and \$200,000 for a body corporate.

- 3 **agreed** that offences involving serious and deliberate conduct (e.g. demanding or accepting payment without intending to supply, or obstructing the Commerce Commission), and provisions with infringement offences, remain criminal offences;

4 **agreed** to increase maximum penalties for criminal offences in the Act in line with the following levels:

Provisions in the Act	Maximum penalty (per offence)
<ul style="list-style-type: none"> Part 1: Unfair conduct sections relating to accepting payment without intent to deliver, pyramid schemes, and asserting right to payment for unsolicited goods. Part 3: Product safety sections relating to safety standards, unsafe goods, compulsory product recalls, suspension of supply notices. Part 4: Safety of services. 	The greater of: <ol style="list-style-type: none"> \$1 million for individuals or \$5 million for body corporates; or three times the value of the commercial gain made or loss avoided; or the value of the consideration for the transaction(s) that constituted the contravention.
<ul style="list-style-type: none"> S46E: Breaching management bans. 	\$200,000 for any person.
<ul style="list-style-type: none"> Part 2: Consumer information (infringement offences) Part 4A: Consumer transactions and auctions (infringement offences). S47F: Offence to resist, obstruct, delay. S47J: Offence to not supply information. 	\$60,000 for an individual and \$200,000 for a body corporate.

5 **authorised** the Minister of Commerce and Consumer Affairs (the Minister) to take any further decisions needed to adjust penalties in the Act, in line with the policy intent of the paper under CAB-25-SUB-0353;

Streamlining updates to product safety standards

6 **agreed** to amend the Act, through the Regulatory Systems (Commercial Matters) Amendment Bill, to allow product safety regulations to reference any future version of the same standard subject to departmental approval;

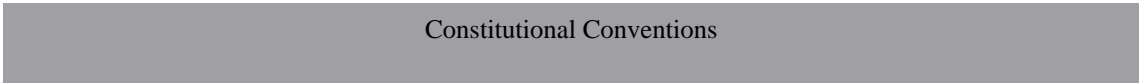
7 **noted** that Cabinet would continue to approve initial product safety standard regulations with subsequent updates approved by a designated official;

Supporting online service providers to disrupt online scams (safe harbour)


8 **agreed** to introduce a legislative provision for online service providers to support proactive industry action to disrupt suspected online scam content;

Legislative implications

9 **agreed** that the amendments to the Act to strengthen its penalties regime, and the online scams safe harbour, be developed and implemented through a Fair Trading Amendment Bill;

10  Constitutional Conventions

11 **agreed** that the amendment to the Act to streamline updates to product safety standards be developed and implemented through the Regulatory Systems (Commercial Matters) Amendment Bill;

12  Constitutional Conventions

- 13 **authorised** the Minister to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above decisions;
- 14 **authorised** the Minister to make additional policy decisions consistent with the policy intent of the paper under CAB-25-SUB-0353, including on issues that arise during drafting of the Fair Trading Amendment Bill and the Regulatory Systems (Commercial Matters) Amendment Bill;
- 15 **invited** the Minister of Commerce and Consumer Affairs to return to Cabinet once the Select Committee has reported the Bill back to the House, to provide an update on the Select Committee's consideration and any proposed changes to the Bill before progressing it through further stages.

Rachel Hayward
Secretary of the Cabinet

Secretary's note: This minute has been updated to correct errors in paragraphs 2, 3 and 4.