Fair Supply

Submission on the Modern Slavery Bill (NZ), Members Bill 242-1

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To the Education and Workforce Committee, New Zealand House of Representatives

Submitter	Fair Supply Analytics Pty Limited ABN 33 637 587 ("Fair Supply")
Bill	Modern Slavery Bill (NZ), Member's Bill 242—1, as introduced and read a first time on 29 April 2026 ("the Bill")
Date	28 May 2026
Hearing	Fair Supply would welcome the opportunity to appear before the Committee to speak to this submission.

1. Introduction and interest in the Bill

Fair Supply welcomes the opportunity to make a submission on the Bill. Fair Supply is a supply chain intelligence software provider and consulting firm that enables organisations to identify, assess and address modern slavery risk in their operations and supply chains, initiate supplier due diligence, and operationalise processes that enable the meeting of reporting obligations under existing and emerging regimes.

The International Labour Organization estimates that globally, 49.6 million people are in modern slavery, including 27.6 million in forced labour, and that forced labour generates approximately US$236 billion in illegal profits each year.[2] As the Ministry of Foreign Affairs and Trade has observed, modern slavery is not only a breach of fundamental human and labour rights but also has a corrosive effect on trade.[3] New Zealand consumers and businesses are connected to the risk of modern slavery, often unknowingly, through the goods and services they purchase and invest in and the supply chains they rely on.

Fair Supply has direct and practical experience of how transparency based modern slavery regimes operate once enacted including the *Australian Modern Slavery Act 2018* (Cth), which the Bill closely follows.

Fair Supply supports the Bill and wishes to see it become workable, durable legislation that delivers genuine outcomes for affected workers while being capable of practical implementation by the entities it captures.

This submission focuses on the following matters:

1. Support for the Bill in principle
2. Alignment of applicable reporting period cycles with the Australian regime
3. Assisting to reduce the practical burden placed on smaller businesses

To assist the Committee, Fair Supply has included proposed drafting for each of its recommendations, both in the body of this submission and consolidated in the Appendix.

2. Summary of recommendations

Recommendation 1. That the Bill be passed. Fair Supply supports the Bill and the establishment of New Zealand's first enforceable modern slavery reporting framework.

Recommendation 2. That applicable reporting periods are aligned with the approach taken under the Australian *Modern Slavery Act 2018* (Cth) by allowing reporting entities to report on their own financial year, with statements due within six months of the entity's financial year end, and by expressly permitting joint and group statements.

Recommendation 3. That the Government facilitate the creation of a central repository through which reporting entities and their suppliers can capture and share modern slavery due diligence information in a standardised form.

Recommendation 4. That the Government provide resources and education targeted at small businesses affected by the regime, whether as reporting entities or as suppliers to them.

3. Fair Supply supports the Bill

Fair Supply supports the Bill and recommends that it be passed. The Bill brings New Zealand into line with comparable jurisdictions including Australia and the United Kingdom. It also gives legislative effect to commitments New Zealand has already made internationally, including under the 2014 ILO Protocol to the Forced Labour Convention and the resulting Plan of Action against Forced Labour, People Trafficking and Slavery.[3] Establishing an enforceable reporting framework is an important and overdue step.

Fair Supply particularly supports the following features of the Bill:

- A transparency based reporting model that requires reporting entities to identify modern slavery risks across their operations and supply chains and disclose the actions they are taking to address them.
- Mandatory reporting criteria that are closely modelled on the Australian regime, which assists trans-Tasman businesses and supports a consistent regional standard.
- A public register of statements, which enables scrutiny by investors, customers, civil society, and any other interested public stakeholder.
- Meaningful consequences for non-compliance, which based on first-hand learnings from the Australian Act, are essential in order to materially strengthen the integrity and efficacy of the regime.

Fair Supply notes that the Bill, as introduced, is principally a *disclosure* regime rather than a due diligence regime: although it defines due diligence and encourages it, it requires entities to report on the actions they take without imposing a duty to take them. Fair Supply supports the disclosure framework as a foundation and notes the express intention to progress the legislative scheme towards substantive mandatory due diligence requirements.

4. The reporting period should be aligned with the Australian legislation

Fair Supply recommends that the reporting period under the Bill be aligned with the approach taken under the Australian Modern Slavery Act 2018 (Cth).

The issue

As introduced, the Bill applies a single fixed reporting period to all non-government reporting entities: 1 April to 31 March (clause 6). (Government agencies report on 1 July–30 June year.) By contrast, the Australian regime allows each reporting entity to report on its own financial year.[4] The Bill already requires a statement to be lodged within six months after the end of the reporting period (clause 8(1)(b)), which matches the Australian deadline.The misalignment between the Australian reporting regime and the Bill is the fixed reporting period.

A single fixed period creates two practical problems. First, it does not align with the financial year used by many entities for their statutory and management reporting, which means modern slavery reporting must be prepared on a different cycle from the financial, audit, and governance processes it should sit alongside. Second, the mismatch between the fixed period and an entity's own financial year makes it harder to apply the $100 million revenue threshold cleanly, because revenue must be assessed against a period that may not correspond to the entity's accounts.

The trans-Tasman dimension

Many entities captured by the Bill already report, or are part of corporate groups that report, under the Australian regime. Where the New Zealand and Australian reporting periods do not align, a trans-Tasman group cannot prepare a single, coordinated modern slavery statement covering both obligations on one cycle. Instead it must run two parallel processes on different timelines duplicating data collection, supplier engagement, governance sign off, and assurance. This adds cost and complexity without improving outcomes for workers.

Recommended fix

Aligning the reporting period with the Australian approach is a straightforward amendment for the Committee to consider. Specifically, Fair Supply recommends that the Bill:

- Allow each non-government reporting entity to report on its own financial year (a term already defined in clause 6), rather than the fixed 1 April–31 March period; and
- Expressly permit joint and group statements, which the Bill is currently silent on but which Australia permits allowing related entities to report together where appropriate.

No change is needed to the lodgement timing: clause 8(1)(b) already requires statements within six months of period end, consistent with Australia. The following table summarises the position:

Feature	Australia (Modern Slavery Act 2018 (Cth))	NZ Bill (as introduced)
Reporting period	The entity's own financial year or other 12-month accounting period.	A single fixed period: 1 April to 31 March, for all entities.

Lodgement deadline	Within six months after the end of the entity's financial year.	Within six months after the end of the reporting period (cl 8(1)(b)) — already aligned.
Joint / group statements	Expressly permitted for entities in the same corporate group.	Silent — no express provision for joint or group statements.
Revenue threshold	AUD $100m consolidated revenue.	NZD $100m consolidated revenue.

These changes would reduce duplication for trans-Tasman businesses, allow modern slavery reporting to sit alongside existing financial and governance cycles, and make the revenue threshold easier to apply without weakening the substance of what entities must report.

Proposed amendment A — reporting periods

Amend the definition in clause 6 so that a non-government entity reports on its own financial year. Suggested replacement for paragraph (b):

reporting period-

In relation to a government agency, means a period of 12 months starting on July 1 and ending on 30 June; and

In relation to any other entity means the financial year of the entity; and if the entity does not have a financial year, means a period of 12 months starting on 1 April and ending on 31 March.

Insert a new clause in Subpart 2 (after clause 8) expressly permitting joint and group statements, which the Bill does not currently address:

8A Joint Modern slavery statements

A single modern slavery statement may be prepared and submitted

Jointly by, or on behalf of, 2 or more reporting entities (for example, entities within the same group of companies).

A joint statement must identify each reporting entity it is made on behalf of and address the matters required by section 9 in relation to each of them:

Submission of a joint statement in accordance with this section satisfies section 8)1 for each reporting entity it covers.

5. Unintended burden on smaller businesses, and how to address it

The flow through effect on smaller suppliers

Although the reporting obligation applies only to entities with consolidated revenue of $100 million or more, the practical effect of the regime extends far beyond those entities. To prepare a meaningful statement, a reporting entity must assess risk across its supply chain and engage its suppliers, many of which are small and medium sized businesses that do not come close to the annual revenue reporting threshold. Those suppliers are routinely asked to complete questionnaires, provide documentation, and demonstrate their own controls, even though those companies are too small to be reporting entities.

In practice, a single small supplier may receive numerous, differently formatted due diligence requests from multiple reporting entity customers, each asking for substantially the same information in a slightly different way. This is duplicative, costly, and disproportionate for a small business, and it generates inconsistent data that is of limited value to the reporting entities. Left unaddressed, this is an unintended burden of the regime borne largely by businesses that have no direct obligation under the Bill and the least capacity to absorb the cost.

A government facilitated central repository

Fair Supply recommends that the Government facilitate the development and implementation of a central repository through which reporting entities and their suppliers can capture, hold, and share disclosed modern slavery due diligence information in a standardised form.

A central repository would allow companies that are suppliers to multiple reporting entities to provide standardised due diligence information efficiently and effectively. For many companies, this may be materially preferable to the time and resource drain of responding repeatedly to individual company requests. It would improve the consistency and quality of the data underpinning modern slavery statements, reduce duplicated effort across the economy, and give the regulator and the public a clearer, more comparable evidence base.

Fair Supply acknowledges that same companies may not wish to make such (voluntary) published disclosures, including due to commerciality and confidentiality considerations. These companies will be free to continue to engage in direct communication in responding to individual supplier disclosure requests (commonly in the form of self-assessment questionnaires) as the company sees fit. The core of this suggestion is providing companies, especially small businesses, with an alternative that may be more efficient and otherwise appropriate.

The public register of statements already contemplated by the Bill provides a natural foundation on which such infrastructure could be built or to which it could be linked.

Proposed amendment B — central repository

The Bill already establishes an electronic register (clause 11) and gives the Registrar a function to provide an optional template (clause 13(a)). A repository can be added by extending these provisions rather than creating a freestanding scheme. Insert a new paragraph into the register requirements in clause 11(3):

(3) The register must—
  (a) allow for the submission of modern slavery statements through an online portal; and
  (b) be freely available to view; and

(c) provide the option to download modern slavery statements in full; and
(d) provide a facility through which reporting entities and their suppliers may record and share, in a standardised form, information relating to modern slavery due diligence, so that a supplier may provide that information once for use by multiple reporting entities.

Correspondingly, extend the Registrar's functions in clause 13 by inserting a new paragraph:

establish and maintain the due diligence information facility referred to in section 11(3)(d), including by prescribing standard forms for the information held in it;

Drafted against the Bill as introduced (clauses 11 and 13). Building the repository into the existing register avoids duplicative infrastructure and uses the Registrar role the Bill already creates.

Government resources and education for small business

Fair Supply further recommends that the Government provide resources and education targeted specifically at small businesses affected by the regime, whether as reporting entities or as suppliers to them. Larger entities typically have compliance, legal, and procurement functions to interpret new obligations; smaller businesses generally do not. Practical, plain language guidance, templates, and worked examples provided or endorsed by the Government would help smaller businesses understand what is expected of them, respond efficiently, and avoid both over compliance and inadvertent non compliance. New Zealand's experience implementing mandatory climate-related disclosures has confirmed the value of publishing early, accessible and comprehensive guidance.

Proposed amendment C — guidance and education for SMB

The Bill already provides for Registrar guidance to facilitate compliance (clause 13(c)) and an optional template (clause 13(a)). These can be strengthened to require materials directed at smaller businesses, including suppliers that are not reporting entities. Insert a new paragraph into clause 13:

prepare and publish guidance, template documents, and worked examples to assist entities to meet their reporting obligations, having particular regard to the needs of small and medium-sized enterprises, including those that are not reporting entities but that supply reporting entities;

This complements clause 22 (the Minister's guidance duty) and clause 24(1)(b) (the power to prescribe forms to assist reporting entities), and ensures that appropriate supporting materials are produced.

Drafted against the Bill as introduced (clauses 13, 22, and 24). Locating the duty in the Registrar's functions keeps the education role with the body already responsible for facilitating compliance.

The central repository and targeted education are mutually reinforcing. The repository reduces duplication and improves data quality; the education ensures smaller businesses can use it and understand what is expected of them. Together they address the unintended burden the regime would otherwise place on businesses that have no direct obligation under the Bill and the least capacity to absorb the cost.

6. Conclusion

Fair Supply supports the Modern Slavery Bill and recommends that it be passed. To make the regime workable and effective, Fair Supply recommends that the reporting period be aligned with the Australian regime; that the Government facilitate the development and implementation of a central repository for due diligence information with a particular focus on reducing the burden placed on smaller companies; and that the Government provide targeted resources and education, again, particularly targeted at assisting smaller businesses. Fair Supply supports the Government's sequenced approach to due diligence and submits that the best course of broader action is for the progressing towards mandatory substantive due diligence with a degree of expedition. Doing so will enable New Zealand to move from being a “late adopter” of mandatory modern slavery legislation to a genuine “world leader” in the field. On this issue, it is also of significance that some, generally large, New Zealand businesses are already being required to meet mandatory due diligence standards that are directly applicable to international (particularly European) customers.

Fair Supply would welcome the opportunity to further explain or expand upon any aspect of this submission with the Committee and to share its practical experience of modern slavery reporting and supply chain due diligence across the Australian and New Zealand markets.

Sources and references

1. Modern Slavery Bill (NZ), Member's Bill 242—1, as introduced and read for the first time on 29 April 2026. Clause references in this submission are to this version. https://www.legislation.govt.nz/bill/member/2026/
2. International Labour Organization, Global Estimates of Modern Slavery (2021) and Profits and Poverty: The Economics of Forced Labour (2024), as cited by the NZ Ministry of Foreign Affairs and Trade.
3. NZ Ministry of Foreign Affairs and Trade, “Combatting modern slavery” (ILO statistics, trade impact, NZ's ratification of the 2014 ILO Forced Labour Protocol, the Plan of Action against Forced Labour, People Trafficking and Slavery, and the Government's encouragement of human rights due diligence by reference to the UN Guiding Principles and OECD Guidelines). https://www.mfat.govt.nz/en/trade/nz-trade-policy/combatting-modern-slavery
4. Australian Government, Attorney-General's Department, “Modern Slavery Act 2018 (Cth)” — reporting on the entity's own financial year, statement due within six months of financial year-end, AUD $100m threshold, and the public register. https://www.ag.gov.au/crime/people-smuggling-and-human-trafficking/modern-slavery

Appendix — Schedule of proposed amendments

This appendix consolidates the proposed drafting set out in the body of this submission. The drafting is keyed to the clause numbers of the Bill as introduced (Member's Bill 242—1) and is provided to assist the Committee.

#	Topic / target clause	Effect of proposed amendment
A	Reporting period and joint statements (cl 6 definition; new cl 8A)	Replace the fixed 1 April–31 March period for non-government entities with the entity's own financial year (already defined in cl 6); add a new cl 8A permitting joint and group statements. Lodgement already aligns with Australia under cl 8(1)(b).
B	Central repository (cl 11(3); cl 13)	Extend the register to include a standardised due diligence information facility (new cl 11(3)(d)) and give the Registrar a function to maintain it (new cl 13(ca)), so suppliers provide information once for multiple reporting entities.
C	Guidance and education (cl 13; supports cll 22, 24)	Require the Registrar to publish guidance, templates, and worked examples (new cl 13(cb)), with particular regard to SMEs including non-reporting suppliers.

Fair Supply
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