

Thursday, 17 July 2025

Hon Brooke van Velden Minister for Workplace Relations and Safety By email: B.vanVelden@ministers.govt.nz

Dear Minister

## **RE: REGISTRATION AND REGULATION OF EMPLOYMENT ADVOCATES**

We would firstly like to thank you for your continued engagement with us and our members – including your time at our session last week. That level of accessibility and openness is genuinely valued by the business community, which you have seen first-hand through the levels of attendance and engagement with Business Canterbury members in successive engagements. We look forward to continuing that constructive relationship.

We are writing today to raise growing concerns from our members about the conduct of unregulated employment advocates – particularly those who operate using 'no win no fee' arrangements – and the increasingly significant impact this is having on small and medium-sized businesses.

While we fully support access to fair representation in employment matters, we are hearing far too often about advocates who are encouraging frivolous or opportunistic claims, engaging in unsettling or aggressive behaviour, and contributing to a rise in costly and unnecessary settlements. These situations are creating legal and financial strain and increasing hesitancy to take on new staff. There are also hidden costs such as leadership burnout and a reluctance to manage underperformance – contributing to productivity concerns.

The cumulative impact on business confidence, productivity, and workplace culture is material. Employers are increasingly feeling that the system is no longer balanced – and that the absence of oversight or standards for employment advocates is contributing to this.

We strongly urge the Government to prioritise the introduction of a registration and regulatory framework for employment advocates, including conduct guidelines and a clear complaints process. Doing so would support better outcomes for both employers and employees and help restore confidence in our employment relations system.

We would welcome the opportunity to discuss this issue with you further and share the experiences of our members.

Kind regards,

Leeann Watson Chief Executive Officer | Business Canterbury

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