

Briefing for the incoming Minister for Small Business and Manufacturing



Contents

| | |
|---|-----------|
| 1. Welcome to the Small Business and Manufacturing portfolio..... | 3 |
| 2. Portfolio overview | 3 |
| Responsibilities | 3 |
| 3. Current focus and work underway..... | 4 |
| Small businesses and manufacturers are vital drivers of economic growth | 4 |
| The current focus is on boosting use of digital tools and capability-building resources | 5 |
| Further advice..... | 7 |
| Connections with other portfolios is critical..... | 7 |
| 4. How MBIE assists you | 8 |
| Our primary ways of engaging with you..... | 8 |
| Relevant Business Groups..... | 8 |
| Key officials | 8 |
| Annex One: Portfolio responsibilities..... | 10 |
| Services you are responsible for..... | 10 |
| Legislation you are responsible for..... | 11 |
| Advisory bodies..... | 11 |
| Annex Two: Small businesses and manufacturing in New Zealand | 12 |

1. Welcome to the Small Business and Manufacturing portfolio

1. Congratulations on your appointment as Minister for Small Business and Manufacturing. Your portfolio has both a policy and service delivery role. This briefing provides an overview of:
 - your portfolio responsibilities, and the associated departmental arrangements and funding
 - current focus and work underway and relationships to other portfolios.
2. We are looking forward to discussing your priorities with you.

2. Portfolio overview

Responsibilities

3. The Small Business and Manufacturing portfolio is a relatively new portfolio, with the manufacturing component added by this Government. It has a broad policy role in shaping the Government approach to small business and manufacturing, including:
 - **Engaging with small businesses and manufacturers, and their broader ecosystem** (eg industry associations, chambers of commerce and economic development agencies) to understand operating conditions and emerging issues (eg the current fuel supply pressures).
 - **Leading policy** to support small businesses and manufacturers, particularly in areas such as capability building and technology uptake.
 - **Influencing work across other portfolios** that affect the operating environment for small businesses and manufacturers, including efforts to reduce compliance burdens).
4. The portfolio is also responsible for the **funding, direction, and delivery of the following operational services**, with further detail in **Annex One**:
 - **Business Connect**, including the FormBuilder tool to support simpler, more consistent and cost efficient government forms.
 - **Business.govt.nz**, providing regular information, tools, and guidance for small and medium-sized enterprises (SMEs), including during crises.
 - **eInvoicing**, enabling direct, digital exchange of invoices to reduce manual processing and businesses time and money.
 - **New Zealand Business Number (NZBN)**, supporting the digital use and transfer of core business information to create efficiencies for businesses.
 - **Regional Business Partner (RBP) programme**, delivering regionally based business support to SMEs.
 - **Business Mentors New Zealand**, providing mentoring and coaching through grant funding.
5. The portfolio's services have been used to deliver emergency business support, including during COVID-19 and the current fuel situation, with Business.govt.nz acting as a trusted communications channel and the RBP network supporting regional delivery.
6. In addition to supporting the wider small business sector, you oversee funding for targeted initiatives for manufacturers, focused on building capability and improving access to innovative tools and training. These initiatives support manufacturers to respond to emerging challenges, lift productivity, and remain competitive in domestic and international markets.

3. Current focus and work underway

7. This section outlines the economic role of small businesses and manufacturers, current priorities and work underway in the Small Business and Manufacturing portfolio, and links to related portfolios.

Small businesses and manufacturers are vital drivers of economic growth

Small businesses play a vital role in regional prosperity and larger supply chains

8. Small businesses in New Zealand are generally defined as those with fewer than 20 full-time equivalent staff. There are around 617,000 small businesses, representing 97 per cent of all businesses, employing approximately 35 per cent of the workforce (around 846,000 people) and contributing an estimated 42 per cent of national economic value.
9. Small businesses are central to regional prosperity and form a critical part of many domestic and export supply chains. They dominate key sectors, accounting for 99 per cent of businesses in agriculture and 98 per cent in construction (see **Annex Two** for further detail).
10. The sector is highly diverse, ranging from sole traders and retailers to innovative start-ups. However, small scale creates common challenges, including limited capability and networks, regulatory complexity, constrained access to finance, thin cash-flow buffers, and gaps in digital capability and time to invest in technology. This diversity also means there is no single organisation that represents or coordinates support for the entire small business sector.
11. Building strong business capability and fundamentals is critical to lifting New Zealand's economic performance. Businesses with the skills, confidence, and foundations to operate well are more able to innovate, adopt new technologies, and shift into higher-value activities—key to the Going for Growth agenda. Your portfolio supports this through a focus on strengthening management capability and technology adoption, helping drive sustained productivity and long-term economic growth.

Boosting manufacturing productivity can unlock economic growth and export potential

12. New Zealand's manufacturing sector spans food and beverage processing, machinery and equipment, wood and paper products, metals and plastics, and includes a mix of small, medium, and large firms. Manufacturing underpins daily life, producing many of the goods New Zealanders eat, wear, and use.
13. In the year to June 2025, manufacturing contributed \$22.2 billion to the economy (8.6 per cent of GDP), accounted for around 60 per cent of exports (\$58 billion in 2024), invested \$1.15 billion in research and development (around 28 per cent of total business R&D), and employed approximately 247,000 people (8.6 per cent of the workforce). Small firms dominate the sector, with manufacturers employing fewer than 50 people making up around 96 per cent of all firms, while larger manufacturers—particularly in regional centres—play a critical role in employment and local economic activity.
14. Manufacturing also delivers significant spillover benefits across the economy, including skills transfer to other sectors, commercialisation of research into exportable products, and regional growth through supply-chain activity and job creation. Despite this, the sector's share of GDP has declined from 15 per cent in 1995 to 8.6 per cent in 2025, with output falling across most subsectors over the past five years. This reflects long-term structural pressures such as rising labour and energy costs, increased international competition, and a shift toward services. Performance varies by subsector, with wood and paper manufacturing declining, while machinery and equipment manufacturing has grown.

15. Significant opportunities remain to lift manufacturing productivity and exports, but persistent challenges, particularly for smaller firms, include low productivity, underinvestment, skills shortages, limited technology adoption, and rising energy and supply-chain pressures. This prompted the establishment of Advancing Manufacturing Aotearoa (AMA) with government support.
16. It is too early to quantify the impacts of the current fuel situation on New Zealand's manufacturing sector. However, given the energy-intensive nature of manufacturing and existing pressures from rising energy prices prior to the Iran conflict, there is potential for medium-term impacts from higher energy costs. Manufacturers may also face additional pressures through increased freight and logistics costs and supply-chain disruption. MBIE is actively engaging with key manufacturing stakeholders to stay informed on their experiences and energy pressures.

The current focus is on boosting use of digital tools and capability-building resources

17. To address the key challenges faced by small businesses and the manufacturing sector the focus of the current work-programme has been in the following key areas.

Increase uptake and use of Business Connect, NZBN and eInvoicing to make business transactions easier

18. **Business Connect, the New Zealand Business Number (NZBN)**, and eInvoicing are core digital tools designed to simplify business interactions with government and improve productivity. Business Connect provides a unified entry point for licences and permits, using NZBN data to pre-populate information and improve application quality. Its FormBuilder tool enables agencies to design simpler, more consistent forms at no cost, with DIA and MBIE working to align it to the Digital Government Target State (a government initiative to improve government digital services).
19. In 2024, Cabinet agreed to changes to strengthen the NZBN framework, some of which have already been implemented through secondary legislation, with remaining changes requiring primary legislation.

Confidential advice to Government

20. Improving invoicing and payment practices offers significant productivity and cash-flow benefits. New Zealand businesses exchange over 300 million invoices annually, with manual processing imposing high administrative costs and long payment times, particularly for SMEs. Government has mandated eInvoicing and faster payment standards across agencies and large suppliers, with performance strong and most agencies now paying eInvoices within five working days. As uptake increases, eInvoicing is expected to deliver \$4.4 billion in productivity gains over ten years.

Drive economic growth and productivity through uplift in business capability

21. You are responsible for **Business.govt.nz**, the Government's primary business information channel, which supports capability building through guidance, tools, and targeted resources for starting, running, and growing a business. A 2025 platform upgrade improved usability and technical capability, with further work underway to migrate tools and introduce AI-enabled features, including tailored content to support capability uplift and adoption of new practices by mid-2026.

22. You also oversee the **Regional Business Partner (RBP) programme**, which provides SMEs with regionally delivered advice, connections, and capability funding through 15 partners nationwide.
23. While digitalisation and AI adoption are critical to lifting productivity, New Zealand SMEs continue to lag internationally. An **AI Advisory Pilot** has been launched under the programme to accelerate digital adoption, co-funding specialist advisory and implementation support for SMEs, with participating businesses contributing 50 per cent of costs. The pilot will run until the end of September 2026 and be evaluated to inform next steps.

Support the manufacturing sector to lift capability and technology uptake

24. **Advancing Manufacturing Aotearoa (AMA)** is funded through a two-year contract with MBIE under the manufacturing appropriation to deliver industry-led support to the manufacturing sector. Key initiatives include:
 - **Workforce and pathways programmes**, such as Earn as You Learn, careers expos, and manufacturing pathway pilots, to connect students with manufacturing careers.
 - **Technology and innovation support**, helping manufacturers adopt new technologies, including through collaboration with the NZ Product Accelerator and other R&D partners.
 - **Sector promotion**, including delivery of the **Minister for Manufacturing Awards** and the Future Makers campaign to promote manufacturing as a career and investment opportunity.
25. In addition to sector-wide support through AMA, firm-level interventions are also underway. The **Digital Manufacturing Light** programme has been expanded to help SME manufacturers adopt practical, low-cost digital technologies that lift productivity. The three-year programme, delivered by the University of Auckland, will support at least 180 manufacturers across Auckland, Waikato, Northland, and the Bay of Plenty through tailored assessments, hands-on support, and training.
26. The programme, which formally started on 1 April 2026, is designed to improve efficiency and strengthen production processes without the need for large upfront investment.
27. This work aligns with the Going for Growth agenda, including initiatives such as Investment Boost and measures to improve energy security, and complements portfolio activity focused on firm-level challenges such as technology adoption and workforce attraction and retention.

Ongoing engagement with small business and manufacturing advisory groups

28. The portfolio is supported by two external advisory groups: the **Small Business Advisory Group (SBAG)** and the **Manufacturing Productivity Advisory Group (MPAG)**. These groups provide a structured way for government to engage with the diverse range of small business and manufacturing sectors.
29. The SBAG, established in October 2024, provides a forum for MBIE and the wider government to hear directly from small businesses and industry representatives. It has 50 members, including 20 small business owners, as well as sector bodies and chamber representatives. The group is chaired by David Downs (Chair, Icehouse).
30. The MPAG was convened by industry in 2024 to provide the Minister and MBIE with direct insight into manufacturing productivity and sector priorities. It comprises up to 40 industry leaders and is chaired by Sarah Ramsay (Chief Executive, United Machinists).
31. The next SBAG meeting is scheduled for 4 June 2026, and the next MPAG meeting for 18 May 2026. We recommend you meet with the Chairs of both groups in the near term to discuss engagement

arrangements and whether the groups should continue in their current form. These meetings would also provide an opportunity for you to set expectations for how you wish to work with the small business and manufacturing sectors. Officials will provide advice ahead of these discussions to support decisions on future engagement and direction.

32. Both SBAG and MPAG have been providing weekly updates to MBIE on how the current fuel situation is impacting small businesses and manufacturers.

Further advice

33. Subject to your priorities, we will provide you with briefings on:

- the policy and operational work programme
- next steps for Small Business Advisory Group (SBAG) and Manufacturing Productivity Advisory Group (MPAG) and options for engaging with the small business and manufacturing sectors
- next steps to boost your small business digital enablers including:
 - update and next steps on NZBN work programme, (including on using GST registration to increase NZBN uptake for sole traders)
 - FormBuilder and alignment with the Government Chief Digital Officer (GCDO) Target State
 - driving progress for prompt payments to small businesses.

34. We can also present you with a short showcase of the various business services in the portfolio at your convenience.

Connections with other portfolios is critical

35. Given the broad range of interests of small business and manufacturers, connections with other portfolios are critical. In particular, we recommend engagement with the following:

- **Economic Growth (Hon Nicola Willis)** – in particular contributing to the Government’s economic growth agenda.
- **Digitising Government (Hon Paul Goldsmith)** – in particular in relation to lifting use of critical digital services you are responsible for (eg Business Connect).
- **Science, Innovation, and Technology (Hon Penny Simmonds)** – in particular the implementation of the science reforms and AI which have an impact on the services available for small businesses and manufacturers.
- **Regulation (Hon David Seymour)** – in particular compliance burden can have a disproportionate impact on smaller firms.

4. How MBIE assists you

Our primary ways of engaging with you

36. MBIE officials will engage with you primarily through:
- meetings, either scheduled or at your request
 - weekly updates on key policy and operational items in the portfolio
 - six-monthly updates on work programmes.
37. We are happy to adjust any of these processes to align with your preferred way of working.


Relevant Business Groups

38. MBIE assists you in fulfilling your portfolio responsibilities through its policy and operational groups.
39. MBIE’s Small Business and Manufacturing policy team (situated in the Building, Resources and Markets group) is responsible for advancing your policy priorities, including any by preparing Cabinet papers and legislative material.
40. All operational services for the portfolio apart from eInvoicing are delivered by the Te Whakatairanga Service Delivery group. eInvoicing and work on government payment times is run from the Corporate and Digital Shared Services group.





Key officials

41. The table below sets out the key MBIE officials who will support you in the Small Business and Manufacturing portfolio.

Table 4: Key MBIE officials

| Contact | Role | Priority area | Contact details |
|---|--|----------------------|----------------------------|
| Nic Blakeley | | | |
|  | Secretary, Ministry of Business, Innovation and Employment | All MBIE priorities. | Privacy of natural persons |

BRIEFING FOR THE INCOMING MINISTER FOR SMALL BUSINESS AND MANUFACTURING

| Contact | Role | Priority area | Contact details |
|---|--|--|----------------------------|
| James Hartley | | | |
|  | Acting Deputy Secretary, Building, Resources and Markets (BRM) | Policy development to ensure a fair, competitive business environment and well-functioning telecommunications, building and construction, small business, manufacturing, and resources sectors and operations. | Privacy of natural persons |
| Suzanne Stew | | | |
|  | Deputy Secretary, Te Whakatairanga Service Delivery. | Functions and services that support businesses, employees, and consumers to operate successfully in the marketplace. | Privacy of natural persons |
| Jenna Reid | | | |
|  | Acting General Manager, Commerce, Consumer and Business, Building, Resources and Markets | Substantive role: Policy Director Commerce, Consumer and Business, Building, Resources and Markets | Privacy of natural persons |
| Ross Van Der Schyff | | | |
|  | General Manager, Business and Consumer, Te Whakatairanga Service Delivery | Operational responsibility for business.govt.nz, the RBP programme, NZBN, eInvoicing and Business Connect. | Privacy of natural persons |

Annex One: Portfolio responsibilities

Services you are responsible for

42. You are responsible for a range of services supporting business and the policy settings that govern them.
- Business.govt.nz** (established in 2007) is a digital platform providing information, guidance and productivity tools to New Zealand businesses and manufacturer. Drawing on insights from both government and the private sector, it helps businesses build their capability, grow, foster innovation and meet compliance requirements – a vital service in building business fundamentals for economic performance. In the 2025 calendar year 1.69m users accessed the platform, with a 90% user satisfaction rating. The monthly newsletter has 787,600 subscribers with an average open rate of 44% (compared to industry average of 28%). Alongside 350+ pages of rich content tailored to different business stages, types, and interest areas, the trusted platform hosts 8 interactive digital tools designed to support business capability, compliance, and efficiencies. The platform is also used to provide businesses with information in times of crisis (such as during COVID-19 and the 2023 extreme weather events). Popular tools include ONECheck (a search function enabling businesses to check company name, trademark, website domain and social media availability with one search), and the Employment Agreement Builder and Workplace Policy Builder (helping businesses create tailored, legally compliant documents for managing staff). The site also includes a suite of online learning micro-courses and supporting content to help businesses upskill in both foundational and industry-specific knowledge.
 - The **Regional Business Partner Network (RBPN)** (established in 2010) provides tailored support for individual businesses to grow and innovate. The programme is administered by MBIE and is delivered via 14 regionally based organisations across New Zealand (predominately Economic Development Agencies or Chambers of Commerce), and one national provider for pakihi Māori (Poutama Trust). Regional Partners work with SMEs to identify development needs and provide information, advice, services and funding that will address business aspirations. Around 4,500 businesses are supported annually, including approximately 2,500 businesses given subsidised management capability training. In 2026 a pilot programme to subsidise the implementation of AI solutions for small business was introduced as a new RBP service offering. The RBPN also facilitates customer pathways to other government business supports, such as innovation supports like the Research & Development Tax Incentive (RDTI) with approximately 2,400 innovation customer leads generated in 2024/5. 85 per cent of business owners who responded to a RBPN survey in 2024/25 said they are highly likely to recommend the service to other business owners.
 - The **New Zealand Business Number (NZBN)** (established in 2014, with the NZBN Act passing in 2016) is a unique global identifier that enables reliable and efficient digital interactions between businesses and government. Core business information on the NZBN register is accessed millions of times a year by many government agencies and businesses. As of February 2026, there are 1,010,519 business entities with an NZBN. Full adoption of NZBN across the economy will return over \$500 million per annum. Work is progressing on the NZBN Verifiable Credential initiative, to deliver a secure, verified digital identity for New Zealand small businesses.
 - Business Connect** (first prototyped in 2016 and then formally launched in December 2019) was set up as part of the Better Public Services programme. It is a cross-agency digital services platform for businesses to easily apply for a range of licences, permits and registrations in one place. It uses NZBN data to pre-populate and validate mandatory fields for returning customers, resulting in better quality applications for agencies and councils. In 2024 the FormBuilder.govt tool was added to the platform which is designed for government and councils to create online service forms in days rather than weeks, with guaranteed accessibility, security and privacy standards.

- **eInvoicing** (launched in 2019) is the direct exchange of invoice data between supplier and purchaser finance systems through a single digital invoicing network for all New Zealand businesses. eInvoicing removes the requirement for manual invoice processing using emailed PDFs, saving businesses significant time and money. It also helps them participate in digital trading and protects them from invoice fraud. As more New Zealand businesses adopt eInvoicing, it is expected to deliver annual benefits of between \$600 million and \$1.8 billion.
- A related function is the **prompt payment times** requirement for wider government. This initiative drives faster payments to businesses trading with government. Currently 106 agencies fall into scope of this initiative, representing over \$52 billion in spending which is required to be paid faster to businesses, helping to speed up cashflow across the economy. These requirements are in the process of being extended to local government.

Legislation you are responsible for

43. You are responsible for the **New Zealand Business Number Act 2016**. Also, your role enables you to take an interest in legislation or regulations that affect small businesses and bring any concerns to the attention of the appropriate minister.

Advisory bodies

Australia and New Zealand Electronic Invoicing Board (ANZEIB)

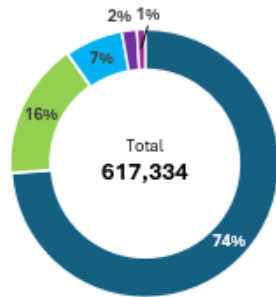
44. ANZIEB meets twice a year, with one meeting in Wellington. These meetings strengthen the close cooperation between New Zealand and Australia on the implementation and adoption of eInvoicing. You have sole discretion to appoint New Zealand representatives to the ANZEIB when required.

Annex Two: Small businesses and manufacturing in New Zealand

Small business in New Zealand 2025 factsheet

All graphs generated from from StatsNZ - Business Demography Survey

In 2025, The majority of businesses in New Zealand have no employees



Zero Employees
455,730

1-5 Employees
101,253

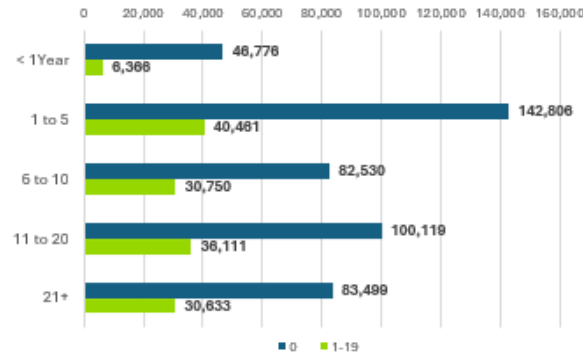
6-19 Employees
43,068

20-49 Employees
11,100

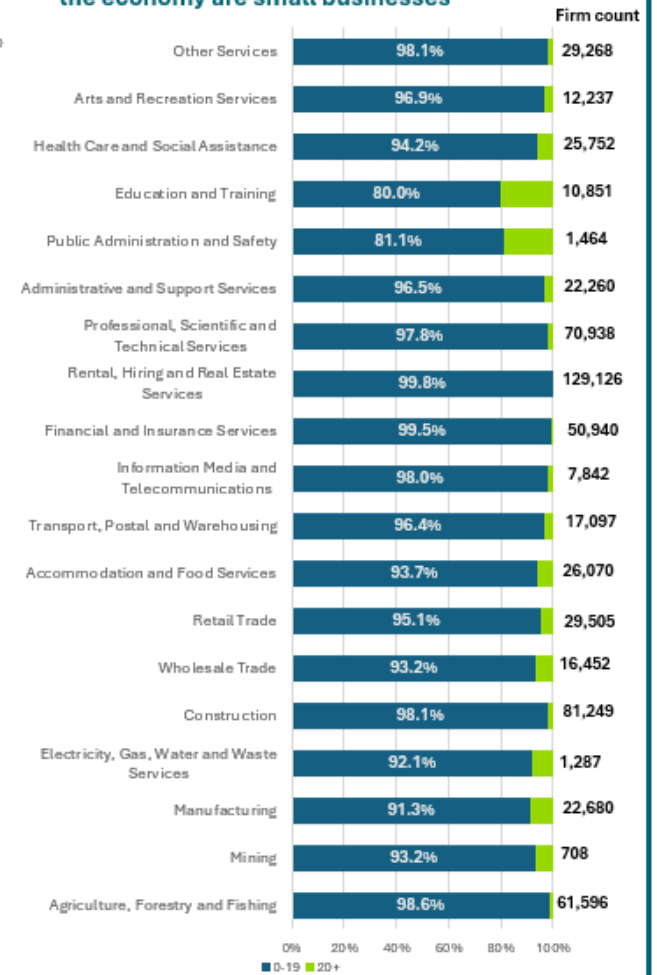
50+ Employees
6,180

Total
617,334

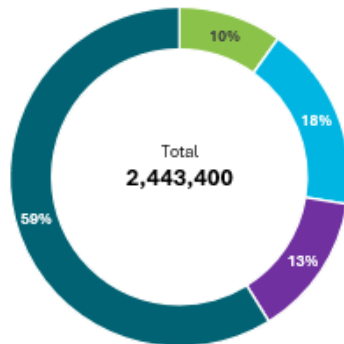
Most small businesses in New Zealand are only between 0 and 5 years old



80 per cent or more of the firms in each sector of the economy are small businesses



... and most New Zealanders were employed by large businesses



1-5 Employees
240,700

6-19 Employees
432,800

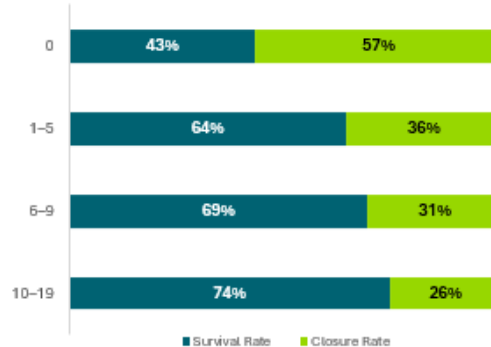
20-49 Employees
332,600

50+ Employees
1,437,400

Total
2,443,400

*excludes working proprietors

Firms born in 2020 without any employees did not survive as long as those with them



97.2%

Sector concentration

34.5%

A nation of sole traders

MII

of all New Zealand enterprises are small businesses

Small businesses are mainly concentrated in the rental, hiring and real estate services sector (over 128,000 enterprises) followed by the agriculture, forestry and fishing sector (over 80,000 enterprises)

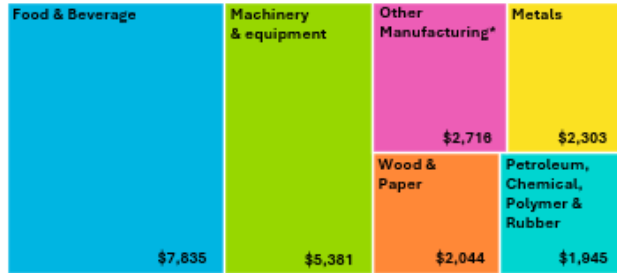
or, over 846,000 people, are employed by small businesses

Over 455,000 businesses in New Zealand are sole trader businesses, representing more than 73% of all businesses

Most sole traders are involved in the rental, hiring and real estate services sector, followed by the construction sector

Manufacturing in New Zealand 2025 factsheet

Manufacturing contributed around \$22 billion to GDP in 2025

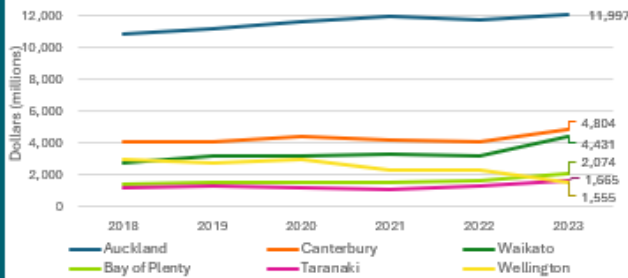


Source: StatsNZ - National Accounts

Biggest changes in subsector GDP over 5 years

Machinery and Equipment grew by **2.7%**
 Petroleum, Chemical, Polymer and Rubber declined by **-13.4%**

Auckland, Waikato and Canterbury continue to be the main centres for New Zealand manufacturing

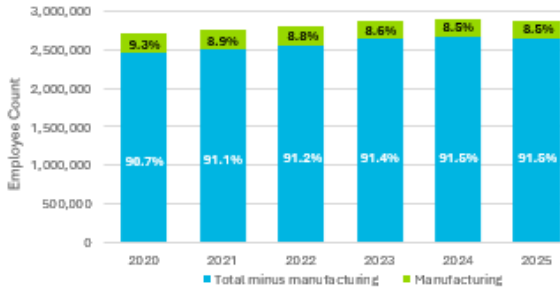


Source: StatsNZ - Regional Gross Domestic Product

Biggest change in main centres GDP over 5 years

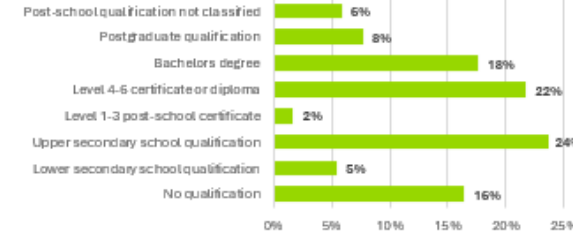
Waikato grew by **16.9%**
 Wellington declined by **-19.1%**

Share of manufacturing workforce has remained relatively steady over the last 5 years



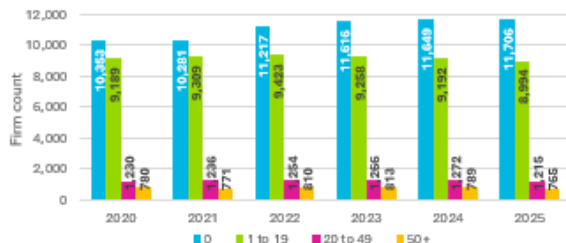
Source: StatsNZ - Household Labour Force Survey

In 2025, manufacturing workforce tended to comprise of workers with



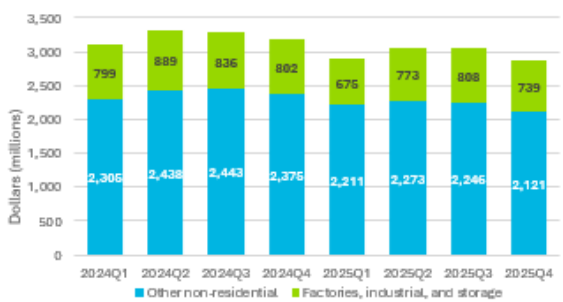
Source: StatsNZ - Household Labour Force Survey

There have been a growing number of smaller manufacturers over the last 5 years



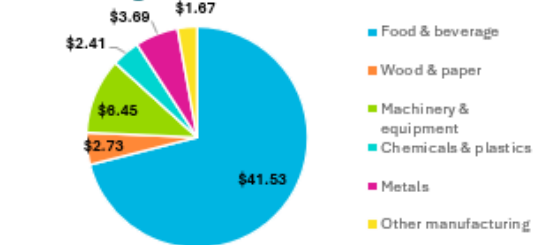
Source: StatsNZ - Business Demography Survey

Manufacturing construction activity has remained steady over the last 2 years



Source: StatsNZ - Building Activity Survey

In 2024, Manufacturers exported around \$58 billion in goods



Source: StatsNZ - National Accounts

The top destination for exports in 2024 was **China (\$12.6 billion)**

Fastest growing exporting subsector 3 years was **Machinery & Equipment (7%)**

8.6%

Of New Zealand's GDP comes from manufacturing in 2025

8.5%

Of New Zealand's workforce were employed by manufacturers in 2025

\$127b

Total income of manufacturers in 2025

\$1.15b

Was spent by manufacturers on research and development in 2024

53%

Of manufacturing activity happens in Auckland, Waikato and Bay of Plenty

Est 250,000

People were employed by manufacturers in 2025

13.6%

Of the manufacturing workforce were Māori in 2024

\$1500

Was the average weekly wage in 2024