

McGuinness Institute Oral Submission

Environment (Disestablishment of Ministry for the Environment) Amendment Bill

2 April 2026

1. Introduction

As a background, the McGuinness Institute's focus is to design policy for the long-term good of New Zealand.

We see the need to improve New Zealand's environmental policy, however oppose the Bill in its current form.

The Institute is concerned the Bill focuses on the short-term, meaning long-term environmental policy will lose out in favour of short-term economic gains.

1. High-level concerns with the Bill

The Ministry for the Environment (MfE) has been in operation since 1986 when the Environment Act 1986 established the Ministry for the Environment and the Office of the Parliamentary Commissioner for the Environment (Commissioner).¹ Independent ministries make a difference, but this Bill fails to explain the rationale for a mega-ministry. MfE operates for a purpose, it is unclear how that purpose would be maintained under the proposed structure.

We are also concerned the Bill:

- leads to inconsistency, uncertainty, inefficiency and increased costs. We are worried people and businesses cannot plan because they don't know what changes are happening. There is also a risk another Government will come in and reverse the decision.
- creates significant risks for the public and private sector in that uncertainty.
- removes critical statutory protection for the environment – obviously when someone is balancing housing, transport and economic growth against less tangible environmental factors the short-term, economic priorities are more likely to win.
- lacks evidence of where 'mega-ministries' have worked internationally. We would like to see analysis of how this has worked before undertaking such a disruptive change.
- fails to show how the Bill will result in increased environmental protection or increased efficiency – in fact, as mentioned, the environment is likely to have less protection without an independent voice standing up for it.
- relies on internal decision-making within the 'mega-ministry,' which creates conflicts of interest and lacks public engagement – more likely critical public decisions are made behind closed doors.
- risks creating a concentration of powers without adequate checks and balances, and
- weakens independent, transparent oversight in environmental legislation.

The Bill is not improving the existing environmental legislation system based on an agreed 'problem definition' but instead is redesigning the system completely, and in haste. It is unclear who would benefit from disestablishing the MfE and why this Bill is being pushed through with only two and a half weeks of public consultation.

Instead, the Institute recommends more detailed research is undertaken, including consultation with key stakeholders, to understand what the issues are and the best policy to solve them.

The proposed Bill does not appear to encourage the kind of discussion required to achieve a durable, long-term solution, one that provides business certainty and environmental sustainability. And instead of creating a collaborative path forward, it seems to intensify the opposing positions of each group.

3. Two seismic policy shifts in the Bill

From our perspective, the Bill works together with other policy changes to represent two seismic shifts in New Zealand's planning regime:

1. A shift away from resource management and protecting the natural environment towards economic development, and;
2. A shift away from public interests, public consultation, community involvement, and the recognition of cultural values, to the values and interests of the commercial and the private sector.

4. GDS Index analysis of the Bill

If you look at the proposal using the lens of strategy and sectors, the Institute naturally goes immediately to the government department strategies Index (GDS Index). What the *2024 GDS Index* tells us about the proposal is as follows:

A: The intention is to combine GDSs from four different sectors:

- Finance and Government Administration Sector (Department of Internal Affairs - 8 active GDSs)*
- Natural Resources Sector (Ministry for the Environment - 10 active GDSs)
- Social Services and Community Sector (Ministry of Housing and Urban Development - 4 active GDSs)
- Economic Development and Infrastructure Sector (Ministry of Transport - 6 active GDSs)

*We are unsure which strategies are likely to move to the new entity.

Key implications:

1. The proposal will have significant implications to the Budget process and the Estimates of Appropriations.
2. The groupings of the sectors have been used in the past to indicate the objectives of how public funds have been designated (the purpose) and sets the scene for accountability mechanisms. Combining four sectors is very unusual.
3. We are unsure what sector the new Ministry would be grouped under.

B: The intention is to create a super ministry with possibly 28 GDSs to manage.

- MOH currently holds the largest number of GDSs (29 GDSs), whereas MBIE only has 16 GDSs.
- The purpose of the 28 GDSs are very different. See the list of strategies in the attached EXCEL.
- Many strategies are embedded in legislation (e.g. Kāinga Ora-Homes and Communities Act 2019, the HSNO Act 1996, the Land Transport Management Act 2003 and the Climate Change Response Act 2002).

Key implications:

1. The proposal will require changes in legislation.

2. The opportunities for integration of strategies are unclear, particularly given the process that already exist for department's to work together on issues such as climate.
3. It is hard to see what strategies would benefit from integration.

5. Recommendations

To build the economy, and society as a whole, the Institute believes new resource management policy should focus on the following three benefits:

1. Certainty for business and citizens
2. A strategic approach
Detailed analysis is required to understand how MfE is benefitting (or harming) local communities, and how public policy can improve the outcomes for New Zealanders.
3. A non-partisan approach
The Institute believes resource management policy should, at the very least, be developed through a non-partisan approach with dialogue between many political parties. For example, even agreed goals with disagreement over how to bring about change would be more beneficial than disagreement over goals and actions.

6. Conclusion

It would be hard to find a New Zealander who does not want to protect our environment for future generations. Who doesn't want their children to be able to swim in rivers or catch a fish in the sea? In this context, abruptly removing the MfE does not make any sense.

To summarise, the Institute considers the Government should not go through with the proposed Bill as it is written.

¹ Ministry for the Environment (2021). *Environment Act 1986*. [online] Ministry for the Environment. Available at: <https://environment.govt.nz/acts-and-regulations/acts/environment-act-1986/> [Accessed 11 Mar. 2026].