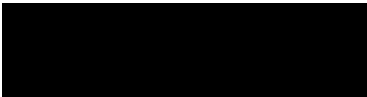



22 May 2025



Kia ora 

Official Information Act request 24.203

Thank you for your request of 14 May 2025 for the following information under the Official Information Act 1982 (the OIA):

... I am trying to figure out what ultimately happens to the money collected as pecuniary penalties or fines under the CCCFA, FTA, and Commerce Act. I saw in your annual report that the pecuniary penalty imposed on TSB in 2024 under the CCCFA was received by the Commerce Commission and then "transferred to the Crown via MBIE" (pg 144).

Overall, I am just wanting to know what the Commerce Commission does with all of the penalties/fines it receives in its enforcement activities. Are they all transferred to MBIE? Or is there different processes depending on what legislation they are collected under? It isn't particularly clear from the legislation itself. If anything is known about what MBIE does with that money, that would be useful information for me as well.

Our response

When the Commission is successful in a civil litigation case, penalties imposed on the unsuccessful party are initially paid to the Commission and then forwarded to the Crown via MBIE within 7 working days of receipt. The penalties become revenue of the Crown (not of the Commission or MBIE). That is irrespective of the relevant legislation under which we initiate civil proceedings.

Fines and penalties imposed under criminal proceedings (under the Commerce Act 1986 or the Fair Trading Act 1986) are paid to the Ministry of Justice instead.

Infringement notices issued under, for instance, the Fair Trading Act 1986 are also ultimately revenue for the Crown, not the Commission. They are paid to the Crown (via MBIE) once a year.

Awards for costs in civil matters are apportioned between the Commission and the Crown when the case is funded via the Litigation Fund. If another appropriation is used (for example, Consumer for non-major Fair Trading and Credit litigation) then we keep the full sum of costs awarded, and treat this as revenue (it essentially partially offsets the costs of litigation).

The requirements are set out in the Commission's Funding Agreement.

Further information

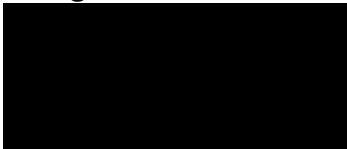
We hope this response has been helpful.

If you have any questions about this response, please do not hesitate to contact us at oya@comcom.govt.nz.

If you are not happy with our response, you have the right to complain to the Ombudsman. Information about how to do this is available at www.ombudsman.parliament.nz.

Finally, confirming the Commission may publish this response on our website as part of our proactive release process. All personal information will be redacted prior to publication.

Ngā mihi nui



Adam McFerran
Senior Advisor | OIA & Information