







Hon David Parker Minister for the Environment

Via email: david.parker@parliament.govt.nz

14 May 2020

## Re. Environment Select Committee proposed climate change amendments to Resource Management Act

Dear Minister,

Thank you for rapidly responding to the COVID-19 crisis with the development of emergency fast-track legislation. Industry strongly supports project consenting improvements and we look forward to working with you to ensure amendments reduce approval barriers without compromising wider public outcomes. However, the resource management statute have given us immediate cause for concern, most notably the recommendation by the Environment Select Committee to include climate change in the Resource Management Act (RMA).

We are extremely concerned that the Environment Select Committee have proposed an additional amendment to the Resource Management Amendment Bill based on climate change submissions that were received on a topic that is outside of the current focus of the RMA.

To be clear, we support the need to address climate change through the ETS. Our concern is with the timing and vehicle being proposed to achieve this shared objective.

Currently, the RMA explicitly prevents decision-makers from considering emission reduction plans. This is for good reason. While it remains New Zealand's pre-eminent environmental protection statute, the RMA is also the lead planning Act. Both these activities are, through the RMA, largely delegated to 78 local authorities of varying capacity and capability. By including climate change in the RMA, the full weight of regulatory authority to prevent development will be granted to councils without concomitant empowerment to encourage and facilitate alternatives. Housing, infrastructure and industry challenges will be exacerbated, local government complexity and costs will increase and there will still be no certainty that emissions will be materially reduced. Considering climate change at a local level, would also likely lead to litigation down the track.

The Resource Management Review Panel's (Review Panel) recommendations are due to Cabinet at the end of May 2020. These recommendations will include policy relating to climate change adaptation and mitigation. It seems inappropriate that at this time the Environment Select Committee is recommending an amendment to the RMA to remove the sections which explicitly prevent decision-makers from considering emission reduction plans. The proposal to add sections which mandate councils to consider climate change when making or amending plans is a direct 180° shift of the current RMA and is proposed weeks prior to receiving the Review Panels recommendations. It is also proposed without a formal consultation process.

We do not support these recommendations and strongly urge the Select Committee and Government to wait until the Review Panel's recommendations are released before making any decisions on climate change within the RMA.

We strongly believe that the RMA is not the right tool for climate change adaptation and mitigation. Mandating local government to consider climate change when making or amending regional policy statements, regional plans and district plans will increase complexity and slow local decision making.

In light of known limitations on local government resourcing, we consider there is a high risk that councils use climate change as the pretext to oppose development when their primary concern is to manage rates increases resulting from local expenditure on infrastructure and services.

Similar concerns are what led the Productivity Commission in its recent inquiry into the Low Emissions Economy to prefer the application of an effective carbon price over RMA regulation. Such concerns are also likely to explain why the UK Town and Country Planning Act does not include climate change, which is instead dealt with through the UK Climate Change Act 2008.

We support national level policy or incorporating climate change adaptation into Spatial Planning – something that we recommended to the Review Panel – and the implementation of an efficient and effective emissions pricing scheme.

With Covid-19, we face an unprecedented time of great uncertainty. The Government is looking for ways to implement legislation that will speed up resource consents and the regulatory process to build ourselves out of the impending recession. The Select Committee's recommendation directly contradicts this.

We look forward to hearing from you.

Yours sincerely,

Leonie Freeman

Property Council New Zealand Chief Executive

Katie Milne

Federated Farmers of New Zealand

Kirk Hope

**Business New Zealand** 

John Carnegie

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**EMA**