



# Quarter Three Snapshot

**The Commerce Commission is New Zealand's primary competition, fair trading, consumer credit and economic regulatory agency.**

**This quarterly snapshot provides a high level overview of work underway at the Commission.**

**For more information about us and about our work, please go to [www.comcom.govt.nz](http://www.comcom.govt.nz).**

**Note: numbers may have small variances from time to time due to delays in entering data.**

## Improving Auckland Airport Services

The Commission published its final report on Auckland Airport's 2022 – 2027 price setting event in March. It concluded that the Airport's forecast revenue was excessive, and its targeted returns were unreasonably high, but that its forecast investment fell within a reasonable range. The Commission was concerned that the Airport is targeting excess profit of about \$190 million and that its charges are too high, with businesses and consumers likely to carry much of the cost burden. We also concluded that a different approach to recovering depreciation of the new terminal infrastructure would better serve consumers' interests, lowering charges in the short term. Auckland Airport has signalled it will reconsider its approach when it next sets prices. The Commission is satisfied this is sufficient to capture most of the investment value.

## Leveling the playing field in energy markets

Genesis, Contact, Meridian and Mercury all operate as both generators and retailers ("gentailers"). The Energy Competition Task Force looks to level the playing field between the large gentailers and independent generators and retailers. New rules would give all participants equal access to electricity hedge contracts, to increase competition and ultimately give consumers more choices and lower power prices. The rules will involve principles-based non-discrimination requirements for hedge funds and for businesses to operate through a regulated market. And unlike other options the Task Force considered, they can be implemented in months rather than years. Level playing field measures are designed to work alongside other Task Force initiatives to promote investment in renewable energy and innovation, while improving resilience, affordability and accessibility for electricity consumers.

## Regulating electricity lines and transmission charges

In April 2025, household electricity bills increased by an average of about \$10 a month (excluding GST). Increasing costs for material and labour, higher interest rates, and rising levels of investment in the electricity network have combined to cause this increase. Investment in electricity assets is needed to ensure New Zealanders continue to receive a reliable, safe and resilient electricity supply. To protect consumers, the Commerce Commission limits the amount of revenue that Transpower and most local lines companies can earn for a set period (typically five years). New revenue and quality limits were set in November 2024 and will apply from 1 April 2025. When setting revenue limits, we focus on providing the right incentives, so consumers benefit from appropriate investment in reliability and capacity for growth and value for money. While higher revenue limits will mean consumers pay more, this allows maintenance and improvements to the electricity network to be made earlier. Delaying investment would lead to even higher prices later.

## Copper access deregulation

The Commission has published a **draft recommendation** to remove access regulation from Chorus' copper network. Access regulation has already been removed by the Telecommunications Act in urban areas where fibre is available – and we now see a case for removing it in more rural areas too. Better performing and lower cost wireless services being rolled out to rural consumers by national mobile, regional wireless (WISP) and global satellite providers means that copper isn't the only option for connectivity. Most rural consumers can now access up to two or three alternative technologies that are often more reliable and affordable than copper. The Commission's position in the draft recommendation is that there is now enough competition from these alternative services to warrant the removal of copper access regulation. The Commission will finalise a recommendation for the Minister for Media and Communications by the end of the year. The Minister will then decide whether to proceed with the Commission's final recommendation. **Submissions** on the draft recommendation have been published, with cross-submissions invited by May 5, 2025.

## Misleading claims about free roaming

On 21 February, 2degrees was fined \$325,000 by the Auckland District Court after admitting it made misleading claims that its Aussie business roaming was "free" or "at no extra cost" when in fact customers were charged for roaming after 90 days. Claims made by 2degrees in a widespread advertising campaign between 2020 to 2023 created an impression that customers on mobile business plans would have the ability to roam year-round in Australia at no extra cost when that was not the case. 2degrees prominently used claims such as "Aussie business roaming at no extra cost" and "the other guys charge for Aussie business roaming, we don't" when in fact the 'free' roaming was capped at 90 days each year. If customers exceeded 90 days of roaming, they would be charged \$7 to \$8 per day of additional roaming. 2degrees has taken steps to rectify its claims and compensate affected customers. This includes removing the 90-day limit on free business roaming in Australia, refunding current and former customers who were charged for business roaming in Australia more than 90 days, and updating their promotional material.



## Keeping pace with fibre market developments

To keep pace with market developments, we issued an Open Letter initiating a programme of work looking at the evolution of the regulatory regime for fibre broadband services. Maintaining the certainty required for ongoing investment in world-class fibre means having the right rules in place now and into the future – so we're launching a programme of work to ensure we keep the balance right. We will start with a review of the underlying framework of rules for fibre services – called the Fibre Input Methodologies (IMs).



# Compliance and enforcement snapshot

- Bachcare:** We reached a settlement agreement with Bachcare that certain cancellation terms, used at times since October 2019 in Bachcare’s Terms & Conditions, were Unfair Contract Terms. Bachcare is updating its Terms and Conditions, so future guests get a fairer deal when they use Bachcare. The parties have jointly asked the High Court to arrange a hearing for an agreed declaration to be made that the cancellation terms were unfair. This settlement agreement was prompted by proceedings filed by the Commission in the High Court against **Bachcare** in April 2023.
- HelloFresh:** We filed criminal charges under the Fair Trading Act against HelloFresh New Zealand, alleging the company misled consumers in cold calls used to “re-activate” customers who had cancelled the food delivery service. The claim relates to conduct between February 2022 and July 2023. The conduct resulted in some cancelled subscriptions being reactivated without the customers’ express knowledge or consent. We were concerned about misleading wording and processes in cold calls. In the calls, it was not made clear to some customers that if they accepted a discount voucher offered, their subscription would be reactivated, and their bank account would be debited.
- Look Sharp:** Incorrect pricing has financial impacts and can lead to consumers feeling pressured at the check-out, which can cause stress, frustration and loss of confidence. Walond Limited, commonly known as Look Sharp, was fined \$292,500 in Auckland District Court after pleading guilty to making misleading representations about product prices and consumers’ rights under the Consumer Guarantees Act, which is in breach of the Fair Trading Act. Frequent and widespread pricing errors occurred over a substantial period; some of which meant customers paid as much as 33% more for a product than the advertised shelf price.
- Royal Australian and New Zealand College of Ophthalmologists (RANZCO) investigation:** On 5 February, we issued a compliance advice letter to RANZCO, following our investigation into concerns the professional body had sought to restrict optometrists from receiving the training required to perform certain surgical procedures. Our investigation focussed on a letter issued by RANZCO to its member ophthalmologists counselling them against facilitating optometrists to perform two types of laser eye surgery, despite a legal change in optometrists’ scope of practice in 2022. We were concerned that RANZCO’s letter discouraged its members from training optometrists to perform these surgical procedures, with the potential to substantially lessen competition. It also had the potential to negatively impact patients waiting for these surgeries and cause Te Whatu Ora and private insurers to pay more for them. As a result of initial concerns raised by us, RANZCO sent a clarifying letter to its members stating it hadn’t intended to suggest that ophthalmologists should refuse to participate in programmes to provide professional training for optometrists, or that there was a potential risk of disciplinary action for member ophthalmologists who did. The clarified position brought our investigation to a close.
- 6K Gifting Scheme:** Ms Pousini was convicted and fined \$10,200 for promoting a pyramid scheme that targeted the Pasifika community in South Auckland. Judge Moses declined an application for discharge without conviction pursuant to s 106 of the Sentencing Act 2002 and convicted Ms Pousini. The Commerce Commission is urging consumers to be wary of opportunities that seem too good to be true; pyramid schemes often thrive in close-knit communities such as churches because of the high trust between members of these groups.
- Now Trading Ltd:** Were fined \$50,000 for making false or misleading representations about the compliance of child car restraints it supplied and advertised for supply complying with approved standards in New Zealand for child car restraints.

## Concerns raised with the Commission

**Consumers and businesses contact the Commission to raise concerns about activities and behaviours that may be against the laws we enforce. All contacts are important to us and directly and indirectly inform our investigation, enforcement and other regulatory work.**

**The following table indicate how many enquiries the Commission has received this quarter and in which regulatory area.**

Act	Concerns Q3 (Jan 2025 – March 2025)
Fair Trading Act 1986	3,298
CCCFA 2003 (Credit)	107
Commerce Act 1986	91
Retail Payments Systems Act 2022	92
Fuel Industry Act 2020	15
Telecommunications Act 2001	2
Total	3,516

### Commentary

- A concern is a matter raised with the Commission by a member of the public.
- The Commission received 3,516 concerns across our regulatory responsibilities in Q3 2024/25. This is higher than is typical based on long-term trends. This quarter the Commission received over 700 concerns relating to refunds for cancelled events. This was primarily driven by two major festival cancellations.
- The long-term trend in concern numbers has gone from around 2,000 a quarter in FY 2016/17 to around 2,750 in FY 2024/25.
- As in previous quarters, most of the concerns related to the Fair Trading Act were about false or misleading behaviour. Key issues included promotional representations, product characteristics, price inaccuracies and contractual issues. Tickets and Events was the area that generated the most concerns this quarter. As this relates to the cancellation of two events, we do not believe this represents an enduring trend. Supermarkets and Grocery stores, Retail (General), Telecommunications and Domestic Appliance Retail were some of the areas that generated the most concerns this quarter. These areas consistently generate a significant number of concerns to the Commission.
- The top five brands with the most reported concerns this quarter were **JuicyFest, Timeless Events, One New Zealand, Woolworths, and Sky TV.**



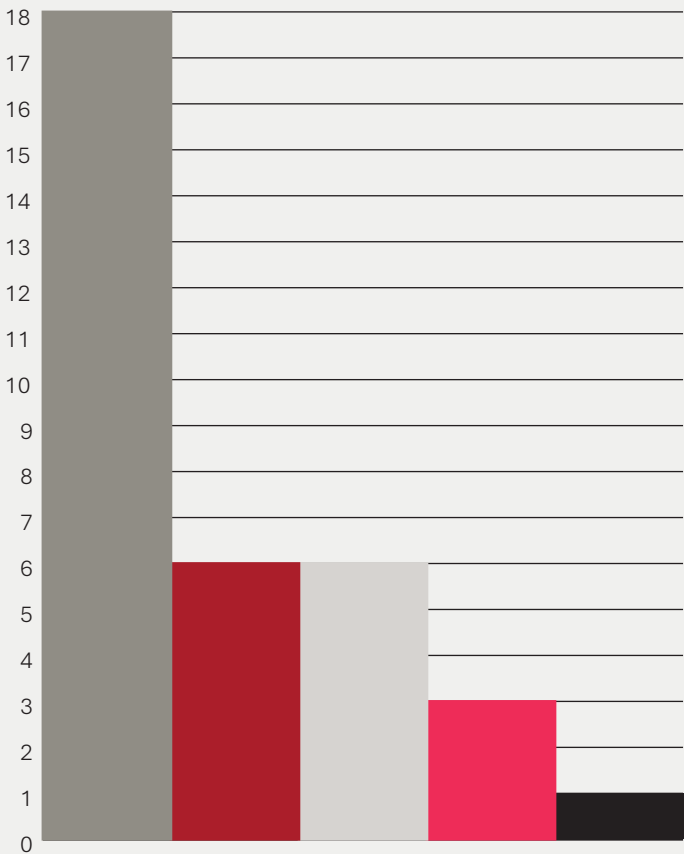


Litigation

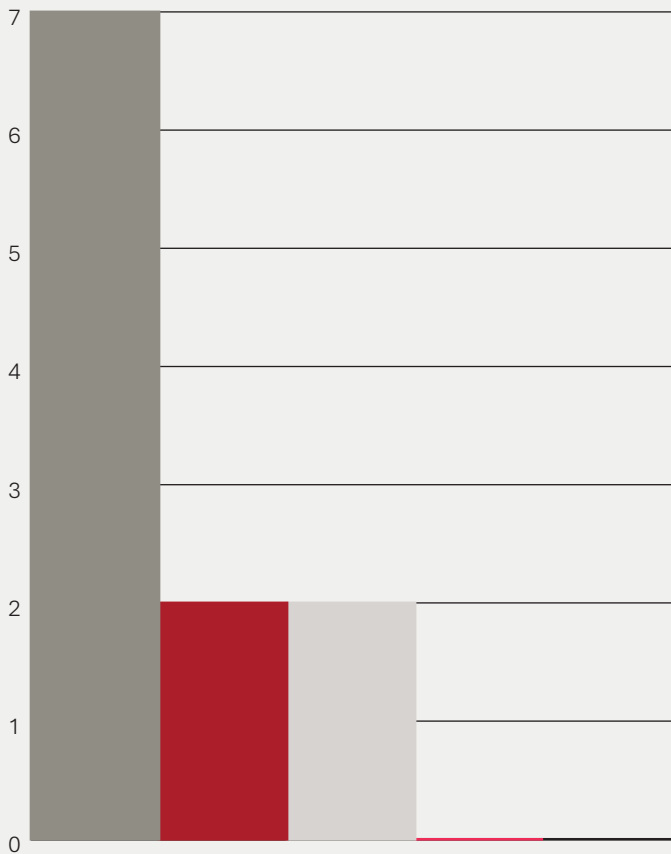
The Commission is able to take enforcement action under legislation. The Commission can prosecute businesses and individuals. The graphs to the right indicate the litigation that the Commission has underway.

\* including one matter where the Commission is intervening as a non-party to a litigation, one matter where a Judicial Review has been filed and two matters where an appeal has been lodged against a Commission decision.

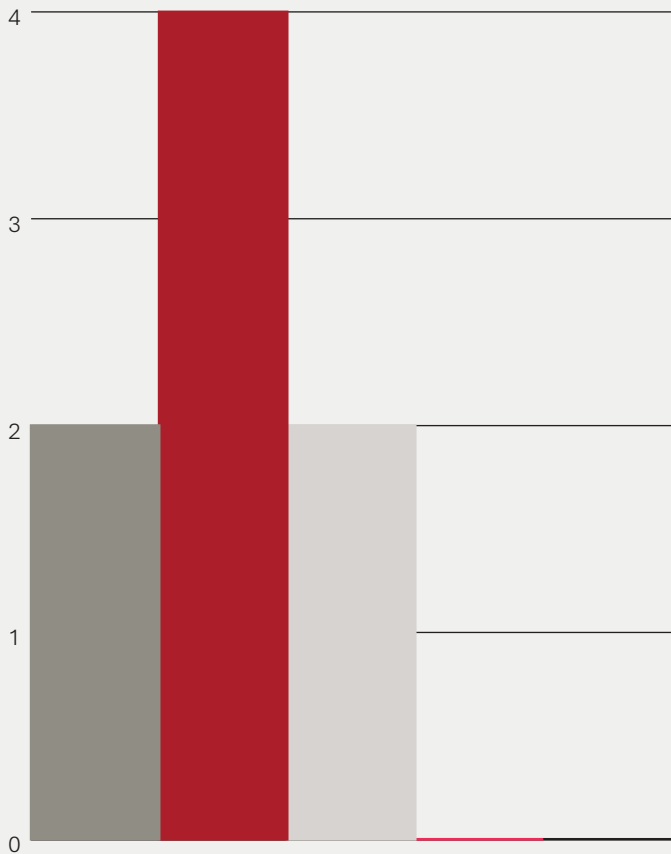
- Fair Trading
- Credit
- Competition
- Infrastructure Regulation
- Market Regulation



Active Q3 2024/25\*



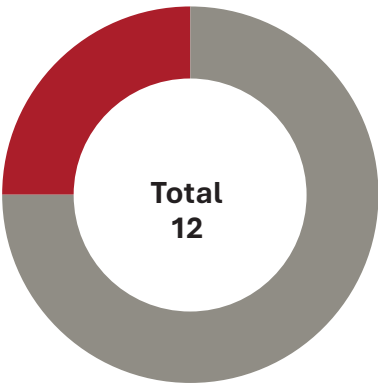
Q3 Complete YTD



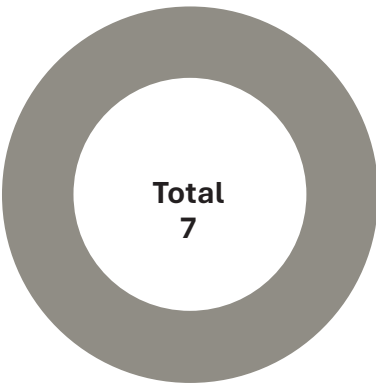
Q3 Approved for litigation but not yet filed

Investigation outcomes

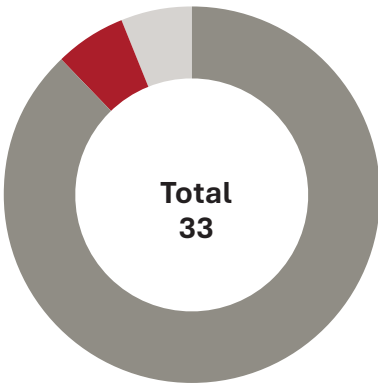
- Fair Trading
- Credit
- Competition
- Infrastructure Regulation
- Market Regulation



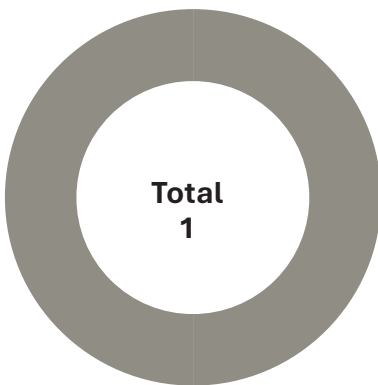
Approved for litigation



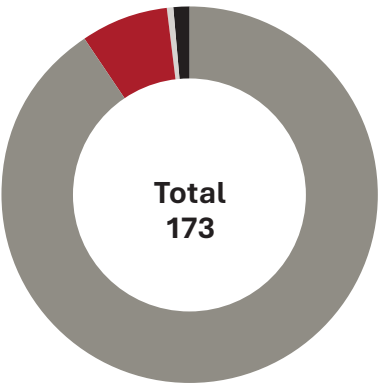
Warning letters issued



Compliance advice issued



Enforceable undertakings



Other

Commentary

- Information about open cases can be found on our [case register](#). Our compliance and investigation highlights include:
  - We investigated **2degrees** for likely breaching the Fair Trading Act in representations about launch of satellite to mobile service. A warning was issued in May 2025.
  - Warning issued to **Moke Apparel Ltd** for likely breaching the Fair Trading Act relating to the supply of various non-compliant nightwear either missing fire hazard information labels or using the wrong format (386 units supplied).
  - Seven **Information Passed to Trader** letters issued to lenders for non-notification of prescribed changes that could affect their Certification, and four **Information Passed to Trader** letters issued to traders who have been lending without being registered with the Financial Service Providers Register (FSPR) and certified by the Commission.

Investigations and Compliance

The Commission has a large number of investigations and compliance activities underway at any one time. We use our enforcement response guidelines in deciding whether to open an investigation and what compliance and enforcement action to take during and at the end of an investigation. The table below indicates how many active investigations the Commission has underway. The outcomes of completed investigations are shown in the graphic to the left, as well as year-to-date total for Q1-Q3 2024/25.

	Active Q3 2024/25	Complete YTD (Q1-Q3) 2024/25
Fair Trading	126	203
Credit	27	94
Competition	22	19
Infrastructure Regulation	6	5
Market Regulation	18	10

Judgements

Commentary

- The previous **Country Manager of LG New Zealand**, Dowan Kim, and two former LG staff members pleaded guilty to criminal charges after material requested by the Commission was destroyed during an investigation into possible resale price maintenance. One staff member was granted permanent name suppression. The other staff member, former **LG Key Account Manager** Nicholas Clarke, received a fine. Following assessments of the individual circumstances in relation to each of them, all three were granted discharges without conviction. The Commission’s investigation into possible anti-competitive conduct concluded with the Commission issuing a compliance letter to LG and a warning to Panasonic.
- **2degrees** (Free Aussie business roaming prosecution) was fined \$325,000 after pleading guilty to five charges under section 13(e) of the Fair Trading Act 1986. Between 18 February 2020 and 7 December 2023, in a national marketing campaign, 2degrees made false or misleading representations that mobile business customers could roam in Australia without limitation or additional cost when in fact the “free Aussie business roaming” benefit could only be exercised for a maximum of 90 days per calendar year.
- **Walond Limited**, commonly known as Look Sharp, has been fined \$292,500 in Auckland District Court after pleading guilty to making misleading representations about product prices and consumers’ rights under the Consumer Guarantees Act, in breach of the Fair Trading Act.
- **Now Trading Ltd, t/a Truly Supply** was fined \$50,000 for making false or misleading representations about the compliance of child car restraints it supplied and advertised for supply with approved standards in New Zealand for child car restraints.
- **Ms Frances Halafihi-Saimone** and **Ms Patricia Pousini** were fined \$33,306 and \$10,200 respectively having each pleaded guilty to one charge of breaching section 24 (enforced via section 40(1A)) of the Fair Trading Act 1986 for their promotion of a pyramid selling scheme known as ‘6K Gifting Co-operative’. The pair promoted ‘6K Gifting Co-operative’ to Pasifika communities in South Auckland during 2020 and 2021. Ms Halafihi-Saimone who was the overall leader of the scheme was also ordered to pay reparation of \$1,500 (shared between two complainants). A third individual, Mr Feleti Halafihi was warned for his involvement in the scheme and was fined \$9,000 having pleaded guilty to failing to comply with a notice issued under section 47G of the Fair Trading Act 1986.

Filings

Commentary

- The Commerce Commission has filed criminal charges against **Pak’nSave Silverdale** and **Pak’nSave Mill Street** for what the Commission alleges are breaches of the Fair Trading Act, by advertising prices for grocery products that did not match the price charged at the point-of-sale; and promoting grocery products at a special or discounted price where the promotional price did not offer a genuine ‘special’.
- The Commerce Commission has filed criminal charges against **HelloFresh New Zealand**, alleging the company misled consumers in cold calls used to “re-activate” customers who had cancelled the food delivery service. More information about this filing can be found above.

Official Information Act 1982 requests

The Official Information Act (OIA) gives New Zealand the right to request official information. The Commission proactively publishes selected official information responses on our website to improve transparency. We publish responses that do not compromise confidentiality, privacy or ongoing investigations.

Commentary Q3

- Around one quarter of OIA requests related to concerns about the conduct of particular traders and the Commission’s response to those concerns.
- More than half the OIA requests in this category were from individual members of the public or law firms on behalf of clients being investigated or involved in the Commission’s investigations.
- Approximately 13% of OIAs this quarter were from the media.

YTD Q3 2024/25

48

Number of OIA requests received

167

Year to date requests answered

Competition clearances and authorisations

The Commission administers a voluntary clearance regime for mergers and acquisitions. We take enforcement action to prevent anti-competitive transactions if prior clearance is not sought.

We also grant an authorisation for an acquisition that would result in a substantial lessening of competition if the public benefits from the acquisition and are found to outweigh the competitive harm.

The data indicates the number of mergers, acquisitions clearances and authorisations that are underway or have been decided year to date.

Clearances and authorisations made under the Commerce Act 1986

Q3 2024/25

	Mergers clearances s 66	Merger Authorisations s 67	Collaborative activity clearances s 65A	Trade practices authorisations s 58
Decided	0	0	0	0
Undecided at the end of quarter	4	0	0	0

YTD: Outcome 2024/25

	Mergers clearances s 66	Merger Authorisations s 67	Collaborative activity clearances s 65A	Trade practices authorisations s 58
Cleared unconditionally	1	1	0	N/A
Authorised	N/A	0	N/A	1
Cleared with divestment	0	0	N/A	N/A
Declined	2	0	0	0
Withdrawn	0	0	0	0
Varied	N/A	N/A	N/A	0
Sol/SoUl issued	2	N/A	0	N/A

Commentary

- The Commission received one application for merger clearance in Q3, relating to advertising services, which is undecided at the end of Q3.
- The Commission decided to issue a Statement of Issues for the application from **Altano New Zealand** to acquire 100% of the shares in **Matamata Veterinary Services Limited**. The new decision date is 30 April 2025.
- There were four merger clearance applications undecided at the end of the quarter relating to advertising services, food manufacture, equine veterinary services, and energy generation and wholesale supply.

Projects of Significance

The Commission has significant programmes of regulatory work underway. Our regulatory role in infrastructure regulation includes aspects of the New Zealand supply chain for essential services; such as electricity, gas, fibre and airports. Regulated markets include; telecommunications, fuel, groceries and dairy.

Highlighted on the right is a selection of the pieces of work that the Commission is currently involved in. The list is not exhaustive.

Further information on each piece of work, and many other pieces, is available on our website, including how you can engage with us.

Feedback from New Zealand businesses, consumers, and sectors we regulate is important to us in relation to that work.

Quarterly progress	Payments	Grocery	Telecommunications	Water Services Regulation
Previous Milestones	<div>December 2024</div> <div><ul style="list-style-type: none"><li>Publication of <a href="#">open letter</a> to sector with updated set of expectations to advance open banking.</li><li>Publication of the <a href="#">draft Mastercard and Visa interchange fee network standard</a>, including draft decision and reasons paper and submissions received in response to our July 2024 consultation paper.</li></ul></div>	<div>October 2024</div> <div><ul style="list-style-type: none"><li>Publication of <a href="#">cross-submissions on the Review of the Grocery Supply Code Request for Views Paper</a>.</li></ul></div> <div>November 2024</div> <div><ul style="list-style-type: none"><li>Publication of <a href="#">submissions on Wholesale Supply Inquiry Issues Paper</a>.</li><li>Supplier Survey sent out to suppliers, this is an anonymous survey was prepared in collaboration with The Research Agency (TRA).</li></ul></div> <div>December 2024</div> <div><ul style="list-style-type: none"><li>Publication of <a href="#">draft customer complaints disclosure standard and reasons paper</a>.</li><li>Publication of <a href="#">Grocery Newsletter #3</a>.</li><li>Publication of <a href="#">cross-submissions on the Wholesale Supply Inquiry Preliminary Issues Paper</a>.</li></ul></div>	<div>October 2024</div> <div><ul style="list-style-type: none"><li>Publication of <a href="#">Marketing Alternative Service / Broadband Marketing Report Guidelines Review</a>.</li></ul></div> <div>November 2024</div> <div><ul style="list-style-type: none"><li>Publication of the <a href="#">Annual mobile transparency review</a> with Consumer NZ.</li><li>Publication of the <a href="#">Wi-Fi router testing buyers guide</a> with Consumer NZ.</li><li>Publication of the <a href="#">Mobile Termination Access Service (MTAS) Draft Decisions</a>.</li><li>Publication of the <a href="#">Specified Fibre Areas (SFA) annual assessment</a>.</li></ul></div> <div>December 2024</div> <div><ul style="list-style-type: none"><li>Publication of the final report on the <a href="#">Review of the Telecommunications Disputes Resolution Scheme</a>.</li><li>Publication of the <a href="#">Measuring Broadband New Zealand (MBNZ) quarterly report (report 22)</a>.</li><li>Publication of the <a href="#">Customer Service Rankings for Broadband and Mobile providers Feb - October 2024</a>.</li><li>Publication of the final <a href="#">2023/24 Telecommunications Development Levy (TDL) determination</a>.</li><li>Publication of final <a href="#">Telecommunications Disputes Resolution review report</a>.</li><li>Publication of <a href="#">Energy Bundles Guidelines Review letter</a></li></ul></div>	<div><ul style="list-style-type: none"><li>Water Local Government (Water Services Preliminary Arrangements) Act 2024 enacted. Establishes the Commission as the economic regulator for water services and makes the Commission the Crown Monitor for Watercare (Auckland).</li><li>Commission’s Water Committee established.</li><li>Provided input into the Department of Internal Affairs baseline review of Watercare</li><li>Submitted our first Crown Monitor Quarterly report to the Local Government Minister.</li></ul></div>
Jan – March 2025 Milestones	<div>January – March 2025</div> <div><ul style="list-style-type: none"><li>Ongoing engagement with the sector to support promotion of open banking.</li><li><a href="#">Submission</a> on Payment NZ Next Generation consultation.</li></ul></div>	<div>February 2025</div> <div><ul style="list-style-type: none"><li>Publication of <a href="#">submissions on Draft Consumer Complaints Disclosure Standard and Reasons Paper</a>.</li></ul></div> <div>March 2025</div> <div><ul style="list-style-type: none"><li>Publication of <a href="#">cross-submissions on Draft Consumer Complaints Disclosure Standard and Reasons Paper</a>.</li></ul></div>	<div>January 2025</div> <div><ul style="list-style-type: none"><li>Publication of final <a href="#">Mobile Coverage Maps Guidelines</a>.</li></ul></div> <div>February 2025</div> <div><ul style="list-style-type: none"><li>Publication of six-monthly <a href="#">Customer Satisfaction Report (Jul-Dec 2024)</a>.</li><li>Publication of the <a href="#">Customer Service Rankings for Broadband and Mobile providers April - December 2024</a>.</li></ul></div> <div>March 2025</div> <div><ul style="list-style-type: none"><li>Publication of the <a href="#">Measuring Broadband New Zealand (MBNZ) quarterly report (report 23)</a>.</li><li>Publication of the <a href="#">Copper Services Investigation Draft Investigation Findings and Recommendations</a>.</li><li>Publication of <a href="#">Switching Issues Paper</a>.</li><li>Publication of <a href="#">Mobile Termination Access Service (MTAS) final decisions paper</a>.</li></ul></div>	<div><ul style="list-style-type: none"><li>Publication of Initial discussion document on approach to information disclosure</li><li>Quarterly report on Watercare to be provided to Local Government Minister</li></ul></div>
Upcoming Milestones for Q3	<div>April 2025</div> <div><ul style="list-style-type: none"><li>Publication of <a href="#">submissions</a> on the draft Mastercard and Visa interchange fee network standard. Cross submissions close 13 May 2025.</li></ul></div> <div>April – June 2025</div> <div><ul style="list-style-type: none"><li>Ongoing engagement with the sector to support promotion of open banking.</li></ul></div>	<div>May 2025</div> <div><ul style="list-style-type: none"><li>Publication of Grocery newsletter #4.</li><li>Publication for consultation of draft report for the Wholesale Supply Inquiry.</li><li>Publication for consultation of the draft report for the Review of the Grocery Supply Code.</li><li>Publication of supplier survey results report.</li></ul></div> <div>June 2025</div> <div><ul style="list-style-type: none"><li>Publication of Final Consumer Complaints</li></ul></div>	<div>April 2025</div> <div><ul style="list-style-type: none"><li>Publication of <a href="#">Improving RSQ: Ex Post Review Summary</a>.</li><li>Publication of Customer Satisfaction Monitoring contact preferences.</li></ul></div> <div>May 2025</div> <div><ul style="list-style-type: none"><li>Publication of quarterly Customer Service and Billing Rankings including billing research.</li></ul></div> <div>June 2025</div> <div><ul style="list-style-type: none"><li>Publication of the Product Disclosure price/cost final guidelines.</li><li>Publication of Measuring Broadband New Zealand (MBNZ) quarterly report (report 24).</li><li>Publication of the Annual Monitoring Report 2024/25.</li></ul></div>	<div>April 2025</div> <div><ul style="list-style-type: none"><li>Publication of a Letter of Expectations for Watercare in our role as the Crown Monitor. This followed formal commencement of the interim economic regulation on 1 April 2025.</li></ul></div> <div>June 2025</div> <div><ul style="list-style-type: none"><li>Draft reasons paper and draft determination published for Foundational Information Disclosure for Wellington Water</li><li>Third quarterly report on our performance as Crown Monitor for the interim regulation of Watercare submitted to the Local Government Minister.</li></ul></div>