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Submission from Straterra

To the Economic Development, Science and Innovation Committee

on the

Companies (Address Information) Amendment Bill May 2024

Introduction

- 1. Straterra is the industry association representing the New Zealand minerals and mining sector. Our membership is comprised of mining companies, explorers, researchers, service providers, and support companies.
- 2. We would like to thank the Select Committee for the opportunity to make this brief submission on the Companies (Address Information) Amendment Bill.

Submission

- We support the Companies (Address Information) Amendment Bill (the bill) in principle and recommend it proceeds to the next stage, subject to some amendments as discussed in this submission.
- 4. The bill aims to address the privacy and protection concerns associated with the publication of a director's residential addresses on the Companies Office website.
- 5. We agree with this objective. Enabling directors to opt to withhold this information from the public arena is a good idea and is in the interests of personal safety in an environment where leaders and their families and others who reside at the same address can become personal targets for individuals and organisations. We note that it was considered by the Government in 2018 in a MBIE consultation document at the time.
- 6. Harassment has been an issue for some directors and their families, including their children, in recent years and many are legitimately concerned about protecting their private information including residential addresses. That harassment can extend to threats and intimidation, and we must consider violence a real possibility. Reportedly, foreign companies are hesitant to conduct business in New Zealand due to the requirement to publish directors' physical residential addresses.
- 7. Directors of mining companies have been, and continue to potentially be, the target of such harassment because of the misunderstanding and misinformation that often surrounds the extractives sector.
- 8. Modern mining in New Zealand is conducted responsibly, and environmental impacts are managed according to strict regulation and to meet societal expectations, but still there is often a misguided belief that mining is an unacceptable activity a view which has been perpetrated in recent times by

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SUBMISSION



some activist groups. One of the consequences of this is that anti-mining activists often target mines, company offices and mining industry meeting venues putting the safety of those who work in the industry at risk. This could easily extend to the targeting of directors, and by default their families, at their homes. We are aware of this happening in other jurisdictions and have <u>linked to</u> a recent editorial from The Western Australian newspaper¹ as an example.

- 9. The bill, as proposed, would allow a director to substitute the publication of their residential address on the Companies Office website for an address for service.
- 10. To do this they would have to make an application to the Registrar of Companies, with a signed statutory declaration, verifying that public availability of the director's address is likely to result in physical or mental harm to the director or a person with whom the director resides.
- 11. We think the statutory declaration and the establishment of a statutory risk are unnecessary requirements for directors to undertake. The option to withhold should be more straightforward for any director, for example through a simple application form.
- 12. We note that in the past there has been some discussion of adopting the system operating in Australia, which involves the use of Director Identification Numbers (DINs). We think there is merit in further consideration of this idea.
- 13. This would serve a number of purposes and, for the purpose of this bill, would provide the public with useful and appropriate information, such as the ability to determine which boards an individual director sits on, without revealing their private address details.
- 14. In conclusion, we recommend that the bill proceeds subject to a loosening of the process directors have to go through to withhold residential addresses.

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¹Weaponising kids just another dirty tactic, The West Australian, 25 April 2024