

Tauākī ā-Whāinga Whakatutuki Statement of Performance Expectations 2026/27



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Presented to the House of Representatives pursuant to section 149L (3) of the Crown Entities Act 2004

Tauākī Haepapatanga

Statement of Responsibility

The Commerce Commission | Te Komihana Tauhokohoko presents this Statement of Performance Expectations to the House of Representatives under Part 4, section 149L (3) of the Crown Entities Act 2004. This document sets out our proposed performance targets and forecast financial information for the period 1 July 2026 to 30 June 2027 and has been prepared in accordance with section 149E of the Act.

The prospective financial statements and performance information have been prepared in accordance with generally accepted accounting standards. They have not been audited and should not be relied upon for any other purpose.

The Board acknowledges responsibility for the information and prospective financial statements contained here, including the appropriateness of the underlying assumptions and related disclosures. The Board also acknowledges responsibility for the non-financial performance measures, which are intended to provide meaningful and balanced information on the services to be delivered and results to be achieved.



John Small

Chair – Commerce Commission
26 June 2026



Anne Callinan

Deputy Chair – Commerce Commission
26 June 2026

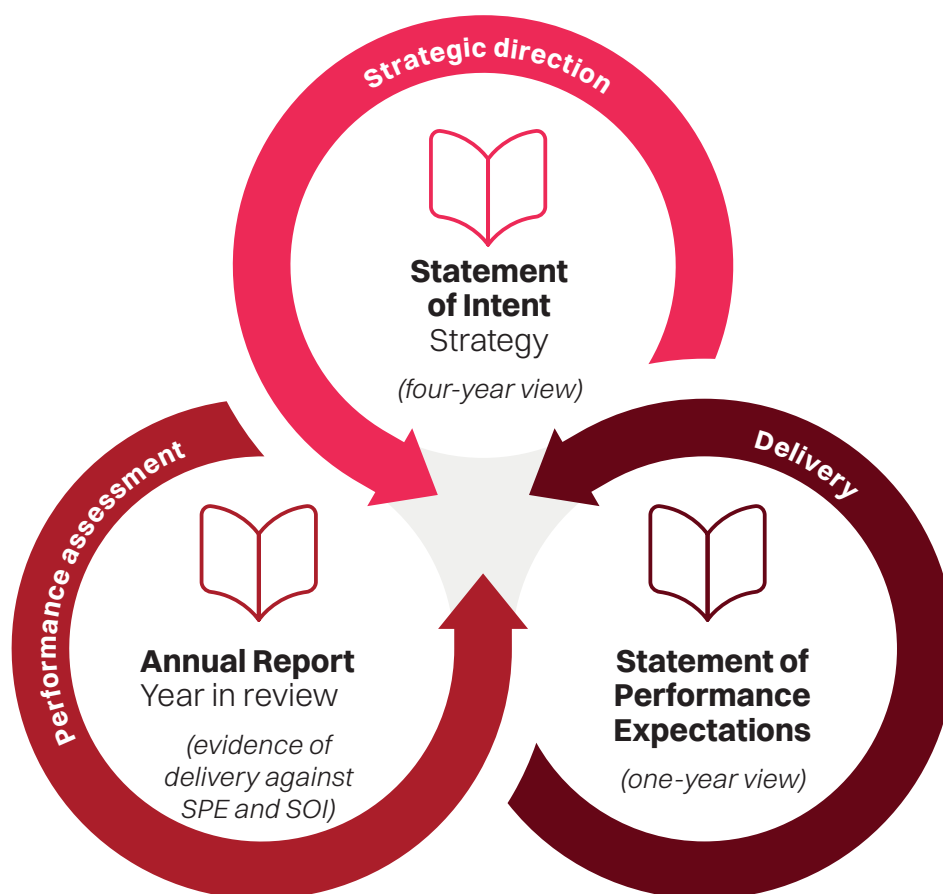
Te Pūtake o te Tauākī ā-Whāinga Whakatutuki

The purpose of the Statement of Performance Expectations

The Statement of Performance Expectations (SPE) is one of three accountability documents produced by the Commerce Commission as instruments of public accountability:

-
- **The Statement of Intent (SOI) 2026–2031** outlines our strategic intentions.
 - **The SPE** sets annual expectations for outputs, performance and funding.
 - **The Annual Report** measures performance against these statements, reviews key events or issues, and is independently audited.
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The relationship between the SPE, SOI and Annual Report is as follows.



This SPE gives effect to the first year of delivery against the Outcomes and Impacts set out in the 2026–2031 Statement of Intent, providing a clear line of sight from strategy to annual delivery and reporting. It sets out our 2026/27 outputs and how financial and non-financial performance will be measured against those outputs. Progress will be assessed over time through cumulative evidence, including trends in regulatory activities, market responses, and behavioural indicators, supported by evaluation findings. The targets and deliverables in our SPE are informed by:

-
- **Our governing legislation**
 - **The Government's priorities and those of our Ministers**
 - **Our strategic intent described within our 2026–2031 SOI.**
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Ngā kiko o roto

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01

Tirohanga Whānui te Komihana Tauhokohoko Overview of the Commerce Commission

Tō mātou wāhi i roto i te rāngai tūmatanui Our Place in the Public Sector

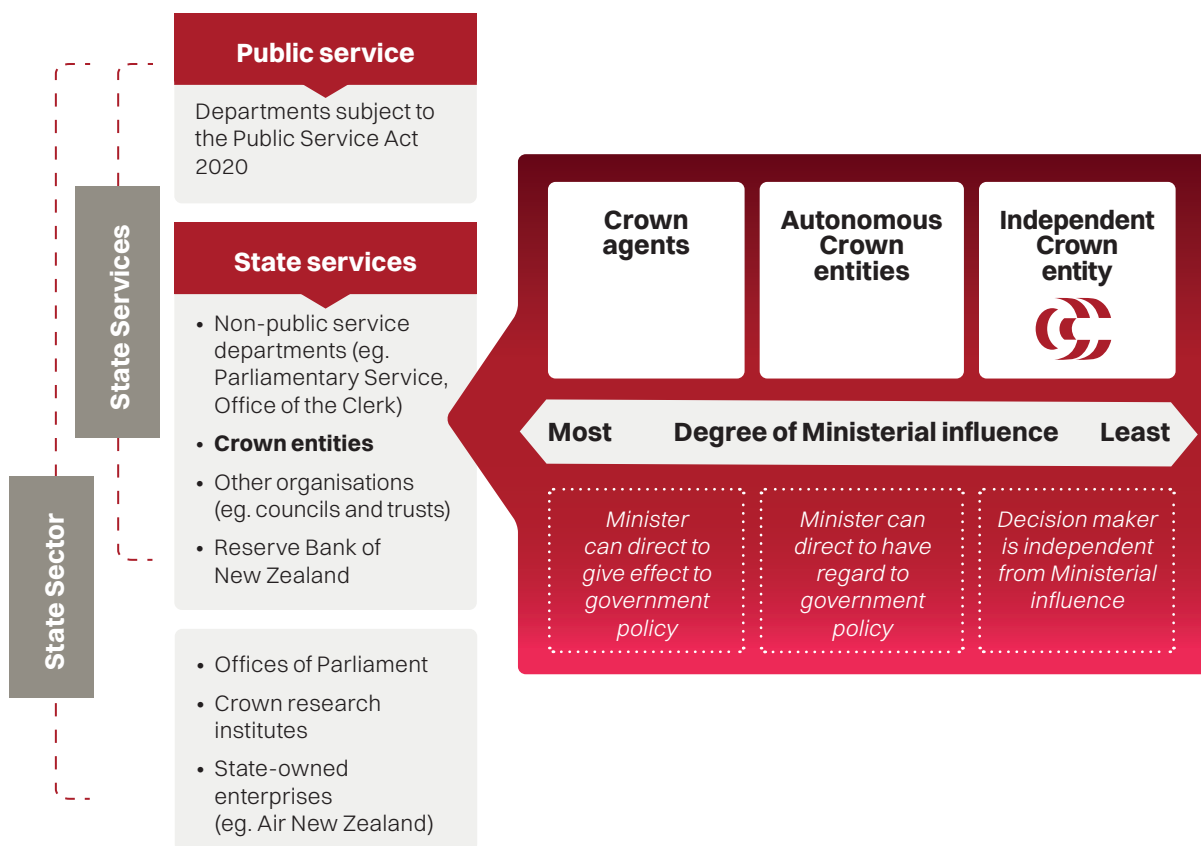
As an independent Crown entity, we use the powers Parliament has given us to make regulatory and enforcement decisions in the long-term interests of New Zealanders. Independence is central to our role: our Commissioners and Associate Commissioners make decisions based on evidence and statute, not direction from Ministers.



We are accountable to the Minister of Commerce and Consumer Affairs. The Ministry of Business, Innovation and Employment (MBIE) is our monitoring agency and supports effective oversight of our performance.

We operate within the wider public sector system. Government sets the legislative and policy settings we work within; we provide expert regulatory insights to help ensure those settings are effective and practical. We also work closely with other domestic and international regulators where collaboration improves outcomes.

The graphic below shows how our independent decision-making role fits within the broader state sector and accountability framework.



Te Taha Kaitiakitanga

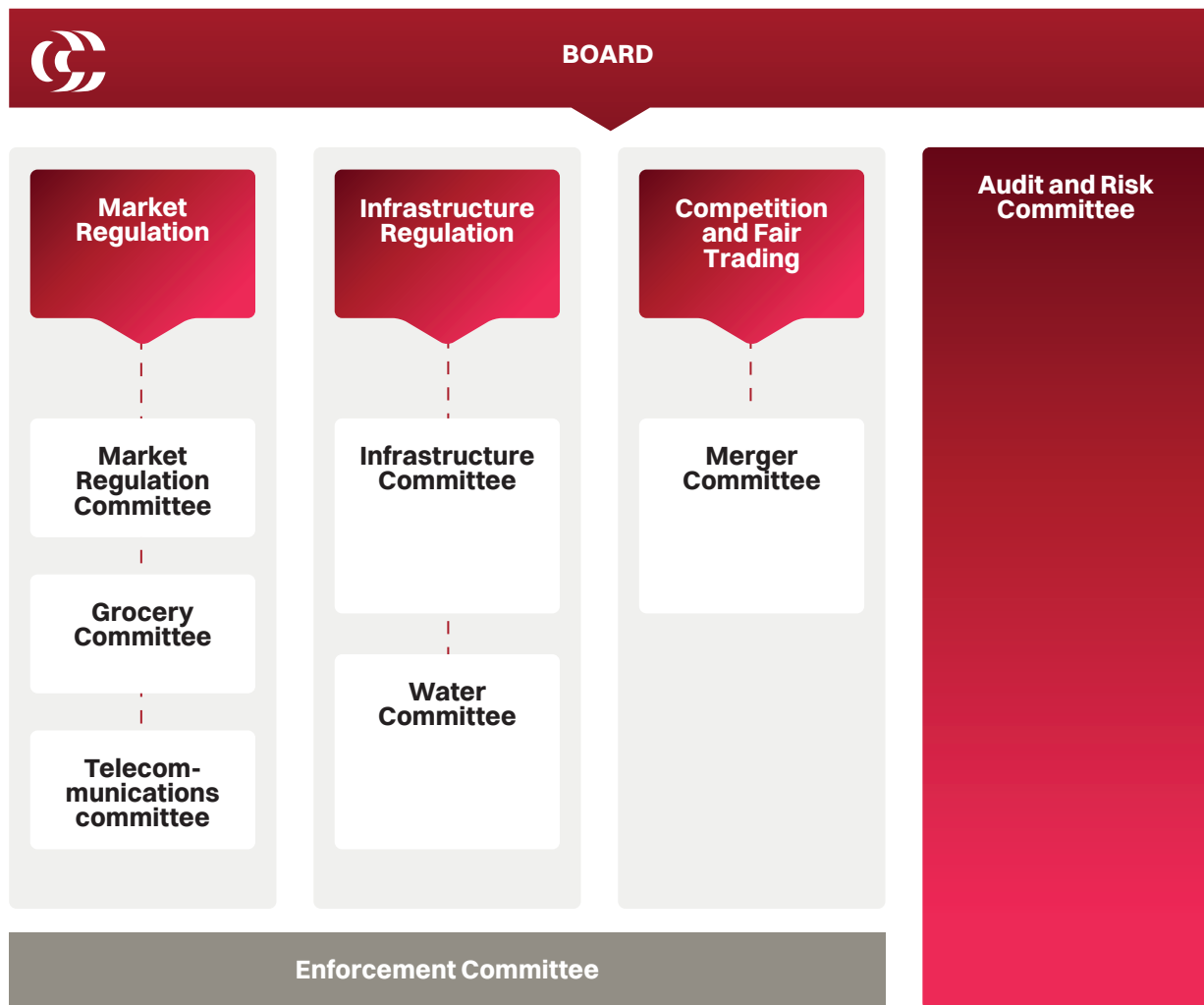
Our Governance Structure

Governance Transition

Following the 2025 Governance and Effectiveness Review, Cabinet agreed to implement changes to our governance arrangements through legislation, specifically the Commerce (Commerce Commission Reform) Amendment Bill. Throughout the transition period, our statutory functions, decision-making independence, and accountability obligations remain unchanged. Following enactment, governance arrangements will be updated to reflect the new model, while maintaining clear accountability and continuity of oversight.

Current Governance Arrangements (During the Transition Period)

We are governed by a Board established under the Crown Entities Act, and supported by an Audit & Risk Committee. Regulatory committees established by the Board support decision-making across the three regulatory systems, including an Enforcement Committee that spans all three.



Ngā Haepapatanga ā-Ture me ngā Tino Mahi

Legislated Responsibilities and Essential Functions

We steward three interconnected regulatory systems — competition, consumer protection, and essential infrastructure regulation — through the statutory responsibilities Parliament has given us. The Acts below establish the regulatory regimes we administer and the responsibilities and functions we carry out.

Commerce Act 1986 (Parts 2, 3, 3A and 5)

- Prohibits anticompetitive conduct and mergers that substantially lessen competition
- Provides for merger clearances and authorisations and enables market studies

Commerce Act 1986 (Part 4)

- Provides for information disclosure and price-quality regulation in markets with little or no workable competition
- Applies to electricity distribution and transmission, gas pipelines, specified airport services, and water services

Fair Trading Act 1986

- Prohibits misleading, deceptive, and unfair trading practices
- Sets information-disclosure and product-safety requirements

Dairy Industry Restructuring Act 2001

- Supports the efficient operation of dairy markets by regulating Fonterra's activities and ensuring contestability

Fuel Industry Act 2020

- Promotes competition in fuel markets
- Establishes wholesale pricing, contract rules, information disclosure, and retail price-display requirements

Retail Payment System Act 2022

- Promotes competition and efficiency in retail payments
- Establishes a monitoring regime and the setting and enforcing of targeted rules that apply to designated payment networks

Grocery Industry Competition Act 2023

- Establishes monitoring and reporting for the grocery sector and provides for the Grocery Supply Code
- Includes regulatory tools to promote fair conduct and reliable, cost-effective wholesale supply

Telecommunications Act 2001

- Regulates wholesale telecommunications services, including fibre price-quality settings, and oversees the quality of retail services
- Promotes competition in telecommunications markets

Local Government (Water Services Preliminary Arrangements) Act 2024

- Establishes preliminary arrangements to support the Local Water Done Well framework
- Introduces transitional economic regulation, including foundational information disclosure requirements for specified water services providers
- Includes specific provisions for Watercare, including the appointment of a Crown Monitor, with the enduring regulatory regime continuing to be developed

In addition to delivering our statutory functions (outlined in Section 2: Outputs and Performance), we contribute expert regulatory advice to support the development of competition, fair trading, and economic-regulation policy settings.

Further legislative change may be enacted during this Statement of Performance Expectations period. Maintaining agility is essential so we can implement new responsibilities at pace.

02

Tō Mātou Ahunga Rautaki Our Strategic Direction

Our strategic direction is set out in our 2026-2031 Statement of Intent (SOI). It is anchored in our purpose of promoting competition, fair trading, and the effective regulation of essential infrastructure services so markets work well and people and businesses can participate with confidence.

Our strategic framework shows how our work is intended to make a difference over time. It brings together three elements:

Outcomes the long-term system level changes we seek to influence



Impacts the medium-term changes that show progress toward those outcomes

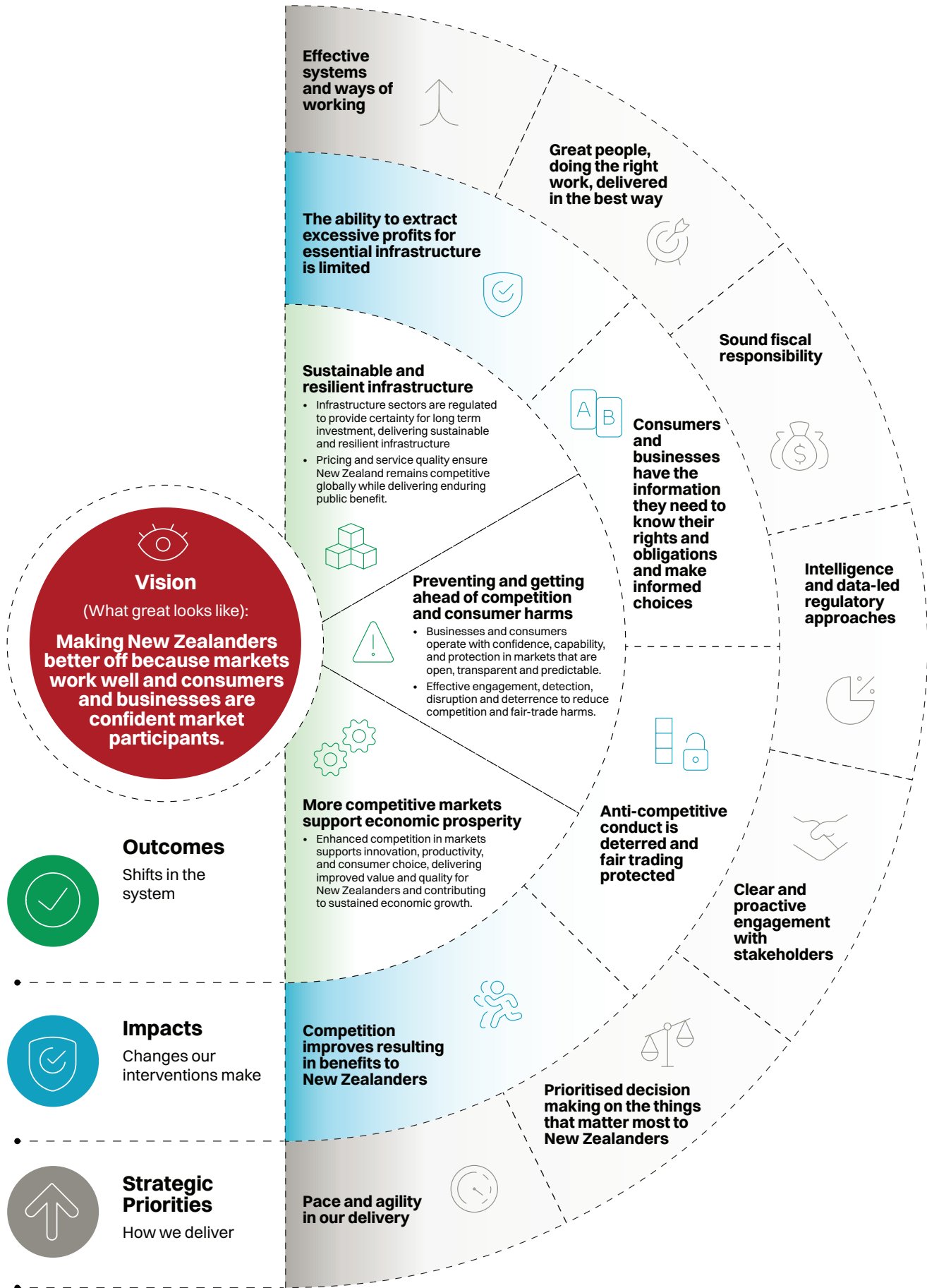


Strategic Priorities how we deliver our regulatory approach and organisational capability.



Together, these elements guide our priorities, decisions and reporting across our work.





Vision
 (What great looks like):
Making New Zealanders better off because markets work well and consumers and businesses are confident market participants.

Outcomes
 Shifts in the system

Impacts
 Changes our interventions make

Strategic Priorities
 How we deliver

Effective systems and ways of working

Great people, doing the right work, delivered in the best way

The ability to extract excessive profits for essential infrastructure is limited

Sustainable and resilient infrastructure
 • Infrastructure sectors are regulated to provide certainty for long term investment, delivering sustainable and resilient infrastructure
 • Pricing and service quality ensure New Zealand remains competitive globally while delivering enduring public benefit.

Sound fiscal responsibility

Consumers and businesses have the information they need to know their rights and obligations and make informed choices

Intelligence and data-led regulatory approaches

Preventing and getting ahead of competition and consumer harms
 • Businesses and consumers operate with confidence, capability, and protection in markets that are open, transparent and predictable.
 • Effective engagement, detection, disruption and deterrence to reduce competition and fair-trade harms.

Anti-competitive conduct is deterred and fair trading protected

Clear and proactive engagement with stakeholders

More competitive markets support economic prosperity
 • Enhanced competition in markets supports innovation, productivity, and consumer choice, delivering improved value and quality for New Zealanders and contributing to sustained economic growth.

Competition improves resulting in benefits to New Zealanders

Prioritised decision making on the things that matter most to New Zealanders

Pace and agility in our delivery

This Statement of Performance Expectations sets out how we will give effect to that direction in 2026/27, the first year of delivery under the new SOI.

Focus for 2026/27

In 2026/27, our priorities are guided by the three system-level outcomes in the strategic framework and the impacts that signal progress toward them. Across the regulatory systems we steward we will focus on:

- **More competitive markets supporting economic prosperity** - Targeting conduct, structures, and behaviours that undermine effective competition, particularly where impacts are widespread or persistent.
- **Preventing and getting ahead of competition and consumer harms** - Acting on emerging risks, reducing high-harm conduct, and improving information so consumers and businesses can make informed choices.
- **Sustainable and resilient infrastructure** - Providing clear regulatory settings and transparent information to support long-term investment and service quality in infrastructure sectors.

From Outcomes to Annual Delivery

Our SOI impacts provide the bridge between our outcomes and our annual work programme. In 2026/27, these impacts are reflected through our outputs — including investigations, enforcement, guidance, monitoring, market studies, information disclosure, and price-quality regulation — and the performance measures set out in our SPE.

Our annual priorities reflect:

- where harm is greatest or risks are emerging
- where regulatory intervention can deliver the greatest public benefit
- the need to balance pace, quality, predictability, and compliance burden within tight fiscal settings

Applying a One Commission Approach

In 2026/27, we will continue operating as One Commission, applying consistent decision-making standards, prioritisation, and regulatory discipline across regimes and markets. While tools and responses are tailored to sector-specific conditions, our approach to evidence, assurance, and transparency remains consistent across the regulatory systems we steward.

This ensures our annual delivery is clearly aligned to our SOI, focused on what matters most, and demonstrably contributes to improved outcomes for consumers, businesses, and the wider economy.

This approach supports clearer prioritisation, more consistent decision-making, and better use of scarce resources, particularly within tight fiscal constraints.

The relationship between outputs, impacts, and outcomes is shown in the table that follows. Indicators used to assess progress are described in Appendix 1 of our SOI and reported annually in our Annual Report.

SOI Outcome(s)	SOI Impact	Linked SPE Output Class(es)	Our Contribution
More competitive markets support economic prosperity	Competition improves, resulting in benefits to New Zealanders	Competition, Telecommunications, Grocery Sector Regulation, Retail Payment System, Fuel, Dairy Oversight	Monitoring, investigations, enforcement, advocacy, and sector-specific regulation reduce barriers to competition and enable rivalry, supporting productivity, innovation, choice, and value over time
		Grocery Sector Regulation, Retail Payment System, Telecommunications	Codes, regulatory oversight, and transparency reduce barriers to switching and entry, strengthening competitive pressure and innovation
	Anticompetitive conduct is deterred and fair trading protected	Competition, Cartels, Mergers and Authorisations, Dairy Oversight	Detection, investigation, and enforcement increase deterrence, reducing harmful conduct and supporting confidence that markets operate fairly
	Consumers and businesses have the information they need to know their rights and obligations and make informed choices	Competition, Consumer (fair trading), Grocery Sector Regulation, Dairy Oversight	Guidance, engagement, and proportionate enforcement clarify expectations and obligations, improving predictability, and supporting voluntary compliance and informed participation
Preventing and getting ahead of competition and consumer harms	Anticompetitive conduct is deterred and fair trading protected	Competition, Cartels, Mergers and Authorisations, Consumer (fair trading)	Market monitoring, early intervention, and enforcement reduce misleading, unsafe, and unfair conduct, preventing and addressing consumer harm.
	Consumers and businesses have the information they need to know their rights and obligations and make informed choices		Information provision, warnings and engagement equip consumers to recognise and avoid harm and support informed decision-making
Sustainable and resilient infrastructure	The ability to extract excessive profits for essential infrastructure is limited	Electricity Lines Services, Gas Pipeline Services, Airports	Revenue and price quality regulation limit excessive returns while preserving incentives for efficient investment
	Competition improves, resulting in benefits to New Zealanders	Electricity Lines Services, Gas Pipeline Services, Telecommunications (fibre)	Price quality regulation and disclosure support reliable services that deliver long-term value to consumers and businesses
More competitive markets support economic prosperity Preventing and getting ahead of competition and consumer harms Sustainable and resilient infrastructure	Competition improves resulting in benefits to New Zealanders	Competition, Market Studies, Monitoring and Advice (local government and essential services, including water)	Advocacy and advice identify system-level issues and support improvements that lift competition, reduce harm, and improve value for money

Te Horopaki Whakahaere

Our Operating Context

Our operating environment is described in detail in our 2026–2031 Statement of Intent. This Statement of Performance Expectations focuses on how those conditions shape our priorities and delivery in 2026/27.

Our work this year is influenced by ongoing economic pressures, major infrastructure investment cycles, legislative reform, and increased expectations for regulatory clarity, pace, and demonstrated public value. These factors affect how we prioritise effort, apply our regulatory tools, and manage resources across the regulatory systems we steward.

Government expectations and fiscal settings

In 2026/27 we will continue to balance rising demand for regulatory action with fiscal prudence. Within this context, Government expectations emphasise strong value-for-money discipline, proportionate regulation, and reduced unnecessary compliance burden.

For this year, this requires clear prioritisation, careful sequencing of major programmes, and transparent reporting on the results of our work. These expectations shape how we sequence work, calibrate regulatory effort, and design performance measures that emphasise effectiveness, deterrence, and public value rather than volume.

Legislative and regulatory change

Several reforms in 2026/27 will affect our role and activities. Information disclosure for water services is under way, with further economic-regulation settings expected to be confirmed. Reforms to competition and consumer law, including merger control and Fair Trading penalties, may require rapid implementation and updated guidance. Newer regimes — including groceries and retail payments — continue to mature, requiring sustained monitoring, engagement, and compliance activity.

Economic and market conditions

Cost-of-living pressures remain significant for households and businesses, while large-scale investment cycles in energy networks, fibre, and water services are gathering pace. These conditions heighten the importance of predictable regulatory settings, credible information disclosure, and strong competitive discipline. In 2026/27, we will focus on timely decisions, clear regulatory signals, and early identification of emerging risks.

Development levies

Preparatory work is under way in 2026/27 within the Commission to support the proposed development levies regulatory regime, with legislation expected to be introduced in September 2026. During 2026/27 the Commission will contribute expert regulatory advice, support officials with select committee processes, and engage with stakeholders to inform the design of the regime.

Digitalisation and emerging risks

Digital platforms continue to change how competition and consumer harms arise. This year, a growing share of our work will involve digital-market behaviour, online practices and AI-enabled risks, reinforcing the importance of strong intelligence, data and analytical capabilities.

Strengthening organisational maturity





In 2026/27, we will continue embedding the governance, decision-rights, and assurance improvements arising from recent organisational reviews. These changes support faster, consistent, and well-reasoned decisions and strengthen confidence in the regulatory systems we steward. We are also refining our performance framework, so measures are clearer, more meaningful, and more directly linked to the impacts and outcomes in our SOI.

Te Huarahi ā-Ture Me Ngā Tikanga Whakaine Ka Whāia

Our Regulatory Approach and How We Will Measure it

Our regulatory approach is set out in our 2026–2031 SOI. It guides how we use the powers Parliament has given us to promote competition, prevent harm, and support reliable and affordable essential services. Our SPE focuses on how that approach will be applied and measured in 2026/27.

Operating as One Commission, we apply consistent decision-making standards, prioritisation, and assurance across the regulatory systems we steward, while tailoring tools to different regimes and market contexts.

	<p>Acting with pace and agility</p> <p>We will act early on emerging risks and progress decisions in a timely and predictable manner, calibrating processes and assurance to the scale, risk, and impact of each issue.</p>	<p>How we will measure it:</p> <p>Timeliness standards for investigations, enforcement actions, statutory regulatory processes, and cycle time improvements.</p>
	<p>Prioritised decision making on the things that matter most to New Zealanders</p> <p>We will prioritise work based on evidence of harm, market impact, and public value, and sequence activity to deliver the greatest benefit within constrained resources.</p>	<p>How we will measure it:</p> <p>Evidence that high impact harms and sectors are the focus of regulatory effort.</p>
	<p>Clear and proactive engagement with stakeholders</p> <p>We will engage early with consumers, businesses, regulated suppliers, Māori, and partner agencies, and provide guidance that is clear, accessible, and aligned with how markets operate in practice.</p>	<p>How we will measure it:</p> <p>Uptake and user-rated clarity of guidance; stakeholder and partner-agency feedback; evidence of early engagement on priority work.</p>
	<p>Intelligence and data-led regulatory approaches</p> <p>We will strengthen the use of data, analytics, and insights to detect risks earlier, understand market conditions, and evaluate the effectiveness of our interventions.</p>	<p>How we will measure it:</p> <p>Progress against data-capability milestones; use of analytical insights in decisions; monitoring and evaluation findings reported through our annual reporting and key public and statutory outputs (including sector reports).</p>
	<p>Applying the full regulatory toolkit, proportionately</p> <p>We will deploy the most effective mix of tools — including guidance, monitoring, enforcement, market studies, information disclosure, and price-quality regulation — and adapt our response as risks evolve.</p>	<p>How we will measure it:</p> <p>Delivery against SPE output measures; evidence of proportionate tool selection; findings from ex-post reviews of significant interventions.</p>

Contribution to Outcomes

Our annual measures are designed to demonstrate how delivery in 2026/27 contributes to our SOI impacts — stronger competition, reduced harm, better information for consumers and businesses, and constrained excessive returns in essential infrastructure. Progress against these measures will be reported through our Annual Report, alongside qualitative evaluation of what is working and where adjustments are needed. While outcomes are influenced by many external factors, these measures provide evidence of the Commission’s contribution to sustained improvements over time, rather than sole attribution of system-level results.

Te Mahi Tahī me Ngā Tikanga Whakaine

Collaboration and How We Will Measure it

Collaboration Across the System

Effective collaboration supports outcomes across the regulatory systems we steward, particularly where issues span multiple regulators, sectors, or jurisdictions. In 2026/27, collaboration is targeted to situations where it strengthens coherence, supports earlier risk identification or improves the efficiency and impact of regulatory action, while maintaining our independent decision-making role.

How We Will Collaborate and Measure Success in 2026/27

Joint regulatory stewardship We will work with relevant regulators and monitoring agencies — including MBIE, the Electricity Authority, the Financial Markets Authority, the Office of the Privacy Commissioner, the Water Services Authority, and other regulators where responsibilities intersect — to align regulatory signals and support coherent system-level outcomes.	How we will measure it: Evidence of aligned or coordinated regulatory actions in shared regulatory systems.
Information-sharing and coordinated action We will use formal arrangements and statutory information-sharing provisions where appropriate to support timely and informed regulatory responses to emerging or cross-cutting risks.	How we will measure it: Effective use of information-sharing to inform investigations, monitoring, or enforcement activity.
Contribution to policy development We will provide evidence-based regulatory input to policy agencies and engage internationally where this strengthens long-term system outcomes or informs domestic regulatory practice.	How we will measure it: Policy-agency feedback on the relevance and timeliness of our input; participation in targeted international initiatives that inform regulatory decisions.

Collaboration activity and its contribution to outcomes will be reflected in our Annual Report through case examples, performance commentary, and evaluation findings demonstrating how collaboration supports our SOI impacts.

| 03


Tō Mātou Rautaki Tāngata Our Organisational Capability and Health

Delivering the outcomes and impacts set out in our 2026–2031 Statement of Intent depends on strong organisational capability and disciplined ways of working. In 2026/27, our focus is on maintaining organisational health and continuing to strengthen the capabilities that directly enable high-quality, timely, and predictable regulatory delivery within constrained fiscal settings.

Our organisational priorities for the year align with the Organisational Strategy in our SOI and support, and reflect, effective stewardship across the regulatory systems we steward.



Organisational Priorities for 2026/27

	<p>Intelligence and data-led regulatory approaches</p> <p>We will expand our intelligence, data, and insight capability to support early detection of harms, prioritisation, and evidence-based decisions.</p>	<p>How we will measure progress:</p> <p>Through delivery of agreed data-capability milestones, increased use of analytical insights in decisions, and evidence from evaluation activities.</p>
	<p>Great people, doing the right work, delivered in the best way</p> <p>We will strengthen specialist capability, leadership practices, and workforce planning to support high-quality decisions, clear prioritisation, and effective delivery all grounded in our organisational values.</p>	<p>How we will measure progress:</p> <p>Through workforce and capability metrics, employee engagement insights, leadership, decision-quality assessments, and internal assurance findings.</p>
	<p>Effective systems and ways of working</p> <p>We will strengthen decision-rights, processes, data, and technology foundations to support timely, consistent decisions, secure and efficient working, and clearer guidance that reduces unnecessary compliance burden.</p>	<p>How we will measure progress:</p> <p>Through decision cycle-time and quality-assurance metrics, uptake of improved processes, feedback on guidance clarity, and evaluation findings reported through the Annual Report.</p>
	<p>Sound fiscal responsibility</p> <p>We will prioritise high-benefit work and strengthen planning, sequencing, and assurance to deliver value for money within tight fiscal constraints.</p>	<p>How we will measure progress:</p> <p>Delivery within appropriations, evidence of efficiency gains and transparent financial-management reporting.</p>
	<p>Clear and proactive engagement with stakeholders</p> <p>We will strengthen engagement with consumers, Māori, businesses, regulated suppliers, and partner agencies so issues are surfaced earlier and decisions are better informed.</p>	<p>How we will measure progress:</p> <p>Through external stakeholder surveys, partner-agency feedback, and engagement effectiveness metrics.</p>

Organisational Enablers

Rautaki Māori and He Kawa

Strengthening how we honour te Tiriti o Waitangi improves the quality, legitimacy, and durability of our regulatory decisions. Through Rautaki Māori, we embed earlier engagement, integrate te ao Māori perspectives into decision-making, and build enduring relationships that support effective stewardship. He Kawa sets the behaviours and expectations that underpin principled, transparent, and consistent regulatory practice.

Good-employer obligations

We meet our good-employer obligations through an active EEO programme with a focus on equitable pay, inclusive recruitment, improved representation in leadership, and strengthening te ao Māori capability across roles.

Managing Risk and maintaining trust

Effective risk management supports timely decisions, early detection of issues and consistent delivery across our expanding mandate. We maintain an organisation-wide risk framework overseen by the Audit & Risk Committee, with clear ownership, escalation pathways and use of post-implementation reviews to strengthen future decisions.

Key strategic risks include regulatory lag in fast-moving markets, specialist capability pressures, data limitations, fiscal constraints, loss of stakeholder confidence and cross-agency misalignment. We manage these risks through strong prioritisation, targeted capability investment, early engagement and consistent application of our regulatory approach.

Risk Management and Delivery Assurance

Delivering the outputs and performance expectations set out in this Statement of Performance Expectations requires effective management of risks that could affect decision quality, pace, consistency, or confidence in the regulatory systems we steward. The enduring strategic risks relevant to our role are described in our 2026-2031 SOI. This section outlines how risk is managed in 2026/27 to support delivery.

Key delivery risks in 2026/27 - include:

- regulatory lag in fast-moving or digital markets
- specialist capability and capacity pressures
- information and data limitations in emerging or maturing regimes
- increased demand within tight fiscal constraints
- potential loss of stakeholder confidence from unclear, inconsistent, or delayed decisions
- reliance on effective coordination with system partners in shared regulatory settings

How we manage risk in 2026/27 - We manage these risks through an organisation-wide risk and assurance framework overseen by the Board and Audit & Risk Committee.

Key elements include:

- clear prioritisation and sequencing of work to concentrate effort where harm is greatest and public benefit is greatest
- intelligence and data-led approaches to detect emerging risks earlier
- proportionate assurance and clear decision-rights to balance pace and quality
- active monitoring of capacity and capability pressures
- early engagement on priority work
- evaluation, post-implementation reviews, and learning loops for significant interventions

Risk management is embedded in our day-to-day regulatory practice, and supports consistent, evidence-based decision-making without compromising our independence. We maintain confidence in the systems we steward through our careful management of risks, transparent reporting and ongoing evaluations.

Maintaining Organisational Health

Effective organisational health supports confidence in the regulatory systems we steward. We maintain an organisation-wide risk and assurance framework overseen by the Board and Audit & Risk Committee, and we use evaluation, post-implementation reviews, and learning loops to strengthen future decision-making.

Together, these ensure the Commission remains a predictable, trusted, and effective regulator in 2026/27, while laying the foundations for delivering the longer-term ambitions set out in our SOI.

Ngā Mātāpono

Our Values

Our strategic direction, the impacts we seek, and the work we do are ultimately about people and improving outcomes for Aotearoa New Zealand. Our values framework is the anchor for how we work. It describes the qualities we choose to embody, how we treat each other, how we engage with consumers, businesses, and partners, and the standard of conduct expected of all our people.

Our He Kawa framework, grounded in te ao Māori concepts, brings together our kaupapa and values into a coherent way of working. Each part supports the other, guiding how we engage, how we make decisions, and how we steward the regulatory systems we are responsible for. He Kawa helps us act in a way that is principled, consistent and people-centred, and underpins our commitment to te Tiriti o Waitangi.

He Kawa Tauhokohoko provides the foundation for how we deliver on our strategic direction and the outcomes set out in our 2026–2031 SOI.

He Kawa Tauhokohoko | Our Values Framework

Our Kaupapa

Manaakitanga

We enhance the mana of others through expressions of generosity, hospitality, respect and care

Kotahitanga

We work together to achieve common goals

Whanaungatanga

We have a sense of belonging through our shared experience of working together

Kaitiakitanga

We are aware of responsibilities as stewards of commerce

Our Values

He toa takitini

Strength in the collective



Rukuhia te wāhi ngaro

Curious, future-focused and courageous



Ma te huruhuru ka rere

Protect, empower and inform



Mauria te pono

Belief in ourselves, our kaupapa, our impact



Te Ao Māori concepts

Tika

To be right or correct to our practice and the way we work

Pono

True or genuine to our tikanga

Aroha

Respect, friendship, concern. Every person respects the rights of others

04

Ngā Hua me ngā Tutukinga Outputs and Performance

Measuring Performance

This section describes the outputs that we are funded to provide, the results we seek for each and how we will assess our performance.

Output Measures and Financial Information

We will achieve our vision of 'making New Zealanders better off because markets work well and consumers and businesses are confident market participants' by implementing our strategy and carrying out our functions.

Our work is primarily funded through a variety of annual and multi-year appropriations under Vote Business, Science and Innovation.

The largest contribution to our revenue is from the Crown, which is sourced through a combination of general taxes and industry levies. Other sources of revenue include court cost awards from litigation, and application fees paid by businesses seeking clearances and other determinations.



Measures and Methodology

This Statement of Performance Expectation sets out the outputs we are funded to deliver in 2026/27, together with the performance measures used to assess delivery. Performance measures have been selected and presented in accordance with Public Benefit Entity Financial Reporting Standard 48 (PBE FRS48) to provide meaningful, balanced, and decision-useful information.

Timeliness measures are used where activities are clearly attributable within a single year (for example, statutory decision time-frames). These are complemented by broader indicators of regulatory posture and impact set out in our SOI, recognising that competition outcomes are often realised over time.

Measures are designed to:

- reflect the nature and scale of our regulatory activity
- capture timeliness, quality, and impact where appropriate
- provide a clear line of sight to the impacts and outcomes in our 2026–2031 Statement of Intent

Where relevant, we use a mix of:

- timeliness and delivery measures (e.g. decision timeframes)
- behavioural or system indicators that signal progress toward SOI impacts
- qualitative evidence, including evaluation findings and case examples, reported through our Annual Report

The Commission has moved away from an over-reliance on volume-based activity measures towards including measures that capture regulatory effectiveness, behavioural response, and public value. This recognises that, as an economic regulator, the Commission's impact is not represented by activity counts alone.

Measures such as timeliness, which indicate compliance with statutory or procedural requirements, will continue to be reported alongside outcome-focused indicators to provide a more complete view of regulatory effectiveness.

Performance information is presented by output class. Each output contributes directly or indirectly to the impacts set out in our SOI, and progress against these impacts is reported annually. Any changes to output measures from previous years, and the rationale for those changes, are disclosed in Appendix 1.

Completeness of Output Reporting

The Commission confirms that all classes of outputs supplied for the 2026/27 financial year are included in our SPE.

Cost Pressures and Demand Dynamics

Each output class is affected by cost drivers such as:

- increased case complexity and digital harms (Competition, Fair Trading)
- large capital cycles (Energy, Airports, Water)
- new statutory duties (Groceries, Retail Payments)
- cost of data collection and analytics (all regimes)

These pressures inform budget allocations and sequencing decisions.

More detailed information will be set out in the Commission's annual financial statements.

Disclosure of Changes to Performance Measures (PBE FRS 48)

As part of implementing the Commission's refreshed strategic framework and regulatory approach in our 2026-2031 SOI, we have introduced changes to our performance measures to better reflect how the Commission delivers deterrence, promotes compliance, and influences market and infrastructure outcomes.

The Commission has moved away from an over-reliance on volume-based activity measures towards including measures that capture regulatory effectiveness, behavioural response, and public value. This recognises that, as an economic regulator, the Commission's impact is not represented by activity counts alone.

In making these changes, the Commission has applied judgement to prioritise relevance and faithful representation of performance information over year-on-year comparability, consistent with PBE FRS 48.

Area of performance	Nature of change	Reason for change
Competition and market regulation	Reduced emphasis on activity volumes, increased focus on effectiveness and deterrence	Better reflects how the Commission influences market behaviour and competition outcomes
Consumer protection	Consolidation of measures aligned to consumer confidence and compliance	Improves clarity and captures regulatory impact rather than throughput
Regulated services	Refined affordability and resilience measures	Better reflects long-term investment signals and service outcomes

Where changes affect comparability with prior periods, these have been made deliberately to improve the usefulness of performance information for Parliament and the public, consistent with PBE FRS 48.

Tirohanga Whakataetae, Māketē Hoki, Kiritaki

Competition, Market Studies, Consumer

This section outlines our output measures, expected revenue, and proposed expenditure relating to our role under the:

- Commerce Act 1986 (Parts 2, 3, 3A and 5)
- Fair Trading Act 1986

Output Class:

Te whakataetae Competition

Promote and protect competition through merger and authorisation assessments, cartel and competition investigations, intelligence and monitoring, guidance and stakeholder engagement.

Intended Results

- Faster decisions on investigations and mergers, supporting certainty and reducing harm
- Sharper prioritisation of competition issues, focusing effort on matters that most affect New Zealanders
- Clearer expectations and guidance for businesses, improving compliance and reducing inadvertent breaches
- Earlier identification of risks, driven by improved intelligence and monitoring

These intended results contribute to the Commission's strategic intent by improving competitive conditions and supporting our SOI impact of more competitive markets that benefit New Zealanders.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Percentage of competition investigations decided within 18 months of the investigation being opened	75%	75%	75%
Percentage of merger clearance and authorisation decisions completed within statutory timeframes	New measure	New measure	100%

How Much This Will Cost

We receive funding through the multi-category appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Enforcement of General Market Regulation – Competition Regulation Enforcement and Monitoring*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	12,075	12,075	12,075
Other revenue	214	314	188
Total operating revenue	12,289	12,389	12,263
Total operating expense	12,900	12,134	12,953
Surplus/(deficit)	(611)	255	(690) ¹

¹ The budgeted deficit relates to the Enforcement of General Market Regulation MCA appropriation and will be funded from accumulated prior-year surpluses within the same appropriation.

Output Class:

Te Mātai Māketē

Market Studies (also known as Competition Studies)

Undertake market studies that provide evidence-based analysis and recommendations to address barriers to competition.

Intended Results

- Studies are completed to agreed timeframes with clear, actionable recommendations
- Earlier identification of structural or conduct barriers to competition
- Greater uptake of recommendations through targeted engagement with decision-makers
- Improved transparency of market dynamics through publication of analysis and follow-up.

These intended results contribute to the Commission's strategic intent by enabling targeted reforms and actions that strengthen competition in priority markets.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Competition studies contain actionable recommendations directed to specific parties.	New measure	New measure	Achieved

How Much This Will Cost

We receive funding through the annual appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Competition Studies*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	1,482	1,434	1,482
Other revenue	20	26	17
Total operating revenue	1,502	1,460	1,499
Total operating expense	1,502	1,460	1,499
Surplus/(deficit)	-	-	-

Output Class:

Te Kiritaki (Tauhokohoko Tika) Consumer (Fair Trading)

Prevent, detect, and address misleading, deceptive, and unfair trading practices through investigations, product safety interventions, targeted compliance activity, guidance, and engagement.

Intended Results

- Faster decisions that reduce consumer harm, including timely responses to investigations and product safety risks
- Effective disruption and deterrence of unfair and misleading practices through credible enforcement
- Clearer expectations for traders, improving compliance and reducing inadvertent breaches
- Greater consumer confidence that businesses deal with them fairly, supporting informed choices and participation
- Earlier identification of risks and emerging harms, supported by improved intelligence and monitoring
- Trader behaviour improves following Commission interventions, reducing repeated or systemic non-compliance
- Guidance and education reach the right sectors, helping consumers and traders understand rights and obligations

These intended results contribute to the Commission's strategic intent by strengthening fair, predictable markets and supporting our SOI impact of reducing competition and fair-trading harms.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Percentage of Fair Trading Act 1986 investigations decided within 12 months of the investigation being opened	95%	95%	95%
Percentage of Fair Trading Act 1986 investigations with an effective Enforcement Response achieved	New measure	New measure	90%

How Much This Will Cost

We receive funding through the multi-category appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Enforcement of General Market Regulation — Consumer Regulation Enforcement and Monitoring*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	18,077	20,892	15,113
Other revenue	409	616	172
Total operating revenue	18,486	21,508	15,285
Total operating expense	19,595	22,295	16,153
Surplus/(deficit)	(1,109)	(787)	(868) ²

² The budgeted deficit relates to the Enforcement of General Market Regulation MCA appropriation and will be funded from accumulated prior-year surpluses within the same appropriation.

Output Class:

Ngā Ture Ohaoha Economic Regulation

This section outlines our output measures, expected revenue, and proposed expenditure relating to our role under the:

-
- Grocery Industry Competition Act 2023

 - Telecommunications Act 2001

 - Fuel Industry Act 2020

 - Water Services

 - Development Levies

 - Retail Payment System Act 2022

 - Commerce Act 1986 (Part 4)

 - Specified Airport Services

 - Electricity Lines Services

 - Gas Pipeline Services

 - Dairy Industry Restructuring Act 2001

Our targets for economic regulation often fluctuate year to year due to the phasing of the regulatory cycle.

Output Class:

Ture Rāngai Hoko Kai Grocery Sector Regulation

Monitor and enforce the Grocery Code, oversee wholesale access conditions, undertake market monitoring, engage with retailers and suppliers, and publish guidance to support effective competition.

Intended Results

- More transparent retailer behaviour, supported by Code compliance and monitoring
- Improved conditions for entry and expansion (with a particular focus on access to wholesale supply), enhancing competition in the grocery sector
- Clearer expectations and guidance for suppliers and retailers, improving fairness and predictability
- Earlier identification of conduct issues and systemic risks, based on intelligence and monitoring data
- Supplier confidence improves, reflecting fairer treatment and clearer dispute pathways

These intended results contribute to the Commission's strategic intent by supporting fair, competitive grocery markets that deliver better outcomes for consumers and suppliers.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Grocery sector: Share of national retail grocery market held by non-regulated grocery retailers increases over time	New measure	New measure	Increasing over time (when measured against 2025/26 baseline)
Grocery sector: Supplier familiarity with the supply code	New measure	New measure	Increasing over time (when measured against 2025/26 baseline)

How Much This Will Cost

We receive funding through the multi-category appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Enforcement of General Market Regulation – Competition Regulation Enforcement and Monitoring*.³

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	7,286	7,286	7,286
Other revenue	112	123	83
Total operating revenue	7,398	7,409	7,369
Total operating expense	7,899	7,767	7,369
Surplus/(deficit)	(501)	(358)	-

³ In 2025/26, the Commission received funding through Vote Business, Science and Innovation: Commerce and Consumer Affairs: Enforcement of General Market Regulation — Grocery Industry Monitoring and Enforcement. This category was aggregated into Competition Regulation Enforcement and Monitoring for the 2026/27 year.

Output Class:

Torotoro Waea Telecommunications (Including Fibre)

Regulating price and quality for fibre, setting terms for wholesale services, monitoring market performance, and improving retail service quality so competition can deliver diverse, world-class telecommunications networks for consumers to easily choose the best service that meets their demands.

Intended Results

- Transparent wholesale and retail price and quality signals that support competition and consumer value
- Improved reliability and service quality through effective oversight and compliance
- Strong incentives for regulated suppliers to invest efficiently, innovate, maintain service quality, and prevent the ability to earn excessive profits
- Earlier detection of performance issues via monitoring and insights reporting.
- Clearer expectations for providers, supporting compliance and predictable decision making

These intended results contribute to the Commission's strategic intent by supporting competitive telecommunications markets that deliver improved value and quality for New Zealanders.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Consumer satisfaction with provider combined score (residential mobile and broadband)	New measure	New measure	Equal to or greater than 70 percent*
OECD price benchmarking combined index ⁴ (residential mobile and broadband)	New measure	New measure	Equal to or less than 110*

* Note: These results are based on a 12-month average.

How Much This Will Cost

Our telecommunications work is funded through the multi-year appropriation *Vote Business, Science and Innovation: Communications: Regulation of Telecommunications Services 2026-2029*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	14,752	14,390	14,752
Other revenue	186	227	167
Total operating revenue	14,938	14,617	14,919
Total operating expense	14,938	14,617	14,919
Surplus/(deficit)	-	-	-

4 Based on six monthly data provision from OECD

Output Class:

Hinu Fuel

Monitor wholesale pricing in fuel markets, analyse trends using the importer cost model, engage with stakeholders, and take targeted enforcement where required.

Intended Results

- Disciplined pricing behaviour and stronger competitive pressure on wholesale prices
- Earlier identification of potential conduct concerns through regular monitoring and analysis
- Clearer expectations for market participants through guidance and engagement

These intended results contribute to the Commission's strategic intent by improving market transparency and supporting competitive outcomes that benefit consumers.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Fuel: Average national margins are stable or decreasing compared to historic average	New measure	New measure	Margins are stable or decreasing

How Much This Will Cost

We receive funding through the multi-category appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Enforcement of General Market Regulation – Competition Regulation Enforcement and Monitoring*.⁵

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	3,064	3,064	3,064
Other revenue	39	44	35
Total operating revenue	3,103	3,108	3,099
Total operating expense	2,873	2,810	3,099
Surplus/(deficit)	230	298	-

⁵ In 2025/26, the Commission received funding through *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Enforcement of General Market Regulation – Liquid Fuels Monitoring and Enforcement*. This category was aggregated into Competition Regulation Enforcement and Monitoring for the 2026/27 year.

Output Class:

Ratonga Wai Water Services

Develop and implement the economic regulation and information disclosure framework for water services, monitor service quality and pricing, and engage with providers and stakeholders, recognising that regulatory settings and responsibilities are evolving and may be subject to legislative decisions.

Intended Results

- Information disclosure regime established and implemented, improving transparency
- Improved readiness and compliance from water service providers through clear guidance
- Earlier detection of performance issues and risks as disclosure and monitoring mature
- Foundational conditions in place for efficient pricing and improved service quality over time

These intended results contribute to the Commission's strategic intent by laying the foundations for sustainable, resilient, and affordable water services.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Information Disclosure (ID) requirements in place for water service providers and initial information disclosures received	New measure	New measure	Framework and ID requirements implemented

How Much This Will Cost

We receive funding through the annual appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Regulation of Water Services*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	6,500	6,500	6,500
Other revenue	1,530	1,022	877
Total operating revenue	8,030	7,522	7,377
Total operating expense	8,030	7,835	7,377
Surplus/(deficit)	-	(313)	-

Output Class:

Utu Whakawhanake Development Levies

Transition to, and preparation for, the implementation and future operations of a regulation regime for development levies involving specific infrastructure services, ensuring they are set and used in a way that is transparent, predictable, and consistent.

Intended results

- Establish a function within the Commerce Commission to provide regulatory oversight of development levies charged by territorial authorities and water organisations.

These intended results contribute to the Commission's strategic intent by laying the foundations for sustainable, resilient, and affordable water services.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Establishing and implementing new regulatory requirements for information disclosure	New measure	New measure	Achieved

How Much This Will Cost

We receive funding through the annual *Vote Cities, Environment, Regions, and Transport: Regulatory Oversight of Development Levies*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	-	-	5,727
Other revenue	-	-	65
Total operating revenue	-	-	5,792
Total operating expense	-	-	5,792
Surplus/(deficit)	-	-	-

Output Class:

Pūnaha Utu Hokohoko Retail Payment System

Regulate and monitor retail payment systems, including oversight of interchange and merchant service fees, monitoring and analysis, compliance actions and sector engagement.

Intended Results

- Improved transparency of fees and price signals, supporting informed decisions by merchants
- Improved efficiency of payment costs where price limits are set
- Increased supply-side competitive pressure in payment services, including through removing barriers for emerging payment networks to compete
- Improved information and reduced friction in switching helps merchants increase demand-side competitive pressure on payment services, supported by guidance and sector engagement
- Early identification of competition or conduct concerns, informed by sector engagement, monitoring, and data analysis
- Clear directions and expectations for payment system participants on issues and conduct that require coordinated industry activity

These intended results contribute to the Commission's strategic intent by promoting competition and reducing harms in markets central to everyday transactions.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Retail payment system: Share of payments initiated via open banking compared to other methods	New measure	New measure	Increasing over time (baseline set June 2026)

How Much This Will Cost

We receive funding through the multi-category appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Enforcement of General Market Regulation – Competition Regulation Enforcement and Monitoring*.⁶

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue – Crown	4,576	4,576	4,576
Other revenue	61	68	52
Total operating revenue	4,637	4,644	4,628
Total operating expense	4,637	4,394	4,628
Surplus/(deficit)	-	250	-

⁶ In 2025/26, the Commission received funding through *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Enforcement of General Market Regulation – Retail Payment Systems Administration and Enforcement*. This category was aggregated into *Competition Regulation Enforcement and Monitoring* for the 2026/27 year.

Output Class:

Ratonga Taunga Rererangi Specified Airport Services

Monitor pricing under Part 4 of the Commerce Act using information disclosure, assess returns against cost of capital, and engage with airports and airlines on transparency and performance.

Intended Results

- Transparency of airport pricing decisions and returns, and underlying regulatory rules, supporting informed stakeholder decisions
- Returns remain within reasonable bounds of the weighted average cost of capital (WACC)
- Earlier identification of performance issues via information disclosure analysis
- Clearer expectations for airports, supporting compliance and predictability

These intended results contribute to the Commission's strategic intent by supporting transparent, efficient airport services aligned to consumer interests.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Weighted average industry returns compared to weighted average cost of capital	New measure	New measure	Ratio within reasonable bounds ⁷

How Much This Will Cost

We receive funding through the multi-year appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Regulation of Specified Airport Services*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	427	428	427
Other revenue	6	7	5
Total operating revenue	433	435	432
Total operating expense	433	435	432
Surplus/(deficit)	-	-	-

⁷ Within reasonable bounds refers to industry returns that, when assessed over an appropriate averaging period, are broadly aligned with the estimated weighted average cost of capital (WACC). Sustained and material returns above WACC over time would indicate performance outside reasonable bounds, and warrant closer scrutiny.

Output Class:

Ratonga Waea Hiko

Electricity Lines Services

Regulate electricity distribution and transmission under Part 4 of the Commerce Act through price-quality and input methodology determinations, information disclosure, monitoring, compliance, and engagement.

Intended Results

- Transparency of pricing, quality, and underlying regulatory rules, supporting informed stakeholder decisions
- Reliable network performance, supported by monitoring and compliance activity
- Strong incentives for regulated suppliers to invest efficiently, innovate, maintain service quality, and prevent the ability to earn excessive profits
- Earlier detection of performance issues through analysis of information disclosures
- Clearer expectations for suppliers, improving compliance and predictability

These intended results contribute to the Commission's strategic intent by supporting sustainable, resilient, and affordable infrastructure that underpins New Zealand's economy.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Electricity distribution – unplanned SAIDI (System Average Interruption Duration Index)	Reliability is maintained	Reliability is maintained	Reliability is maintained
Percentage of price-quality regulated businesses with no reported non-compliance with the relevant price-path	New measure	New measure	100%

How Much This Will Cost

We receive funding through the multi-year appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Regulation of Electricity Lines Services*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue – Crown	9,527	8,485	8,164
Other revenue	137	148	1,416
Total operating revenue	9,664	8,633	9,580
Total operating expense	9,664	8,633	9,580
Surplus/(deficit)	-	-	-

Ratonga Kapuni

Gas Pipeline Services

Regulate gas distribution and transmission under Part 4 of the Commerce Act through price-quality and input methodology determinations, information disclosure, monitoring, compliance, and engagement.

Intended results

- Transparency of pricing, quality, and underlying regulatory rules, supporting informed stakeholder decisions
- Reliable network performance, supported by monitoring and compliance activity
- Strong incentives for regulated suppliers to invest efficiently, innovate, maintain service quality, and prevent the ability to earn excessive profits.
- Earlier detection of performance issues through analysis of information disclosures
- Clearer expectations for suppliers, improving compliance and predictability

These intended results contribute to the Commission's strategic intent by supporting sustainable, resilient, and affordable infrastructure through the energy transition.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Gas distribution –unplanned SAIDI (System Average Interruption Duration Index)	Reliability is maintained	Reliability is maintained	Reliability is maintained
Percentage of price-quality regulated businesses with no reported non-compliance with the relevant price-path	New measure	New measure	100%

How Much This Will Cost

We receive funding through the multi-year appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Regulation of Gas Pipelines Services*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	3,299	3,271	2,508
Other revenue	42	51	28
Total operating revenue	3,341	3,322	2,536
Total operating expense	3,341	3,322	2,536
Surplus/(deficit)	-	-	-

Output class:

Mahi Miraka Kau Dairy

Monitor and report under the Dairy Industry Restructuring Act (DIRA), including competition, performance signals, and transparency in farm-gate raw milk markets.

Intended results

- Regular monitoring and reporting improve transparency for participants and the public
- Earlier identification of competition or conduct issues through analysis of market data
- Clearer expectations and guidance support compliance with DIRA settings

These intended results contribute to the Commission's strategic intent by supporting fair, transparent dairy markets pending policy review outcomes.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Number of monitoring and insights reports ⁸ published under the Dairy Industry Restructuring Act 2001	At least 2	At least 2	At least 2

How Much This Will Cost

We receive funding through the annual appropriation *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Enforcement of Dairy Sector Regulation and Monitoring of Milk Price Setting*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue - Crown	1,360	1,250	1,400
Other revenue	19	21	16
Total operating revenue	1,379	1,271	1,416
Total operating expense	1,379	1,271	1,416
Surplus/(deficit)	-	-	-

⁸ The monitoring and insights reports referenced in this measure are the annual review of Fonterra's milk price manual and the annual review of Fonterra's base milk price calculation.

Output Class:

Ngā Take Ture Major Litigation

Manage and deploy the Litigation Fund in line with criteria to support effective enforcement outcomes across the Commission's regimes.

Intended Results

- Funding decisions align with criteria and support cases with strong public interest and deterrence value
- Efficient, transparent administration of the fund, supporting timely litigation activity

These intended results contribute to the Commission's strategic intent by enabling effective enforcement outcomes that deter non-compliance and protect consumers and competition.

Measure	2025/26 Target	2025/26 Forecast Actual	2026/27 Target
Litigation Funds are utilised in accordance with the Litigation Fund criteria ⁹	Achieved	Achieved	Achieved

How Much This Will Cost

We receive funding through the multi-category appropriation *Business, Science and Innovation: Commerce Commission Litigation Funds*.

Expected revenue and expenditure	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Internally Sourced Litigation			
Operating revenue			
Revenue - Crown	5,668	5,971	5,227
Other revenue	84	124	59
Total operating revenue	5,752	6,095	5,286
Total operating expense	5,752	6,095	5,286
Surplus/(deficit)	-	-	-
Externally Sourced Litigation			
Operating revenue			
Revenue - Crown	6,262	6,500	6,024
Other revenue	-	-	-
Total operating revenue	6,262	6,500	6,024
Total operating expense	6,262	6,500	6,024
Surplus/(deficit)	-	-	-

⁹ The specific criteria used to access funding for major or complex litigation are set out in the Funding Agreement between MBIE and the Commerce Commission.

Ā Mātou Pūtea Āmua

Our Prospective Finances

Tauākī Whakapae Matua | Statement of Significant Underlying Financial Assumptions

The prospective financial statements, based on government priorities and in consultation with our monitoring agency, the Ministry of Business, Innovation and Employment, are presented on pages 41–44. There are several assumptions used in preparing the statements. They should be read with these assumptions in mind.

We have made the following significant underlying assumptions in preparing the prospective financial statements:

- Our functions will remain broadly the same as the 2025/26 year.
- As an independent Crown entity, the Commission maintains a sufficient reserve balance to fund future unknown and unbudgeted financial shocks and risks, such as adverse cost awards that exceed the capacity of the Litigation Cost Reserve and external litigation costs that exceed the limit of the Crown funding.
- The prospective financial statements for 2026/27 assume that the Credit function at the Commission transfers to the Financial Markets Authority on 1 July 2026, with the actual date to be confirmed.
- Revenue from the Crown received by the Commission is similar to the 2026/27 Estimates of Appropriations and the anticipated Supplementary Estimates of Appropriations.
- 2025/26 Estimated Actual is based on a financial forecast completed in February 2026.
- We have based our expected expenditure on major litigation activities on our estimate of the timing and extent of court hearings for existing and expected litigation cases. If delays, settlements, or significant other litigation matters arise from Commission cases, expenditure on major litigation will change, favourably or unfavourably, for the year.
- A significant portion of our work is reactive, based on investigations or regulatory enforcement and on complaints we receive. In preparing the prospective financial statements, we have assumed that some activity (particularly in our competition and consumer work) will occur at a level in line with historical activity.
- The Commission has adopted these assumptions as at 26 June 2026.

Tauākī Moni Puta, Utu Āmua Hoki | Statement of Prospective Comprehensive Revenue and Expense
for the year ending 30 June 2027

	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Operating revenue			
Revenue from non-exchange transactions			
Revenue - Crown	94,355	96,122	94,325
Court cost awards	-	16	-
Total revenue from non-exchange transactions	94,355	96,138	94,325
Revenue from exchange transactions			
Fees and recoveries	1,485	1,181	1,374
Interest	1,244	1,370	1,002
Other revenue	130	224	804
Total revenue from exchange transactions	2,859	2,775	3,180
Total operating revenue	97,214	98,913	97,505
Operating expenses			
Commissioners, Associates, and personnel	73,312	75,428	70,710
Legal and other professional fees	14,938	14,390	17,456
Computer, information, and information technology	3,876	3,650	4,217
Occupancy	3,212	3,271	2,771
Depreciation and amortisation	1,535	1,501	1,815
Other expenditure	2,332	1,328	2,094
Total operating expenses	99,205	99,568	99,063
(Deficit)/Surplus	(1,991)	(655)	(1,558)
Total comprehensive revenue and expense for the year	(1,991)	(655)	(1,558)

Tauākī Panoni Ōritetanga Āmua | Statement of Prospective Changes in Equity

for the year ending 30 June 2027

	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Balance at 1 July	16,347	18,449	17,794
Comprehensive revenue and expense			
(Deficit)/Surplus	(1,991)	(655)	(1,558)
Total comprehensive revenue and expense	(1,991)	(655)	(1,558)
Less repayment of reserves	-	-	-
Balance at 30 June	14,356	17,794	16,236

Tauāki Tūranga Ā-Pūtea Āmua | Statement of Prospective Financial Position

as at 30 June 2027

	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Equity			
General funds*	11,356	14,794	13,236
Litigation costs reserve	3,000	3,000	3,000
Total equity	14,356	17,794	16,236
Current assets			
Cash and cash equivalents	6,586	5,897	7,286
Fees and recoveries receivable	222	516	266
Short-term investments	12,000	18,000	15,000
Prepayments	2,108	2,008	1,760
Total current assets	20,916	26,421	24,312
Non-current assets			
Property, plant, and equipment	2,253	2,735	2,006
Intangibles	-	-	-
Total non-current assets	2,253	2,735	2,006
Total assets	23,169	29,156	26,318
Current liabilities			
Creditors and other payables	2,296	2,441	2,202
Accrued expenses	1,041	1,041	1,021
Lease incentive	204	204	117
Crown funding repayable	-	2,010	1,090
Provisions	86	341	216
Employee entitlements	4,650	4,539	4,650
Total current liabilities	8,277	10,576	9,296
Non-current liabilities			
Provisions	392	392	392
Lease incentives	144	394	394
Total non-current liabilities	536	786	786
Total liabilities	8,813	11,362	10,006
Net assets	14,356	17,794	16,236

* General funds are held in both cash and non-cash forms. The projected balance of \$13,236 million at 30 June 2027 includes \$2,006 million of fixed assets and \$7,206 million in cash, and the rest in short-term investments. The cash reserve is for the Commission to manage future unknown and unbudgeted financial shocks and risks it faces, such as adverse cost awards that exceed the capacity of the Litigation Cost Reserve and external litigation costs that exceed the limit of the Crown funding.

Tauāki Kapewhiti Āmua | Statement of Prospective Cash Flows

Year ending 30 June 2027

	2025/26 Budget \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000
Cash flow from operating activities			
Crown funding received	94,355	98,132	95,415
Fees and recoveries received	1,615	1,297	2,395
Receipt of payment of penalties (net)	-	-	-
Interest received	1,284	1,363	1,002
Commissioner, Associate, and employee payments	(75,459)	(76,925)	(70,595)
Supplier payments	(24,381)	(24,793)	(26,645)
Repayment of Crown funding	(2,762)	(2,639)	(2,010)
Goods and services tax (net)	(46)	(28)	(88)
Net cash (outflow)/inflow from operating activities	(5,394)	(3,593)	(526)
Cash flow from investing activities			
Interest receipts/(deposits)	10,500	4,500	3,000
Property, plant and equipment purchases	(863)	(1,119)	(1,085)
Receipts from Sale of Property, Plant and Equipment	-	-	(1)
Net cash (outflow)/inflow from investing activities	9,637	3,381	1,914
Cash flow from financing activities			
Repayment of reserves	-	(3,000)	-
Net cash outflow from financing activities	-	(3,000)	-
Net (decrease)/increase in cash and cash equivalents	4,243	(3,212)	1,388
Opening cash and cash equivalents	2,343	9,109	5,897
Closing cash and cash equivalents	6,586	5,897	7,285

The goods and services tax (net) component of operating activities reflects the net GST paid and received from the Inland Revenue Department. We have presented the GST (net) component on a net basis as the gross amounts do not provide meaningful information for financial statement purposes.

Penalty receipts and payment and cost awards are shown net because we hold these funds in trust in accordance with agreements.

Reporting Entity

The Commerce Commission is an independent Crown entity (defined by the Crown Entities Act 2004) established under the Commerce Act 1986 and operating solely within New Zealand. The ultimate parent of the Commission is the New Zealand Crown.

Our main objective is to provide services to the New Zealand public instead of making a financial return. We provide public services to meet our responsibilities under the Commerce Act 1986, the Fair Trading Act 1986, the Dairy Industry Restructuring Act 2001, the Telecommunications Act 2001, the Credit Contracts and Consumer Finance Act 2003, the Fuel Industry Act 2020, the Retail Payment System Act 2022, the Grocery Industry Competition Act 2023, and the Local Government (Water Services Preliminary Arrangements) Act 2024, and any legislation enacted relating to the current Local Government (Infrastructure Funding) Amendment Bill currently before the House.

We are a public sector public benefit entity (PBE) for the Accounting Standards Framework issued by the New Zealand External Reporting Board because we are a public entity defined in the Public Audit Act 2001.

Measurement Base and Statement of Compliance

We have prepared these prospective financial statements to comply with the requirements of the Crown Entities Act 2004. We prepared these financial statements on an historical cost basis for a going concern to comply with New Zealand generally accepted accounting practice (GAAP), which includes the PBE accounting standards that apply to a public sector PBE. We authorised the financial statements for issue on 26 June 2026.

The prospective financial statements comply with PBE FRS 42 *Prospective Financial Statements*. We are required to prepare a Statement of Performance Expectations, including prospective financial statements, at or before the start of each financial year to promote public accountability. The prospective financial statements may not be appropriate for any other purposes.

We have prepared the prospective financial statements based on the best estimates and assumptions about future events that we expect to occur. As the financial statements are prospective, actual results will vary from the information presented. We will disclose and explain all material variations in the subsequent Annual Report.

Functional and Presentation Currency

Our functional currency is the New Zealand dollar, so we have presented these financial statements in New Zealand dollars (rounded to the nearest thousand).

Significant Accounting Policies

We have applied the significant accounting policies that significantly affect the measurement of comprehensive revenue and expenditure, financial position, and cash flows consistently for all reporting periods covered by these financial statements, including the comparative (prior-year budget and estimated actual) information. The following are the significant accounting policies.

Revenue – Revenue is measured at the fair value of the consideration (for example, money) received or receivable. We earn revenue from providing specific services (known as outputs) for the Crown, services to other third parties, court cost award recoveries, and interest income.

Revenue – Crown – We receive funding via appropriations from the Crown. Revenue from the Crown is a form of non-exchange transaction because there is no direct relationship between the services we provide (funded through taxation and levies) and the general public we ultimately provide the services to. Our appropriations are restricted in their use to meet our objectives and the scope of the relevant appropriations. Revenue from the Crown we receive but do not spend is refunded to the Crown after year end for all output classes except those funded by *Vote Business, Science and Innovation: Commerce and Consumer Affairs: Enforcement of General Market Regulation*, which we are allowed to retain as reserves. Also, we may retain specific ring-fenced revenue provided to build up our ability to meet the cost of adverse cost awards.

Revenue from the Crown is initially recognised as a liability when received and then as revenue when we have provided services that entitle us to the funding.

Expenditure – All expenditure we incur in providing services for the Crown or to other third parties is recognised in the statement of comprehensive revenue and expense when an obligation to pay arises on an accrual basis.

Foreign currency transactions – Transactions in foreign currencies are converted into our functional currency (New Zealand dollars) at exchange rates on the transaction date. Monetary liabilities in foreign currencies at the reporting date are converted to New Zealand dollars at the exchange rate on that date.

Leases – We are a party to various operating leases as a lessee. As the lessors retain all of the risk and rewards of ownership of the leased property, plant, and equipment substantially, the operating lease payments are recognised as expenses only in the period in which they arise. Any lease incentives received or obligations to reinstate the condition of leased premises are recognised in the statement of comprehensive revenue and expense over the term of the lease. Any unamortised lease incentive and outstanding obligation for reinstatement are recognised as a liability at the balance date.

Depreciation and impairment – Depreciation and amortisation for intangible assets are provided on a straight-line basis on all assets to allocate the asset's cost (less any estimated residual value) over its useful life. The residual values and remaining useful lives of property, plant, and equipment components are reviewed at least annually. All items of property, plant, and equipment are subject to an annual test of impairment to test the recoverable amount. Any impairment losses are recorded as an expense in the statement of comprehensive revenue and expense in the period in which they are first identified.

Estimated Useful Lives of the Major Asset Classes

Computer and office equipment	Up to 5 years
Furniture and fittings	Up to 5 years
Leasehold improvements	For the period of the lease
Motor vehicles	Up to 5 years
Software and other intangible assets	Up to 5 years

Taxation – We are exempt from income tax under section CW 38 of the Income Tax Act 2007.

Cost allocation – Direct costs are charged directly to outputs. Shared costs, including the resources pool and corporate overhead that cannot be directly attributed, are allocated across output classes using consistent and reasonable bases, primarily revenue and activity levels.

Goods and services tax – All items in the financial statements are presented exclusive of GST, except for receivables and payables and “unearned revenue – Crown, received in advance”, which are presented on a GST-inclusive basis. Where we cannot claim a portion of GST, we recognise the GST portion as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or creditors in the statement of financial position and classified as an operating cash flow in the statement of cash flows.

Equity – Equity is the Crown’s ownership interest in the Commission and is measured as the difference between total assets and total liabilities. We have classified equity into components and disclosed these separately to allow clearer recognition of the specified uses that we have for our equity.

Cash and cash equivalents – Cash and cash equivalents are our cash on hand, transactional cash balances in bank accounts, and some term deposits with maturities of less than 90 days held with New Zealand registered banks.

Investments – Investments are term deposits issued by New Zealand registered banks with maturities of more than 90 days. Term deposits are initially measured at fair value plus any transaction costs. After initial recognition, investments are re-measured at amortised cost using the effective interest rate method.

Property, plant, and equipment – All items of property, plant, and equipment owned are recorded at historical cost of purchase, less accumulated depreciation and any impairment losses. An item within property, plant, and equipment acquired in stages is not depreciated until the item is in its final state and ready for use. Any later expenditure that extends the useful life or enhances the service potential of an existing item is also capitalised and depreciated.

All other costs we incur in maintaining the useful life or service potential of an existing item of property, plant and equipment are recognised as expenditure when incurred. Any gain or loss arising from the sale or disposal of an item is recognised in the period in which it is sold or disposed of.

Intangible assets – Computer software that is not integral to the operation of the hardware is recorded as an intangible asset, less accumulated amortisation. Configuration and customisation costs incurred in implementing software-as-a-service (SaaS) arrangements are generally expensed unless the criteria for recognising a separate asset are met. This is because, in most cases, it is the SaaS provider who controls the software being configured and/or customised rather than the Commission (due to the software being run on the SaaS provider’s cloud infrastructure) and therefore not meeting the criteria for control in order to capitalise these costs.

Employee entitlements – Employee entitlements are unpaid salaries, bonuses, and annual leave that we owe to our personnel. At balance date, we recognise any unpaid employee entitlements as a liability and record as an expense. Entitlements are calculated on an actual entitlement basis using current salary rates.

Contingencies – As we are a quasi-judicial body, we are engaged in litigation activity, resulting in costs being ordered against or in favour of the Commission. The outcome of an order for costs may not be certain until all appeal processes are completed. Therefore, the possibility of a costs award being incurred or received is first disclosed as either a contingent liability or a contingent asset. An award for costs, whether for or against us, is only recognised in the statement of comprehensive revenue and expense when it is probable that there will be a payment or receipt of resources (for example, cash) and we can measure the amount reliably.

Comparatives – To ensure consistency with the current year, all comparative information, including the prior year budget, has been restated or reclassified where appropriate. The budget comparatives are those approved by the Commission at the beginning of the prior year for inclusion as prospective financial statements in our last Statement of Performance Expectations. The estimated actual is our current expectation of the financial year’s outcome prior to the budget presented in this SPE. We prepared the budget to comply with GAAP and used accounting policies consistent with what we have used to prepare these financial statements.

Changes in Accounting Policies

The accounting policies adopted are consistent with the previous year, except for cost allocation to outputs where we have changed methodology. The Shared costs including resources pools, and corporate overhead costs that are not directly attributed to an output, are now allocated using comparative revenue. The Commission considers this to be a more accurate reflection of the manner in which services are delivered and shared resources are consumed and aligns with the Commission’s resource allocation operating model.

Kuputaka mō ngā Tauākī Pūtea

Financial Statements Glossary

The following table provides definitions of some terms used in our financial statements. Please note these definitions are provided only as an aid to readers and are not part of the financial statements or necessarily reflect the way we interpret and apply accounting standards.

Accounts payable	Debts owed to somebody (for example, a company) for goods or services provided to us that we have not yet paid at balance date.
Accounts receivable	Debts owed to us by somebody (for example, a company) for a service we have provided where we have not been paid at balance date.
Amortisation	Amortisation is basically the same as depreciation (see below) except that it is applied to intangible assets (for example, software).
Asset	An asset is something we own, expect to receive in the future, or control.
Balance date	The date at which a set of accounts is prepared. For the Commission, that date is 30 June of each year.
Cash equivalents	Cash equivalents are assets like term deposits that share most of the characteristics of cash. They are cash equivalent because we can quickly turn them into cash, but they are technically not cash in a bank account or in the hand.
Comprehensive revenue and expense	Comprehensive revenue and expense is a broader concept of revenue that includes a surplus (or loss) from an entity's operations and movements in parts of equity that aren't the result of surpluses or owner transactions. An example is a revaluation gain on the value of assets, which increases equity by increasing the value of an asset revaluation reserve.
Current asset (or liability)	A current asset is an asset that can be converted into cash or used to pay a liability within 12 months. A current liability is a liability that we expect to repay within 12 months.
Depreciation	Depreciation is the charge of an asset's cost over a certain time period. Depreciation recognises that assets decline in their value and usefulness over time.
Equity	Equity represents the value of an entity to its owners and is the amount left over after deducting all liabilities from all assets. It is also known as net assets.
Exchange transactions	Exchange transactions are transactions where goods or services are received in exchange for payment of approximately equal value. The vast majority of transactions in everyday life are exchange transactions.
Financial instruments	Financial instruments are assets or liabilities that are tradable in some way such as cash, shares, or loans. Other financial instruments include derivatives, which are traded securities that get their value from an underlying asset (for example, a future oil shipment or a future foreign currency purchase).
Generally accepted accounting practice (GAAP)	GAAP is the series of standards, interpretations, and concepts that are followed by accountants. NZ GAAP is defined by law to include standards issued by the External Reporting Board and, where that (or a specific law) does not cover a matter, accounting policies considered authoritative by the accounting profession in New Zealand.
Going concern	An assumption made by an entity that it will continue to operate into the foreseeable future. If this is incorrect, the entity has to prepare its accounts as if it is being wound up.
Intangible assets	Intangible assets are assets that do not have a physical substance and are not cash.

Liability	A liability is something we owe, expect to pay in the future, or may have to pay in the future.
Monetary assets	Monetary assets are assets that are cash or will become cash in a short timeframe (for example, bank account balances, term deposits, and accounts receivable).
Monetary liabilities	Monetary liabilities are debts owed to another party such as accounts payable, loans, or unpaid salaries.
Non-current asset (or liability)	A non-current asset is an asset we cannot ordinarily turn into cash within 12 months. A non-current liability is a liability we would not ordinarily have to repay within 12 months.
Output class	An output class is a grouping of similar outputs or activities with similar objectives. The Commission's output classes are primarily funded by appropriations from the Crown via the Ministry of Business, Innovation and Employment.
Provision	An estimate of an amount that an entity may (or will) have to pay as a result of an obligation the entity has to another party.
Public benefit entity (PBE)	An entity that aims to provide goods or services to the general public to meet a specific need rather than to make a profit for its owners.
Related party	Another person or entity that is related to us because of, for example, a common owner or person in a position of authority (for example, a director or senior management).
Statement of cash flows	A statement that shows how much cash we have received from various sources (for example, investments, operating activities, and cash injections received from the Crown) and cash payments we have made (for example, expenses, salaries, and repayment of money to the Crown).
Statement of comprehensive revenue and expense	A statement that shows our surplus or deficit from our operating activities plus or less any movements in non-owner equity items. This is the public sector equivalent of a statement of comprehensive income, which we used to prepare.
Statement of financial position	A statement that shows what assets we own or control, what liabilities we have, and the remainder (equity) at the balance date.

Ngā Kupu Waiwai

Commonly Used Terms

Appropriation	A parliamentary authorisation for Ministers of the Crown or an Office of Parliament to incur expenses or capital expenditure.
Authorisation	Under the Commerce Act 1986, certain agreements and mergers are prohibited as they can lead to anti-competitive outcomes such as increased prices or lower-quality goods or services. However, the Commerce Act recognises that, in some circumstances, an anticompetitive transaction may lead to sufficient public benefits that would outweigh the competitive harm. In this case, the Commission can grant an authorisation for the agreement or merger to proceed.
Clearance	Under the Commerce Act 1986, the Commission can grant a clearance for a proposed merger if we are satisfied that it is not likely to substantially lessen competition in a market. We compare the likely state of competition if the merger proceeds with the likely state of competition if the merger does not proceed.
Determination	A formal and binding decision made by the Commission under the legislation it administers.
Information disclosure	Under Part 4 of the Commerce Act 1986 (Subpart 4), sufficient information is to be readily available to interested persons so that they can assess whether the purpose of Part 4 is being met. Under the Telecommunications Act 2001, regulated telecommunications services are required to make reliable and timely information prescribed by the Commission publicly available so that a wide range of people are informed about their operation and behaviour.
Merger	An amalgamation of two or more business enterprises into a single enterprise. Colloquially, mergers also include business acquisitions that involve the acquisition of assets or shares of a business.
Output class	A grouping of outputs or activities with similar objectives. A reportable class of outputs is a class of outputs the Crown entity proposes to supply in the financial year that is directly funded (in whole or in part) by the Crown. The Commission's output classes are primarily funded by appropriations from the Crown via the Ministry of Business, Innovation and Employment.
Outputs	Goods or services provided by the Commission.
Part 4	Part 4 of the Commerce Act 1986. Under Part 4 of the Act, the Commission has a role regulating the price and quality of goods or services in markets where there is little or no competition and little prospect of future competition. This includes electricity, gas and airport sectors.
Product safety and consumer information standards cases	Product safety and consumer information standards cases include investigations of products such as bikes, cots, cigarette lighters, baby walkers, children's sleepwear, and children's toys to which certain safety standards apply, as well as the incorrect labelling of footwear and clothing and failure to display required information on motor vehicles offered for sale.
Substantially lessen competition	A reduction in competition that is real or of substance, which will be reflected in higher prices or lower-quality goods or services.
Vote	A grouping of one or more appropriations that are the responsibility of one or more Ministers of the Crown and are administered by one department.

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