3 April 2009

Clerk of the Committee Local Government and Environment Committee Select Committee Office Parliament Buildings Wellington

To whom it may concern

Submission on the Resource Management (Simplifying and Streamlining) Amendment Bill

The Sustainable Future Institute is an independent think tank specialising in research and policy analysis. For more information on our organisation, contact us or visit our website at www.sustainablefuture.info. We wish to appear before the committee to speak to our submission. Please contact Wendy McGuinness or Willow Henderson on 04 499 8888.

As an independent think tank, Sustainable Future has the freedom to choose its own research agenda. We are currently pursuing two research projects, one on a national strategy for New Zealand (known as *Project 2058*) and a second on genetic modification. Both are potentially relevant to the Resource Management Act (the Act), hence this submission. The key principles underlying *Project 2058* are that:

- 1. Planning and decision-making must have a long-term focus.
- 2. Sustainability requires maintaining and promoting opportunity and equity for current and future generations.
- 3. Sustainability must be pursued through the integration of cultural, economic, environmental and social goals in a way that recognises the interconnected nature of our world.
- 4. Sustainability must be progressed through participation and partnerships. It is vital for Māori and non-Māori to work together towards active participation and to give effect to Treaty of Waitangi obligations.
- 5. New Zealand should focus on sustainable development rather than GDP growth.
- 6. Environmental limits must be respected and recognition made of the intrinsic value of all life systems.
- 7. Decision-making should be based on the best information. Research on sustainability must aim to be timely, accurate and meaningful.



Based on this background, our general comments on the Amendment Bill are as follows:

- 1. New Zealand government requires an overarching, strategic document.

 New Zealand does not have an overarching strategy, something Sustainable
 Future calls a National Strategy, or the United Nations calls a National
 Sustainable Development Strategy.¹ Legislation such as the Resource
 Management Act can not be seen in isolation from a visioning document such as a national strategy.
- 2. It is necessary that the Resource Management Act is designed with an emphasis on best interests of *all* New Zealanders.
- 3. It is essential that the Resource Management Act sets out the process for making decisions about how resources are managed sustainably and does not undermine environmental protections and community participation.
- **4.** The Government needs to ensure that the RMA can respond to big challenges. Three resource issues that Sustainable Future has identified that will be extremely important to manage well into the future are:
 - Energy with the combined issues of climate change, high oil prices and peak oil upon us, New Zealand needs to find a way to provide secure and environmentally sound ways of generating and using energy into the future. The investment that the Act allows needs to consider energy issues in the broadest context possible.
 - Water (quality, rights and use) as climate change, land use and population
 pressures affect the way water is used, the Act needs to be able to respond in
 a way that ensures the protection of this vital resource for generations to
 come.
 - Land use the effect that people have on land in New Zealand is profound, as is illustrated in Figure 1 below. Into the future, there will be increasing demands on infrastructure such as urban housing, sewerage and transport systems. The Act needs to be able to deal with these demands, as well as with changes in demand that are less easy to plan for, such as potential influxes of climate refugees from the Pacific and the resulting increased demands on infrastructure.

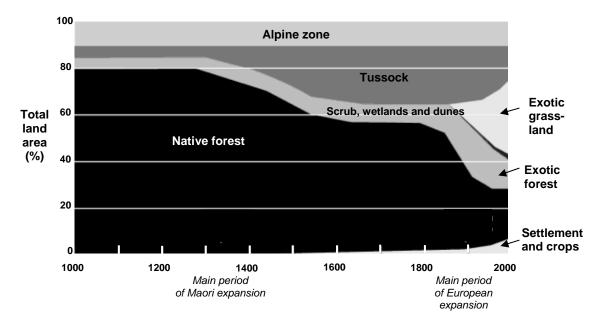
The Act must be able to deal with all of these issues in a timely, robust and socially optimal way.

2

New Zealand committed itself to create such a document in 1997, with Cabinet agreeing in 2001 to produce an NSDS, though this never occurred. Sustainable Future's Report 1: A National Sustainable Development Strategy, www.sustainablefuture.info/Site/Publications/Project_Reports.aspx.

Figure 1. Land cover changes in New Zealand

Source: MfE (1997)2



Given the current proposed Amendments, Sustainable Future is concerned that the changes are not in the spirit of delivering the best outcomes for all New Zealanders. Our specific issues with the proposed Amendments are as follows:

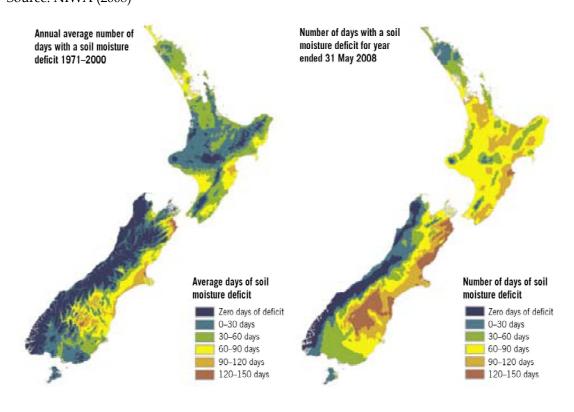
- 1. All effects of applications must be taken into account. Sustainable Future is concerned that the capacity for stakeholders to participate in applications is being reduced (for instance, through clauses 60 and 131). This has the effect of decreasing the amount of information on the effects of an application. The Government can not afford, in either the short or long-term, to allow such omissions. It must instead ensure that the Act produces robust, democratic and high quality decision-making.
- 2. As such, the Government needs to ensure that the resource management system is designed to ensure a high degree of public engagement, with adequate time for preparation and the need for information to be of significant quality for submitters to add value.
- 3. The Act must be designed so that it can respond to both the challenges of today and of long-term. For instance, the Act must be able to respond to the challenges posed by climate change and its effects on agriculture in New Zealand. Eric Dorfman (2008) in his recent book, *Melting Point New Zealand and the Climate Change Crisis*, discusses how:

² http://www.mfe.govt.nz/publications/ser/ser1997/html/figure8.3.html

- Initially there will be some beneficial effects of climate change for agriculture such as enhanced growing conditions, longer growing seasons and lower frost risk. However, by 2050, agriculture and forest production is likely to be reduced. There is likely to be increased risk of drought and fire over parts of eastern New Zealand and increased risk of floods over parts of western New Zealand. Water security and pest management will increasingly be an issue.
- There may be reduced demand for energy, as winters will not be as cold.
 Additionally, flows in western rivers are likely to increase, potentially benefiting hydroelectric generation and irrigation supply.
- Coastal development and infrastructure will be challenged as sea levels rise. This may impact on transportation, drainage and sewerage systems.

The Act must be able to handle these changing pressures in way that is optimal for all New Zealanders. An indication of how climate change may already be affecting New Zealand can be seen in Figure 2 below, which illustrates changes in soil moisture content though time.

Figure 2. Changing soil moisture deficit in New Zealand Source: NIWA (2008)³



http://www.maf.govt.nz/mafnet/rural-nz/statistics-and-forecasts/sonzaf/2008/page-02.htm

4. The Act needs to be able to handle changes in what is acceptable to New Zealanders. An example of this is water quality, an issue that is of increasing concern to Sustainable Future. The dairy industry has a major impact on water quality as is recognised through the *Dairying and Clean Streams Accord*. However, this voluntary scheme is not currently meeting its goals, as was recently investigated by Forest and Bird and Fish and Game New Zealand.⁴

The Government needs to be able to respond to resource management issues such as water quality in a way that meets the expectations of New Zealanders. This requires an integrated approach to resource management that includes the use of a robust and meaningful Act. Sustainable Future questions the ability of the Act to gain access to and therefore meet the expectations of the public, if public engagement mechanisms are weakened as proposed under the current Amendments (clauses 60, 68 and 131).

- 5. The Act needs to be designed in a way that minimises the risks of unintended consequences. Sustainable Future is concerned that some proposed changes do not bear in mind this consideration of unintended consequences. For instance, the Amendment Bill proposes the removal of the ability to appeal policy statements and plans, except on points of law (clauses 132, 136 and 148). This will inadvertently put enormous pressure on councils to essentially 'get their plans right' as there would no longer be an avenue for interested parties to challenge unintended consequences, nor insist that resource management planning meets the expectations of the community of the day.
- 6. The Act must give regard to the effect of the privatisation of gains from public risk versus the socialisation of losses, or what the finance sector calls 'moral hazard'. The public is less willing to be risk takers since the credit crunch, and for good reason.
- 7. Ensuring investments are robust. Because the credit crunch decreases the amount of money available for investment, there is an imperative for the dollars spent to be invested in the best way possible, applying the principle of more care and less haste. By putting effort into front of system (e.g. the quality of the Act), returns social, environmental and economic will be faster and more effective in the long-term.

Deans, N., & Hackwell, K. (2008). Dairying and declining water quality – Why has the Dairying and Clean Streams Accord not delivered cleaner streams? Fish and Game New Zealand and Forest and Bird. Retrieved April 9, 2009 from

http://www.forestandbird.org.nz/files/file/Dairying_and_Declining_Water_Quality(3).pdf

In the Party Policy paper published September 6, 2008, National raised various key issues around Environment Policy, with an emphasis on water quality, climate change and forestry.⁵ This document proposed to 'take a distinctly Bluegreen approach characterised by five principles' in which resource use has to be based on sustainability and good science must be used for quality environmental decision-making.⁶ Sustainable Future agrees with the overall approach of this document and is keen to see National implement this meaningfully. As such, we would like to be part of the process of ensuring that New Zealand has a sustainable resource management framework that delivers equitable outcomes to generations now and into the future. The changes to Resource Management Act puts in place now should embody these principles.

We have attached some of our recent *Project 2058* publications in which we explore New Zealand's future, which may be of interest to the Committee. If the Act is to continue to be a workable document it will need to not only deal with urgent issues, but also the more important issues which are emerging now, but that will have significant long-term consequences into the future.

We look forward to exploring these issues with you in more detail at the Select Committee hearing.

Kind regards

Wendy McGuinnessChief Executive Officer

Jean-Charles Perquin Research Analyst

Attachments:

- 1. Think Piece 8: Magnifying Hope and Reducing Fear
- 2. Timelines Exploring Four Future Scenarios for New Zealand
- 3. Report 6: Four Possible Futures for New Zealand in 2058

National Party (2008). Policy 2008: Environment Policy. Retrieved April 9, 2009 from http://www.national.org.nz/files/2008/environment%20policy.pdf

⁶ Ibid. p.1