



TCF submission on the Modern Slavery Bill

28 May 2026

Introduction

1. This submission is made by the New Zealand Telecommunications Forum (TCF), the industry association for the telecommunications sector. Our members include network operators, retail service providers, and the companies that own and operate cell towers.
2. The TCF supports the purpose and overall direction of the [Modern Slavery Bill](#): establishing a statutory framework that lifts transparency, encourages due diligence, and strengthens New Zealand's collective response to modern slavery risks in operations and supply chains.
3. Our submission focuses on ensuring the regime is workable in practice, proportionate, and capable of producing high-quality disclosures that support continuous improvement. This includes providing clear expectations and guidance to support consistent reporting, and avoiding unintended consequences that could discourage candid identification, escalation, and remediation of risks and incidents.
4. The TCF considers harmonisation with the Australian legislative framework to be an important design principle for this regime. Australia is New Zealand's closest economic and regulatory partner, and New Zealand's longstanding policy direction is to reduce unnecessary regulatory differences to support a seamless trans-Tasman business environment.¹ Harmonisation can:
 - a. reduce friction and cost for businesses and supply chains operating across both markets
 - b. improve clarity and comparability for suppliers, customers, and investors assessing disclosures and governance practices across jurisdictions
 - c. support New Zealand's competitiveness and attractiveness for investment by aligning with key partners' expectations and reducing duplicative compliance.

¹ MBIE, [Closer Economic Relations with Australia and the Trans-Tasman Mutual Recognition Arrangement](#), accessed 13 May 2026.

5. While the Bill is broadly modelled on Australia's Modern Slavery Act 2018, it diverges in several operationally significant respects (including reporting periods, group reporting, incident reporting, and certain enforcement consequences). The TCF encourages the Committee to treat harmonisation with Australia as a deliberate policy objective wherever this supports workability and comparability and does not dilute New Zealand's policy intent.
6. The TCF considers modern slavery reporting to be most effective when it becomes a reliable governance and risk tool rather than a tick-box exercise. The Bill's detailed reporting criteria, public register, and enforcement settings have the potential to lift practice over time, but only if entities can implement robust systems without undue duplication and uncertainty.
7. This is particularly important in relation to elements of the Bill that go beyond comparable international regimes, where additional reporting requirements may introduce complexity, uncertainty, or unintended risks if not carefully designed.
8. The TCF's recommendations are aimed at four practical outcomes:
 - a. enabling entities to integrate modern slavery reporting into existing annual reporting cycles (supporting quality and internal assurance)
 - b. preventing duplicative reporting within corporate groups and (where relevant) across jurisdictions
 - c. ensuring incident and complaints reporting is consistent, and does not create avoidable safety or investigation risks
 - d. ensuring enforcement and consequences are proportionate, encourage remediation, and do not inadvertently suppress transparency.
9. The Bill is proposed to commence six months after royal assent. Given the system and process changes required for some entities (including supply chain visibility, internal escalation, complaint handling arrangements, training and governance), the Committee should consider whether commencement and implementation settings provide sufficient lead-in time, and ensure key guidance is available well before the first reporting deadline to support consistent, high-quality disclosures.

Recommendation 1: Allow reporting entities to use their financial year or another annual accounting period

10. The Bill defines the reporting period for non-government entities as 1 April to 31 March.
11. The TCF recommends amending the Bill to allow a reporting entity's reporting period to be its financial year or another annual accounting period applicable to that entity. This would better integrate modern slavery reporting with established governance, financial reporting and assurance processes, and reduce complexity for entities with different balance dates.
12. This approach would also align New Zealand's framework with Australia's, which defines an entity's reporting period as a financial year, or another annual accounting period applicable to the entity, rather than prescribing a fixed period.

13. More generally, adopting this flexibility would support regulatory interoperability across the trans-Tasman market by enabling entities to avoid unnecessary reconciliation and duplicative reporting cycles, and by making disclosures more comparable for stakeholders (including suppliers, customers and investors).
14. In addition to aligning reporting periods, the Committee should consider expressly enabling a reporting entity to rely on a materially equivalent modern slavery statement prepared for a recognised overseas regime (particularly Australia). This would reduce duplication while preserving the integrity of New Zealand disclosures.

Recommendation 2: Expressly permit joint (group) statements so corporate groups can report once in a way that covers multiple reporting entities

15. Corporate groups may include multiple entities that meet the definition of “reporting entity” (including where revenue is consolidated at group level). Without an express joint statement option, the Bill risks repetitive disclosures across subsidiaries.
16. The TCF recommends inserting an express provision to permit joint (group) modern slavery statements that can cover multiple related reporting entities. This supports efficient reporting, reduces duplication, and promotes consistency, while maintaining transparency and accountability.
17. This change would also align New Zealand with Australia, which explicitly allows joint modern slavery statements covering one or more reporting entities, enabling corporate groups to report in a consolidated way where appropriate.
18. An express group statement mechanism would also help avoid unintended effects where New Zealand subsidiaries and their reporting requirements indirectly drive offshore parent governance, sign-off and reporting processes, particularly where those parent entities are already operating under different overseas frameworks.

Recommendation 3: Reconsider the inclusion of additional reporting requirements (incidents and complaints)

19. The Bill requires statements to include a description of any modern slavery incident that has occurred, and details of complaints received and measures taken to investigate and remediate.
20. While the TCF acknowledges the policy intent behind these additional reporting requirements, in their current form they are not well-suited to inclusion in primary legislation.
21. These elements represent a material departure from comparable international regimes (including Australia), and raise operational, legal, and safety considerations that are not yet sufficiently resolved. In particular, they introduce a high degree of judgement and uncertainty into disclosure obligations, which risks inconsistent reporting, reduced comparability, and unintended disincentives to appropriately escalate, investigate, or remediate potential cases.
22. In particular:

- a. the concept of “modern slavery incident” is not defined adequately and may be interpreted inconsistently, including uncertainty as to whether unverified allegations, whistleblower reports, or indicators fall within scope
 - b. requiring public reporting of incidents or complaints may create risks to affected individuals, compromise investigations, or engage confidentiality and employment law constraints
 - c. expectations regarding supply chain engagement (including training-related disclosures) are not clearly bounded, and may drive disproportionate demands on smaller suppliers, and
 - d. there is limited alignment between the Bill’s terminology and how modern slavery risks are typically identified in practice (which often involves identifying indicators rather than confirmed incidents).
23. The TCF therefore recommends that the Committee remove these additional elements from the Bill.
24. If the Committee decides to retain these requirements, it is critical that the Bill and associated guidance provide clear, detailed, and practical direction to support consistent and safe implementation. For example, greater clarity would be needed on the expected scope of supply chain reporting and engagement.
25. We also note that the Bill’s statement content includes describing training provided not only to a reporting entity’s own employees (and those of controlled entities), but also to employees of other entities in the reporting entity’s supply chain. While the policy intent appears to be to disclose training where it occurs, the drafting risks uncertainty about how far expectations are intended to extend, and we are concerned it will drive disproportionate cascading compliance demands, including on smaller suppliers (through contractual requirements, questionnaires, training requests, audits, and onboarding processes). The Committee should clarify through drafting and/or mandated guidance that supply chain engagement and any associated training expectations are risk-based and proportionate, and that reporting should focus on material, practicable measures.

Recommendation 4: Recalibrate aspects that may be disproportionate for administrative reporting failures so consequences are risk-based, graduated, and remediation-linked

26. The Bill includes director/manager liability in certain circumstances where an entity is convicted of an offence, and it introduces civil/criminal penalties for reporting failures and false or misleading statements.
27. The TCF is concerned that personal criminal liability for reporting failures may be disproportionate in a disclosure-based regime, and could discourage candid disclosure of incidents and complaints (particularly where matters are emerging or uncertain). The TCF recommends removing or substantially narrowing this provision so it targets intentional misconduct (for example, knowingly false or misleading statements), rather than procedural non-compliance.

28. The Bill also proposes a Crown payment prohibition (new Public Finance Act s 73A) for entities convicted or subject to pecuniary penalties for contravening key reporting obligations (failure to submit or publish).
29. The TCF recommends tempering this consequence so it is risk-based and remediation-linked, for example:
 - a. triggered only by repeated or serious non-compliance (rather than a one-off administrative failure)
 - b. time-limited
 - c. able to be lifted upon corrective action (with an appropriate public interest exception to preserve continuity of essential services).
30. More broadly, the TCF encourages a graduated enforcement approach for administrative non-compliance (for example, notice and opportunity to remedy before the most severe consequences apply). This would preserve the incentive effects of procurement leverage without creating an indefinite exile for administrative failures, and would better support the Bill's overarching objective of encouraging disclosure, improvement and remediation.

Closing remarks

31. Please email policy@tcf.org.nz if there are questions about this submission.