

Hon Dr Nick Smith

Minister for the Environment



6 April 2017

Speech

RLAB – Third Reading Speech

I move that the Resource Legislation Amendment Bill be now read a third time.

This Bill is a critical part of the Government's programme to increase the supply and affordability of housing, to grow the economy with more jobs and higher incomes, and to also improve our environmental management.

The Bill is the second phase of our reform programme that began with a major Bill in our first term but for which we were unable to progress in our second term because we could not secure a Parliamentary majority. It is a significant milestone that today we will pass this 250 page Bill involving 40 substantial changes in over 700 specific provisions after multiple rounds of technical advisory groups, public consultation and negotiations with other parliamentary parties in this parliament.

Parties opposing this Bill are doing New Zealand a disservice. In the committee stages they quibbled at the edges and tried to manufacture myths but they have been unable to mount any credible argument against the substantive reforms in this Bill.

This Bill introduces National Planning Standards so as to simplify the 80,000 pages of resource management rules and policies, more than 1000 per council, that make the RMA such a nightmare for New Zealanders to navigate. A country of 4.7 million people cannot justify this level of bureaucracy. It makes common sense that we have standard zonings, standard ways of measuring the height of buildings, standard definitions and a standard format for our plans.

The Bill radically changes the way plans are written by introducing a new streamlined and collaborative process. This matters because it takes on average seven years currently for a council to complete a new plan and that is just too slow.

We know this new streamlined process works because our Government has

used it through special legislation with our two biggest cities of Auckland and Christchurch. The overwhelming message is that the process was robust, the plans better, and the result achieved in a fraction of the time.

I am equally appalled that members opposite are opposing the addition of natural hazards to the matters of national importance. Earthquakes, floods, cyclones, tsunamis and landslides are not something to play politics over. The recent quakes in Christchurch and Kaikoura, the floods in Auckland and Northland earlier this year and the flooding of Edgecombe today are reminders that New Zealand has more than our share of significant natural risks. This change was recommended by the Royal Commission of Inquiry into the Christchurch Earthquakes because planners had been so diverted by the more politically correct requirements of the current Act that those hazards were overlooked. Every responsible member of this House genuinely concerned about the wellbeing of our country should be backing the inclusion of this important requirement into the most central part of the RMA – its purpose and principles.

One of the biggest issues facing our country right now is the supply and affordability of housing. I am gobsmacked at members opposite who demand this be addressed but then come down to this House and oppose the very measures that will make a difference.

Report after independent report, be it the Productivity Commission, the Treasury, the OECD, The New Zealand Institute, or from the Property Council, make plain that the supply of land is at the core of the problem. The numbers speak for themselves. The cost of building an average 170 square metre home in Auckland has increased from \$120,000 25 years ago to \$360,000 today, a threefold increase. But the cost of the average section over the same period has gone from \$53,000 to \$530,000, a tenfold increase. You cannot pretend to be serious about improving the affordability of housing unless you are prepared to address the price of new sections and reform the very Act, the RMA, that governs their creation.

This Bill introduces a new specific requirement on councils to free up land supply. It removes appeals on resource consent for residential developments. It reverses the presumption in favour of subdivision. It removes the double charging system of development and financial contributions to a single tighter regime. These will all help bring the cost of sections down.

The Bill is also a help to getting the road, rail, water, telecommunications and electricity infrastructure built, to support our strongly growing economy. It will speed up the process for getting designations and consents. The changes to the Public Works Act give more generous compensation to affected landowners but also include a financial incentive payment for early settlement, that will help get infrastructure built more quickly.

Another important issue this Bill progresses is that of our water quality in enabling national regulations requiring stock to be fenced out of waterways. Only three of our 16 regional councils have any rules on this. National rules

are the sensible way forward backed up by an instant fine regime. Members opposite cannot credibly cry foul over the state of our waterways and then vote against these practical measures.

There are also environmental gains in the new provisions that will require offshore platforms to have decommissioning plans. There has been experience overseas where petroleum companies, having exhausted the oil and gas, then leave the huge cost of decommissioning to taxpayers and this bill addresses this problem.

This Bill also tackles the problems of those thousands of unnecessary consents that cause so much frustration and cost. I have an example right now in Nelson of the Rutherford St Kindergarten moving just 100m up the road to new premises, and the parents and committee having to fundraise for over \$50,000 of resource consent and related costs. I could bore this house for hours with examples of minor projects like decks and carports costing more to consent than they cost to build. This addresses these problems with provisions that give councils the power to waive the need for consents, the new ten day fast-track process for minor issues and the ability to resolve boundary infringement rules, issues with only the immediate neighbours consent.

The iwi participation arrangements in this Bill are about making existing provisions in the RMA in Sections 6,7 and 8 more practical and workable. It will enable councils to work out practical ways for iwi to participate in the process and help the system work better by getting early involvement. The law is plain that decisions on plans and consents remains with councils and that councils cannot be forced into an agreement. There are many councils that already have such arrangements and they are proving to work well for both iwi and resource consent applicants as a consequence of greater clarity about who to consult and what issues are of importance to iwi.

There are dozens of practical provisions in this Bill that will reduce bureaucracy and red tape. It tackles the problem of the RMA being used by councils to duplicate issues that are already regulated in other statutes such as building insulation standards, telecommunication regulations, fishing laws, workplace safety requirements or hazardous substance rules. We need a regulatory system that leaves no gaps but which also avoids double ups. The changes to the Reserves Act and Conservation Act align notification periods and enable joint hearings so we don't have two separate processes debating the same project and issues.

Mr Speaker, I need to conclude by acknowledging the mountain of work that has gone into this Bill over many years. I particularly want to acknowledge Hon Amy Adams who in the last term of Parliament put huge effort into many of its provisions, to Scott Simpson who worked tirelessly in chairing the Select Committee, Hon Te Ururoa Flavell and Marama Fox and their team in the Maori Party who have worked so hard to find compromises and ways forward, to Tim Bennetts and George Riddell in my Beehive Office, and the capable Ministry and PCO teams.

The passage of this Resource Legislation Bill is a significant milestone for this Government. It delivers on reforms planned and promised over many years.

It will make houses easier to build and more affordable.

It will reduce unnecessary red tape and bureaucracy for kiwi homeowners, farms and businesses.

It will help our country build the infrastructure to support a growing economy.

This Bill is a litmus test for MP's as to whether their intent is in playing politics or doing what is right for our country.

I urge this Parliament to pass this complex but necessary reform.

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