

Sustainable Business Policy

Vision

Our businesses are locally celebrated, nationally valued and internationally renowned for their economically successful, environmentally sustainable, and socially responsible practices.

Values and Principles

Policy decisions relating to business must be consistent with the following values and principles:

- *Honour Te Tiriti o Waitangi*: The business leadership and entrepreneurship of Māori should be equitably supported. In line with tikanga Māori, businesses should focus on contributing to the long-term wellbeing of whenua and all people.
- *Ecological Wisdom*: Businesses and investors should hold environmental sustainability as a core value, and seek long-term viability through regenerative activity and reduced resource use.
- *Social Responsibility*: Diverse, sustainable, community-based economies are a foundation of local resilience and ensuring sufficiency for all.
- *Appropriate Decision-Making*: Staff and business owners flourish in a co-operative, productive environment. Those who make or provide the things that we use in our everyday lives should be acknowledged and valued.
- *Non-Violence*: Businesses should protect the wellbeing of their employees and customers and prevent harm to surrounding communities and ecosystems.
- *Fair competition*: Local producers, manufacturers, service providers and businesses should be protected from unfair competition with products from countries with poor environmental and labour standards.
- *Innovation*: To boost confidence and creativity, innovation should be encouraged, recognised and rewarded.

Summary

The Green Party will support and regulate business practice to be environmentally and socially sustainable. We will resource research and innovation and build a skilled workforce to support this transition. Small businesses will benefit from easier compliance, improved access to capital, and improved training and support. Additional resources will be made available for Māori and Pasifika businesses.

Strategic Priorities

The Green Party's strategic goals include:

"Aotearoa will be in transition, creating green work and broad prosperity while moving Aotearoa away from carbon-dependent, extractive and resource-intensive industries."

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Actions in this policy that will help achieve this include:

- Encourage circular business relationships, where the outputs of one business are the inputs to another business, and engage in planning for the future siting of such businesses near/next to each other where appropriate and practical. (1.18)
- Promote a fair competitive environment for Aotearoa New Zealand businesses that removes outright competition with products and services from countries with poor human and worker rights records and with poor environmental practices. (2.1)
- Identify new business opportunities in sustainability sectors and practices. (3.5)
- Provide ongoing support for Māori and Pasifika business service providers to support Māori and Pasifika-led businesses. (5.1)

Connected Policies

The Government makes many decisions in other policy areas that affect businesses. See, for example, our [Economic](#), [Workforce](#), [Trade and Foreign Investment](#), and [Research, Science and Technology](#) Policies.

Policy Positions

1. Environmentally and Socially Sustainable Business Practice

Issues

Businesses are implicated in worsening environmental degradation and inequality. Those that seek to improve their environmental and social impact then face more costs than others in a deregulated system. Especially in a challenging global economic context, many businesses need support to transition into sustainable practice.

Actions

A. Legislative and Regulatory Framework for Sustainable Business Practices

- 1.1. In partnership with tangata whenua, develop a code of corporate responsibility (including publicly-transparent reporting of social and environmental duties and sound corporate governance) applying to all corporations (foreign and domestic) operating in Aotearoa New Zealand that must be met to secure government contracts.
- 1.2. Examine further ways to strengthen incentives for ethical, sustainable and climate-safe business practices that include demonstrable plans for urgently transitioning to net-zero carbon operations by a specified date.
- 1.3. Support effective accountability and management structures for Aotearoa New Zealand businesses, including encouraging greater diversity and gender equity in directorships, limiting excessive remuneration, and establishing clearer ethical duties for directors to add value to their workers, communities and the environment.
- 1.4. Provide clear, supportive legislative frameworks, advice, and access to finance to enable a more diverse range of business structures, including community and customer owned financial institutions, social enterprises, group employment ventures, and cooperatives.. .

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- 1.5. Progressively develop and set quality and sustainability standards for goods and services (e.g. energy and recycling standards), which are produced and/or sold in Aotearoa New Zealand, and require that all goods and services meet those standards.
- 1.6. Establish an ethical investment framework that prioritises the wellbeing of the natural world and identifies and avoids investments that run counter to the principles of this policy, including climate change-causing investments; mandate compliance by all public sector organisations; and promote their adoption beyond those funds.
- 1.7. Ensure that climate-related risk information is made transparent to investors, and is used to monitor Scope 1, 2 and 3 reporting.¹
- 1.8. Strengthen consumer protection legislation and measures to support consumers exercising their rights at low cost.
- 1.9. Increase protection for adversely affected parties in situations where a business entity is liquidated, closed or unable to finance on-going responsibility for workmanship or products, for example by using compulsory insurance or bonds.
- 1.10. Ensure that businesses are accountable for including local concerns and resource constraints into their decision-making.
- 1.11. Require industries that take from, or destroy natural ecosystems to pay the true costs for those natural resources, bearing in mind how many years it will take those ecosystems to regenerate (to the extent possible).
- 1.12. Limit investments from overseas interests in innovative start-ups to those that will enhance Aotearoa New Zealand's ability to mitigate climate change and support healthy ecosystems and affected communities.

B. Support for Sustainable Businesses

- 1.13. Support measures to develop management capacity and capability within businesses, especially development of improved B-Corp requirements that include a climate change standard for sustainable and ethical business practice.
- 1.14. Invest in sustainable industries, by:
 - 1.14.1. Facilitating public and private investment in environmentally sustainable and low-carbon businesses;
 - 1.14.2. Incentivising new, sustainable businesses in affected regions; and
 - 1.14.3. Investigating the creation of a meaningful work guarantee in resilient and sustainable industries.
- 1.15. Develop a comprehensive Just Transition² strategy for industries and regions detrimentally affected by the transition to a regenerative economy, in partnership

¹ The three scopes are a way of categorising the different kinds of emissions a company creates in its own operations and in its wider 'value chain'.

² Just Transition is an enabler of system transformation that upholds the rights and dignity of all involved, as we meet the challenges of our climate, ecological and social crises. The principles support the achievement of fairness, equity and community wellbeing as we shift to a carbon negative economy. It involves all sectors of society, according to their ability, and working in partnership with iwi/hapū/Māori organisations, all planning and leading their own part of the transformation, for the good of all. To ensure inclusiveness and fairness, central government support will be critical in championing community efforts, empowering trade union movements, building a regional focus and honouring our international commitments, especially in the Pacific.

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with tangata whenua, communities, unions and local economic development organisations.

- 1.16. Capitalise on the growing international market for clean and sustainable technology and knowledge-intensive innovation, and build local capacity to participate and lead internationally, by utilising government-owned companies and strengthening collaboration with the private sector.
- 1.17. Commit long-term support to the significant expansion and development of networks and organisations that promote sustainability in business practices and assist operational and behavioural change, including local and regional economic development agencies and business advisory bodies.
- 1.18. Encourage circular business relationships, where the outputs of one business are the inputs to another business, and engage in planning for the future siting of such businesses near/next to each other where appropriate and practical (see also our [Economic](#) and Waste and Hazardous Substances Policies).
- 1.19. Ensure that the tax system encourages green technologies and other sustainable practices (see our [Economic](#) Policy).
- 1.20. Support tertiary educational institutions and professional associations to incorporate sustainability as a key driver of product and service design (see also our [Tertiary Education](#) Policy).

2. Fair Competition and International Trade

Issues

Under World Trade Organisation (WTO) rules and some trade agreements, Aotearoa New Zealand businesses, particularly the manufacturing and services sectors, face competition from imported goods and services. Imports may come from countries that have weak or non-existent employment standards and poor environmental, health and safety standards that allow them to manufacture goods or provide services at a much lower cost.

Actions

- 2.1. Promote a fair competitive environment for Aotearoa New Zealand businesses that removes outright competition with products and services from countries with poor human and worker rights records and with poor environmental practices (see our [Trade and Foreign Investment](#) Policy).
- 2.2. Until measures to ensure a level playing field are in place, take a sector-based approach, where appropriate, by:
 - 2.2.1. Working with the relevant sectors to identify the issue (for example, waste management);
 - 2.2.2. Supporting the formation of an industry grouping to create an industry accord for a solution to this issue;
 - 2.2.3. Trialling the accord amongst the participants, monitoring for effectiveness and refining as necessary; and
 - 2.2.4. Legislating to make compliance with accords compulsory, if required.

- 2.3. Communicate to the public on the value and importance of buying Aotearoa New Zealand made products.
- 2.4. Maintain and expand country of origin labelling requirements for products sold within Aotearoa New Zealand, including details about the greenhouse gas emissions involved in their production and supply chains.
- 2.5. Implement mandatory product insurance for all imported manufactured goods.
- 2.6. Investigate other pre-market methods that will help address unfair competition.
- 2.7. Support Aotearoa New Zealand business through strategic government procurement policies that:
 - 2.7.1. explicitly recognise the benefits of local sourcing (i.e. through support for jobs and other benefits to the local economy);
 - 2.7.2. will drive local clean technology development and sustainable manufacturing and services;
 - 2.7.3. actively consider competitive local suppliers where they exist, within the framework of Aotearoa New Zealand's international trade obligations (see our [Trade and Foreign Investment](#) Policy); and
 - 2.7.4. Require government-owned enterprises to adopt sustainable procurement practices.
- 2.8. Work with producer organisations, processors and marketing companies to strengthen the market positioning of Aotearoa New Zealand primary exports, and invest in strengthening Aotearoa New Zealand's clean and green reputation internationally.
- 2.9. Require international businesses with significant operations within Aotearoa New Zealand to create a local ownership stake in activities (see our [Trade and Foreign Investment](#) Policy).

3. Innovation and Diversity: Research and Development

Issues

Innovation and diversity are key features of a resilient economic system. The barriers to using technology and investing in research and development are disproportionately high for small businesses, which make up the vast majority of businesses in Aotearoa New Zealand.

Actions

- 3.1. Incentivise private and university investment in research and development that meets sustainability criteria in key target sectors
- 3.2. Increase funding to Government research organisations (see our [Research, Science and Technology](#) Policy).
- 3.3. Require state-funded researchers to assist small businesses in developing new ideas and technologies
- 3.4. Support small businesses in exporting intellectual property and research and development expertise in sustainable energies, technologies and practices.

- 3.5. Identify new business opportunities in sustainability sectors and practices (for example, see our [Agriculture and Rural Affairs](#), [Energy](#), [Transport](#), and [Housing and Sustainable Communities](#) Policies), including:
 - 3.5.1. Assisting inventors to find the best framework for them to utilise their inventions; and.
 - 3.5.2. Offering income support for small businesses during the later stages of product or service development.

4. Find and Keep the Right Staff

Issues

For many businesses, employees are critical for their continued functioning. Workforce shortages affect many sectors, notably industries that rely on highly skilled, seasonal or migrant labour.

Actions

- 4.1. Support the development of a skilled workforce, and support their retention through ensuring fair wages and conditions, valuing time outside of work, and supporting collective workplace rights (see our [Workforce](#) Policy).
- 4.2. Ensure the wellbeing of workers formerly employed in declining, unsustainable industries, including by providing high quality retraining programmes for them, ensuring that the income support system meets their needs, advocating for fair redundancy payments and considering early entry into Aotearoa New Zealand Superannuation (see our [Income Support](#) Policy).

5. Māori and Pasifika Businesses

Issues

Māori and Pasifika economic development is a growing driver of the domestic economy. Government policies and practices in relation to these organisations must respect their values and relationships.

Actions

- 5.1. Provide ongoing support for Māori and Pasifika business service providers to support Māori and Pasifika-led businesses, including to:
 - 5.1.1. Provide free or low-cost small business training;
 - 5.1.2. Facilitate access to start up capital;
 - 5.1.3. Deliver in-work support; and
 - 5.1.4. Encourage Māori and Pasifika business people to become business mentors in their communities.
- 5.2. Support existing Māori and Pasifika business networks.
- 5.3. Ensure that all government information on business compliance is available in Māori and key Pacific languages.

- 5.4. Ensure the Ministry of Pacific Peoples are resourced to ensure their people get the advice they need on government business support programmes.
- 5.5. Support intra-community lending initiatives for Māori and Pasifika businesses.
- 5.6. Ensure that a Māori-determined response to build climate-resilience for Māori businesses is equitably supported and funded (e.g., by a Māori Bank).

6. Small Businesses

Issues

Despite the vast majority of businesses having fewer than ten employees, small business interests are not generally as well represented as larger businesses. It costs small businesses more time and money, per employee, to comply with legislation than it costs large businesses. For those small businesses that wish to grow, access to capital can be a major inhibitor.

Actions

A. Building Recognition

- 6.1. Support the adaptation of and participation in an internationally recognised Business Excellence Framework for New Zealand small businesses and provide long-term support to enable small businesses to participate.

B. Making Compliance Easier

- 6.2. Ensure economic policies meet the needs of small and medium sized enterprises, and costs of compliance are proportionate to the scale and size of businesses.
- 6.3. Provide a unified digital platform for business compliance and Government-to-business communications.
- 6.4. Ensure that legislative change that affects small businesses only comes into effect on a limited number of days per year, for stability.
- 6.5. Follow best practice in customer query resolution and plain language communications, and pro-actively work to support culturally diverse businesses.
- 6.6. Support business to comply with health and safety requirements through improved coordination, advice and resourcing.

C. Improving Access to Capital

- 6.7. Explore ways of increasing access to capital for small businesses, including providing tax deductions for investors.
- 6.8. Improve small business awareness of currently available angel investor opportunities.
- 6.9. Encourage people to invest in local business lending, either directly or via local organisations set up for this purpose.
- 6.10. Support the expansion of local banking options and their provision of small business capital (see our [Economic](#) Policy).
- 6.11. Direct capital from speculation in housing into productive enterprise (see our [Economic](#) Policy).

D. Improving Training and Support

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- 6.12. Support training, mentoring and networking programmes for self-employed people and small business owners, especially those provided by community based organisations or with a proven track record on supporting compliance.
- 6.13. Increase the accessibility of business start-up support programmes .
- 6.14. Require tertiary institutions to provide small business practice as an option across all degrees, diplomas and apprenticeships, especially where there is traditionally a high rate of self-employment.
- 6.15. Support sustainability training and information for small businesses through free workshops, resources, and on-line assessment tools.

7. Manufacturing Businesses

Issues

The impacts of climate change and declining energy availability mean that it will become increasingly important that we make and repair as much as we can onshore.

Actions

- 7.1. Support the development of sectoral plans, with producers, business, scientists and other stakeholders, to reduce the proportion of unprocessed commodities exported from Aotearoa New Zealand, generate new investment opportunities and create processing jobs.
- 7.2. Support the initiatives of manufacturers to work collaboratively to improve and transform the manufacturing sector.
- 7.3. Ensure the interests of manufacturing are represented at Cabinet with a Minister whose portfolio includes responsibility for this sector.
- 7.4. Celebrate and support manufacturing success. Promote recognition and pride in Aotearoa New Zealand manufacturing and service companies.
- 7.5. Encourage business-to-business local procurement practices.
- 7.6. Facilitate the development of best practice manufacturing through strong collaboration between manufacturers, Crown Research Institutes, universities and specialist sustainable business organisations, encouraging local procurement and improving incentives to invest in sustainable technology, innovation and research and development.
- 7.7. Through school, tertiary and public education improve New Zealanders' understanding of the key role manufacturing plays in our economy, and the attractiveness of manufacturing as a career option.