

## **Legislative Statement: Business Payment Practices Act Repeal Bill – Introduction**

**Presented to the House of Representatives in accordance with Standing Order 272 J.17**

### **Introduction**

*The Business Payment Practices Act Repeal Bill repeals the Business Payment Practices Act 2023 and its secondary legislation.*

### **Background**

*The Business Payment Practices Act was put in place to address long business to business payment times by requiring large entities to disclose their payment terms and practices on a public register.*

*However, the Government's view is that most small businesses will not have time to search for payment data on the Ministry of Business, Innovation and Employment's Internet site, and that even if they can find it and interpret it correctly, it is unlikely to impact their decisions about who to do business with. Furthermore, information on late payers is already available from credit agencies.*

*The repeal of the Act will remove its compliance costs that would have applied to large entities. Comparable overseas disclosure regimes show that even if the reporting process is automated, there are still cases where manual intervention is required. This creates an ongoing obligation to manually collate and enter invoice receipt dates.*