

Understanding New Zealand's Modern Slavery Bill

01 · Legislative timeline and first reporting period

The Bill is currently before the Finance and Expenditure Select Committee. The Act will commence 6 months after Royal Assent, with reporting periods defined as 1 April to 31 March for non-government entities, and modern slavery statements due to the Registrar within 6 months after the end of the relevant reporting period. Updates should be monitored via the New Zealand Parliament website and Ministry of Business, Innovation, and Employment (MBIE) publications.

02 · Revenue threshold and impact on SMEs

The Bill as introduced sets a threshold revenue amount of NZD \$100 million in consolidated revenue per reporting period. While reporting obligations apply only to entities meeting the revenue threshold, larger reporting entities often require information and cooperation from smaller suppliers. This flow-down effect has been acknowledged in MBIE's consultation process, and there has been discussion of guidance and support for smaller businesses that form part of reporting entities' supply chains.

03 · Scope: supply chain, operations, and customers

The Bill as introduced covers both a reporting entity's own operations and its supply chain. The term "supply chain" generally refers to upstream suppliers and vendors of the reporting entity, rather than downstream customers. However, as a matter of best practice, the UN Guiding Principles on Business and Human Rights (UNGPs) take a broader view, extending corporate responsibility to impacts directly linked to an enterprise's operations, products, or services through its business relationships, encompassing downstream customers. Entities seeking to adopt best practice may wish to consider downstream human rights risks even where the Bill's formal reporting requirements are directed at upstream supply chains. It is generally accepted that modern slavery risk of customers and investments are risks within the operations of financial institutions.

04 · Organisational boundaries and complex entities

For complex organisations there have been questions around the practical scope of what constitutes a reporting entity's supply chain, and where operational control ends. Complex groups should map their operations and value chain and apply risk-based prioritisation to the areas of greatest severity and likelihood of harm.

05 · Extraterritorial reach, multinational groups, and New Zealand subsidiaries

The Bill contemplates consideration of the broader corporate group structure, but whether and how this will be retained or modified is a matter for the Select Committee. In the Bill as introduced, an entity that controls (directly or indirectly) an entity that meets the reporting-entity criteria is itself a reporting entity. For New Zealand subsidiaries of overseas reporting entities, whether the subsidiary can rely on a group statement (e.g. an Australian Modern Slavery Statement) or must report separately will depend on the final provisions of the Bill. While there may be overlap in content between Australian and New Zealand statements, the New Zealand Modern Slavery Bill establishes its own reporting requirements and prescribed content. It is likely that reporting can be managed so that Australian and New Zealand reporting can be managed within one statement.

06 · Training obligations

For large and complex supply chains, the expectation is not to deliver training to every supplier regardless of context. Instead, entities should take a risk-based approach: targeting training efforts on higher-risk areas of the supply chain; tailoring content and delivery to the size, capability, and maturity of the relevant supplier; and leveraging existing industry resources, collaborative platforms, and sector-specific guidance where available. Training may range from detailed face-to-face workshops for key suppliers to providing written guidance materials or e-learning modules for others. The key is demonstrating reasonable and proportionate steps taken to build awareness and capability across the supply chain.

07 · Supplier engagement and due diligence

The New Zealand Modern Slavery Bill does not prescribe a specific methodology for supply chain engagement. The OECD Due Diligence Guidance for Responsible Business Conduct provides information on due diligence methodologies.

08 · Guidance, templates, and toolbox materials

The Government has indicated that guidance materials and potential templates may be developed to assist reporting entities, but the scope, timing, and publication channel have not yet been confirmed.

09 · Incident identification

Methods for uncovering modern slavery beyond audits include worker voice and grievance mechanisms, whistleblower channels, engagement with civil society and unions, media

monitoring, and industry collaboration initiatives.

10 · Assessing effectiveness

Demonstrating effectiveness is an area where companies globally have found reporting challenging. Leading entities typically establish key performance indicators (such as the proportion of suppliers subject to due diligence, audit completion rates, the number of identified risks remediated, and worker grievance mechanism uptake), conduct periodic reviews of their due diligence frameworks against recognised benchmarks (e.g. the UNGPs), and track year-on-year progress. They also clearly articulate lessons learnt and how those lessons have been incorporated into future strategy, demonstrating that the effectiveness assessment is an iterative process rather than a static compliance exercise.

FURTHER INFORMATION

For further detail, refer to Norton Rose Fulbright's publication on the New Zealand Modern Slavery Bill: nortonrosefulbright.com/en/knowledge/publications/d8b88cd6

For advice on due diligence and reporting obligations, contact Abigail McGregor or Grace Do at Norton Rose Fulbright Australia.

Preparing for New Zealand's Modern Slavery Bill?

Reach out to Ethixbase360 to explore how we can help you build an audit-ready compliance programme ahead of the legislation.

GET READY

This document summarises questions raised by webinar attendees and is provided for general information only. It reflects the Modern Slavery Bill as introduced and does not constitute legal advice. This document is current as at 29 July 2026 and may be subject to change as the Bill progresses through the Select Committee.