

# Submission on the Fast-track Approvals Bill

## McGuinness Institute Oral Submission

10 June 2024

### 1. Introduction

The Fast-track Approvals Bill (the Bill) is currently under consideration by the Environmental Select Committee (as of 21 June 2024). The Committee has allocated six weeks to consider public submissions and presentations and will report back on its recommendations on 7 September 2024.

Twenty-seven thousand submissions have been made to Parliament on the Bill, one of the highest numbers of submissions ever made about legislation, according to political commentator Bryce Edwards.<sup>1</sup> The vast majority of these have been in opposition to the Bill.

This Bill has the intention of speeding up the approval process. The Institute understands why it has been presented, and appreciates the need to speed up and simplify the consenting process. However, at this stage the Bill also has a number of serious issues, particularly the lack of transparency.

Because the Bill gives vast, unprecedented decision-making powers to a small group of Ministers, there has been strong public interest in it. On 8 June 2024, an estimated 20,000 protesters gathered in Auckland to challenge the Bill.<sup>2</sup>

As well as significant public demonstrations across the country, there have also been a substantial number of written and oral submissions. Opponents of the Bill include NGOs such as Forest and Bird, WWF and Greenpeace, as well as other organisations such as the trade union NZEI and Auckland Council.

The Institute strongly supports the following submissions:

- Office of the Auditor-General (OAG): ‘provided a submission on the Fast-track Approvals Bill, encouraging the Environment Committee to consider whether the transparency and accountability arrangements in the Bill are proportionate to the discretion being provided to Ministers’. See *Submission on the Fast-track Approvals Bill*.<sup>3</sup>
- Sir Geoffrey Palmer (former Prime Minister): ‘New Zealand’s environment is too valuable a resource to be put at risk in this way. The complications with this Bill are so numerous that it cannot work. And further it cannot be successfully amended to be make it work.’ See *Fast Track to Environmental Degradation*.<sup>4</sup>
- Simon Upton (Parliamentary Commissioner for the Environment (PCE)): ‘Getting stuff done and doing things differently should not mean discarding the need for high quality information and a clear understanding of the costs as well as the benefits of proposed activities. The Bill does nothing to improve the parlous state of environmental information that afflicts resource management processes and imposes so much cost. On the contrary, its solution appears to be to limit the opportunities for environmental scrutiny ... The Bill will achieve sub-optimal outcomes through poor decision making, poor allocation of resources, a

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<sup>1</sup> Block, G. & Howie, C. (8 June 2024). Fast-track Approvals Bill protest: 20,000 estimated as huge demonstration brings Auckland to standstill. *NZ Herald*. Retrieved 12 June 2024 from [www.nzherald.co.nz/nz/fast-track-approvals-bill-protesters-to-gather-in-aucklands-aotea-square/TKKB6NJTU5BX5NMLG3HWLSR26Q](https://www.nzherald.co.nz/nz/fast-track-approvals-bill-protesters-to-gather-in-aucklands-aotea-square/TKKB6NJTU5BX5NMLG3HWLSR26Q)

<sup>2</sup> Block, G. & Howie, C. (8 June 2024). Fast-track Approvals Bill protest: 20,000 estimated as huge demonstration brings Auckland to standstill. *NZ Herald*. Retrieved 12 June 2024 from [www.nzherald.co.nz/nz/fast-track-approvals-bill-protesters-to-gather-in-aucklands-aotea-square/TKKB6NJTU5BX5NMLG3HWLSR26Q](https://www.nzherald.co.nz/nz/fast-track-approvals-bill-protesters-to-gather-in-aucklands-aotea-square/TKKB6NJTU5BX5NMLG3HWLSR26Q)

<sup>3</sup> OAG (18 April 2024). Submission on the Fast-track Approvals Bill. Retrieved 12 June 2024 from <https://oag.parliament.nz/2024/fast-track-submission>

<sup>4</sup> Palmer, G. (20 May 2024). A fast track to environmental degradation. Retrieved 12 June 2024 from <https://newsroom.co.nz/2024/05/20/a-fast-track-to-environmental-degradation>

lack of legislative durability, and increased litigation risk.’ See *Submission on: Fast-track Approvals Bill*.<sup>5</sup>

- Dame Anne Salmond (former New Zealander of the Year): ‘The issues raised by the fast-track bill go far beyond party politics. They show an utter disregard for democracy – “of the people, by the people, for the people.” The bill also declares war on the natural world – which is one we can’t win ... Even before the deadline for submissions to the select committee has expired, the ministers have appointed an advisory group, and invited projects to be submitted to the fast-track process. They are behaving as if the select committee process has already been decided, and public concerns about this draft legislation have been dismissed in advance. That is an insult to tens of thousands of New Zealanders who are writing submissions opposing this bill, and to the select committee process as well ... To conclude, the fast-track bill gives individual ministers virtually unrestrained powers, with inadequate checks and balances or controls over conflicts of interest. The risks of corruption and “pork barrel” politics are obvious.’ See *Anne Salmond: My open submission on this radical, flawed fast-track bill*.<sup>6</sup>

The above submissions provide detailed analysis of issues with the Bill. To avoid repetition, a number of strong points already identified in the above submissions are not repeated here; however, the Institute acknowledges and supports them, especially the points made by the OAG, PCE and Sir Geoffrey Palmer.

## 2. About the Institute

The McGuinness Institute (the Institute) was founded in 2004 as a non-partisan think tank working towards a sustainable future for Aotearoa New Zealand. Project 2058 is the Institute’s flagship project focusing on Aotearoa New Zealand’s long-term future. Because of our observation that foresight drives strategy, strategy requires reporting, and reporting shapes foresight, the Institute developed three interlinking policy projects: ForesightNZ, StrategyNZ and ReportingNZ. Each of these tools must align if we want Aotearoa New Zealand to develop durable, robust and forward-looking public policies. The policy projects frame and feed into our research projects, which address a range of significant issues facing Aotearoa New Zealand. The 11 research projects are: CivicsNZ, ClimateChangeNZ, EcologicalCorridorsNZ, GlobalConflictNZ, OneOceanNZ, PandemicNZ, PublicScienceNZ, ScenariosNZ, TacklingPovertyNZ, TalentNZ and WaterFuturesNZ.

## 3. Observations

The Institute notes more detail and further analysis is required to present a detailed response on this Bill. However, some initial observations are recorded below.

### 3.1 Lack of analysis

There is a clear need for reform of the New Zealand consenting process to make things more efficient for individuals, businesses and Government. However, consenting is a complex process that requires detailed cost-benefit analysis. This Bill focuses only on speed, with no checks and balances, or analysis of risk. It increases the power of a small number of Ministers without increasing transparency and responsibility.

The task of trying to fix issues in and speed up the consenting process in New Zealand is not new. To analyse and understand the issues in the New Zealand consent process and how to fix them, a *New Directions for Resource Management in New Zealand* report (also called the *Randerson report*)<sup>7</sup> was

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<sup>5</sup> Parliamentary Commissioner for the Environment (Simon Upton) (19 April 2024). Submission on: Fast-track Approvals Bill. Retrieved 12 June 2024 from <https://pce.parliament.nz/media/ed3czvyw/pce-submission-on-fast-track-approvals-bill-april-2024-final.pdf>

<sup>6</sup> Salmond, A. (20 April 2024). Anne Salmond: My open submission on this radical, flawed fast-track bill. Retrieved 12 June 2024 from <https://newsroom.co.nz/2024/04/20/anne-salmond-my-open-submission-on-this-radical-flawed-fast-track-bill/>

<sup>7</sup> Resource Management Review Panel (June 2020). *New Directions for Resource Management in New Zealand: Report of the Resource Management Review Panel: Summary and Key Recommendations*. Retrieved 13 June 2024 from <https://environment.govt.nz/assets/Publications/Files/rm-panel-review-report-summary.pdf>

produced by the Ministry for the Environment in 2020. In its effort to unpack and improve the consenting process, the report failed because it lacked detailed analysis of what worked and what did not. This Bill follows the same path, failing to analyse and use evidence to design and implement effective policy. There has not been a transparent process to explain why this Bill has been drafted in this way.

### 3.2 Failure of democracy, unprecedented powers to small group

A primary concern shared by the many opponents of the Bill is that it places significant power in the hands of a small group of ministers with no requirements for transparency. The chief Ombudsman Peter Boshier has expressed concerns over the ‘enormous executive powers’ the Bill could create.<sup>8</sup>

By pushing a Bill that has not been fully debated and sending out directions to the fast track application process to private businesses (and not publicly sharing these projects), before the Select Committee process has been completed, the Government has worked to exclude the public from the policy process. In order to build trust, the Government must act ethically and transparently. This Bill gives concentrated decision-making authority with unprecedented broad powers to a minority group.

### 3.3 Negative impacts on the environment and climate

New Zealand’s environment is under significant pressure and there is an urgent need to adapt to climate change and reduce carbon emissions. Any new policy needs to ensure sustainability by protecting the needs and supporting the wellbeing of present and future generations.

This Bill has received significant criticism for its failure to protect the environment or to consider impacts of projects on climate change. The Bill does not include consideration of how projects may impact the environment or climate, and there is no mention of the environment or climate in the purpose of the Bill. This means that neither environmental nor climate change impacts of projects are considered in determining whether they should go ahead. In a time of combined biodiversity and climate crises, this is a real risk for ecosystems and climate change.

It is clear the Ministers with decision-making authority under this Bill do not consider the environment worth protecting. This attitude towards the environment can be seen in the comment made in December 2023 by Shane Jones (Minister for Oceans and Fisheries, Minister for Regional Development, Minister for Resources, Associate Minister of Finance, and Associate Minister for Energy) in Parliament: ‘If there is a mining opportunity and it’s impeded by a blind frog, goodbye, Freddie.’<sup>9</sup>

### 3.4 Poor public policy leading to lack of trust in Government

The immense public opposition to this Bill can be seen in the high number of submissions and public protests across the country. There is a real risk of an increased loss of public trust and support of Government if this Bill is passed. Passing it would disregard public opinion, going against democracy and allowing a permanent regime that gives a small group control over many projects of national and regional significance.

As noted by Dame Anne Salmond, ‘the fast-track bill gives individual ministers virtually unrestrained powers, with inadequate checks and balances or controls over conflicts of interest. The risks of corruption and “pork barrel” politics are obvious. These ministers have overstepped the mark, even

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<sup>8</sup> Pullar-Strecker, T. (10 May 2024). Fast-track bill creates ‘enormous executive power’ says chief ombudsman. *Post*. Retrieved 14 June 2024 from [www.thepost.co.nz/business/350274743/fast-track-bill-creates-enormous-executive-power-says-chief-ombudsman](https://www.thepost.co.nz/business/350274743/fast-track-bill-creates-enormous-executive-power-says-chief-ombudsman)

<sup>9</sup> Daniels, C. (22 May 2024). Fast-Track Approval Bill: Why thousands are against the Government’s new plan to cut red tape - The Front Page. Retrieved 17 June 2024 from [www.nzherald.co.nz/nz/politics/fast-track-approval-bill-why-thousands-are-against-governments-new-plan-to-cut-red-tape-the-front-page/TOL354ZN4RA6LCO7EOLISNC7F4/](https://www.nzherald.co.nz/nz/politics/fast-track-approval-bill-why-thousands-are-against-governments-new-plan-to-cut-red-tape-the-front-page/TOL354ZN4RA6LCO7EOLISNC7F4/)

before the bill has been considered by the select committee, let alone passed by Parliament. For this reason, they will not be trusted by New Zealanders in making these decisions.<sup>10</sup>

The Bill also contradicts the 2023 National Party environmental manifesto, *Blueprint for a Better Environment*,<sup>11</sup> by disregarding any environmental impacts of projects determined under the Bill. *Blueprint* stated, 'National is passionate about safeguarding New Zealand's unique natural environment, abundant native biodiversity, pristine waters and spectacular landscapes for future generations. These are the cornerstones of our Kiwi way of life.'<sup>12</sup> This Bill goes against National's manifesto by overriding more than 40 years of environmental legislation. The Bill has been opposed by many authorities, including the PCE, as a radical breach of the National Party's environmental commitments.

It is important to consider that the current political context in New Zealand is also a factor. There is a lot of uncertainty and lack of trust in Government, as demonstrated by the high number of submissions on and protests against this Bill. MPs in the current Government have received criticism for acting improperly, including serious accusations of undisclosed conflicts of interest with this Bill. One example of this inappropriate behaviour is governing parties and MPs accepting donations made by organisations that were sent letters advising them how to apply for fast-tracking approval.<sup>13,14</sup>

There is no code of conduct for MPs, which may further reduce faith in the institution of Parliament (this is detailed in the Institute's *Discussion Paper 2023/03 – National and International Comparisons of Codes of Conduct for Members of Parliament*).<sup>15</sup> There are many examples where a conflict of interest has not been disclosed, which illustrate why the Bill as it stands should not proceed. There are insufficient checks and balances on those in positions of political power, and further abuse of this power will only further divide society and erode trust in Government. Many people raised concerns over the unfettered powers of Government exercised during the first years of COVID-19; however, there was a state of emergency and speed was required to save lives, which is not the case here.

### 3.5 Lack of cost/benefit/risk analysis

There is a clear intention to boost the economy with this Bill; however, this potential benefit comes with no analysis of the cost or risks. The New Zealand Government does not currently have a financial surplus so it is increasingly important that they be careful with what they have. The Government has committed to purchasing offshore carbon credits in the vicinity of \$12 billion commitment in 2030;<sup>16</sup> however, this Bill is not the solution to these financial troubles. Based on the Institute's interpretation of the Bill, an expert panel is to be appointed for each individual project.<sup>17</sup> Per Sch 3 cl 3 of the Bill requiring a minimum of two panel members, this could contemplate a significant number of positions, not including the panel convenor. In line with the required remuneration of members directed by the fees framework in Sch 3 cl 8, this would come at a large cost to the taxpayer.

<sup>10</sup> Salmond, A. (9 June 2024). Anne Salmond: Undermining Democracy. Retrieved 14 June 2024 from <https://newsroom.co.nz/2024/06/09/anne-salmond-undermining-democracy/>

<sup>11</sup> National Party (2023). *Blueprint for a Better Environment*. Retrieved 14 June 2024 from [https://assets.nationbuilder.com/nationalparty/pages/18458/attachments/original/1697152275/Blueprint\\_for\\_a\\_Better\\_Environment.pdf?1697152275](https://assets.nationbuilder.com/nationalparty/pages/18458/attachments/original/1697152275/Blueprint_for_a_Better_Environment.pdf?1697152275)

<sup>12</sup> National Party (2023). *Blueprint for a Better Environment*. Retrieved 14 June 2024 from [https://assets.nationbuilder.com/nationalparty/pages/18458/attachments/original/1697152275/Blueprint\\_for\\_a\\_Better\\_Environment.pdf?1697152275](https://assets.nationbuilder.com/nationalparty/pages/18458/attachments/original/1697152275/Blueprint_for_a_Better_Environment.pdf?1697152275)

<sup>13</sup> Coughlan, T. (25 April 2024). Quarry connected to \$55,000 donation to NZ First and Shane Jones, approached over fast-track. *NZ Herald*. Retrieved 14 June 2024 from [www.nzherald.co.nz/nz/politics/quarry-connected-to-55000-donation-to-nz-first-and-shane-jones-approached-over-fast-track/B4C5CLZGKKBGJTDNECTI4FB6CTE](http://www.nzherald.co.nz/nz/politics/quarry-connected-to-55000-donation-to-nz-first-and-shane-jones-approached-over-fast-track/B4C5CLZGKKBGJTDNECTI4FB6CTE)

<sup>14</sup> Trevett, C. (30 April 2024). Fast-Track Approvals Bill: Government to take 'good look' at ministers' powers, conflicts of interest management. *NZ Herald*. Retrieved 14 June 2024 from [www.nzherald.co.nz/nz/politics/fast-track-approvals-bill-government-to-take-good-look-at-ministers-powers-conflicts-of-interest-management/S45DNXBHWRH7HHWJOLYWSSP5AQ](http://www.nzherald.co.nz/nz/politics/fast-track-approvals-bill-government-to-take-good-look-at-ministers-powers-conflicts-of-interest-management/S45DNXBHWRH7HHWJOLYWSSP5AQ)

<sup>15</sup> McGuinness Institute (March 2023). *National and International Comparisons of Codes of Conduct for Members of Parliament*. Retrieved 14 June 2024 from [www.mcguinnessinstitute.org/wp-content/uploads/2023/12/20231212-FINAL-DP-2023-03.pdf](http://www.mcguinnessinstitute.org/wp-content/uploads/2023/12/20231212-FINAL-DP-2023-03.pdf)

<sup>16</sup> McGuinness Institute (May 2024). *Discussion Paper 2024/01 – Risks hiding in plain sight: Does a commitment under the Paris Agreement to purchase offshore carbon credits create a requirement to report that commitment in the financial statements of the New Zealand Government?* Retrieved 14 June 2024 from <https://www.mcguinnessinstitute.org/wp-content/uploads/2024/06/20240618-FINAL-McGuinness-DP-2024-01.pdf>

<sup>17</sup> Clause 11.

There is no evidence that this Bill will provide financial benefits to anyone apart from the select groups that have projects approved, and there is no evidence these projects will benefit New Zealanders. There is no evidence that any benefits of the Bill will be shared across New Zealand, but rather it appears that financial benefits will go to small groups of (potentially international) shareholders. It is also noted policy decisions and approvals are expensive, and when decisions are made quickly there are more likely to be mistakes. Mistakes and errors in judgement end up costing time and money and may be irreversible (for instance, in the case of the natural environment). This is a time to be cautious and design durable public policy that will benefit all of New Zealand over the long term.

### 3.6 Lack of relevant consultation

The Bill in its current form has progressed without open and transparent consultation with the public.

Further, if the Bill is passed, it will result in a lack of consultation on each project in four key areas:

1. Lack of individual expert consultation for each project. Each application under this Bill should include consultation from relevant experts in each industry relating to each project.
2. Lack of consultation with local communities. These are the people who will face the strongest impacts of a project. They should be able to submit their views when panels are deciding to accept or decline a project.
3. Lack of consultation with environmental experts and a lack of consideration of environmental impacts of projects. The purpose of this Bill does not include environmental protection. At a minimum environmental effects should be considered when deciding whether to approve a project or not under this Bill.
4. Lack of a future focus, which is especially pertinent in the context of the damage to the actual environment resulting from the biodiversity and climate crises.

### 3.7 Damage to New Zealand's 'clean and green' reputation

New Zealand exports and tourism benefit from an international 'clean and green' reputation. There is a serious risk of projects being consented without proper scrutiny of environmental ramifications.<sup>18</sup> As noted in an Environmental Defence Society memo, as well as the risk of breaching New Zealand's international obligations, "There is also the related, more critical danger of reputational harm from law that downplays environmental considerations, including climate change, excludes public input, enables species extinction, and facilitates executive overreach. These key features of the Bill's design present a significant risk for exporters, who trade heavily on New Zealand's "clean, green" credentials."<sup>19</sup> There is a real risk of damaging New Zealand's environment, and our international reputation, if this Bill does not include consideration of the environment.

### 3.8 Loss of social licence

If businesses can pursue large projects without any community consultation or consideration of environmental impacts, they risk losing their social licence. When businesses lose their social licence and community support they will not function well, and once these factors are lost they are difficult to regain.

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<sup>18</sup> 1News (8 May 2024). Ngāti Toa hikoi: Hundreds march to oppose fast-track bill. Retrieved 14 June 2024 from [www.1news.co.nz/2024/05/08/ngati-toa-hikoi-hundreds-march-to-oppose-fast-track-bill](https://www.1news.co.nz/2024/05/08/ngati-toa-hikoi-hundreds-march-to-oppose-fast-track-bill)

<sup>19</sup> Environmental Defence Society (26 April 2024). Consistency of Fast-Track Approvals Bill with Obligations Under New Zealand's Free Trade Agreements. Retrieved 14 June 2024 from <https://eds.org.nz/wp-content/uploads/2024/04/FTA-analysis-of-Fast-track-Bill-Final-26-April-2470.pdf>

### 3.9 Breach of Aotearoa's international commitments

A number of submitters, including the Environmental Defence Society and Forest & Bird, have cited clauses in the UK and European Union free trade agreements requiring environmental protections and due process for feedback as conflicting with the Bill.<sup>20</sup> The Ministry of Foreign Affairs and Trade (MFAT) did not provide advice before the Bill was read in Parliament, which a trade expert labelled 'highly unusual'.<sup>21</sup>

### 3.10 Blanket approach inappropriate and inadequate

This Bill applies a blanket approach to very different projects across all kinds of industries and on different types of land. Different types of projects have different impacts and thus should be treated differently. For instance, mining, roading, property, tourism and conservation projects have extremely different costs, benefits and risks (and should be analysed differently); however, each would be treated the same under this Bill. Marine reserves, waterways and natural and conservation environments require a higher standard of protection than urban environments which already have development, for example.

### 3.11 Unclear goals and objectives

It is not clear what the Bill aims to achieve that cannot be achieved in other ways. This Bill should be considered in the context of other policies being pursued by the National Party concurrently. If the objective is to benefit local communities, there are already methods designed to achieve this. For instance there is already Shane Jones's 2024 Regional Infrastructure Fund, which will cost \$1.2 billion of public funds,<sup>22</sup> and the 2018 Provincial Growth Fund, which was a \$3 billion project to invest in the regions.<sup>23</sup> There are significant risks with these types of funds. The fact that these funds are colloquially known as 'Shane Jones' funds' should act as a warning to those in power. These funds are not Shane Jones' money, but the public's. We need to develop better systems to review and account for public funds. In terms of accountability and transparency, these current practices are weakening democracy and trust in Government. Better systems of accountability and transparency are essential, otherwise New Zealand will fall back into Muldoon's approach, which relied heavily on 'funds' and fast-tracking projects, that led to financial power in the hands of a few and cost the country a great deal of money.

### 3.12 Fast does not mean cheaper or more efficient

The Bill lacks any acknowledgement that in order to speed things up while maintaining quality results, more resources are required. Speed can be achieved by investing more and/or tweaking the system (for example as WHO did with the COVID-19 vaccine process). The general rule is that speed comes at a cost; either in terms of additional costs or lower quality outcomes.

## 4. Suggestions on how to improve the Bill

The Institute's suggestion is to make the Bill a fast-track for climate adaptation. This would allow people and businesses to quickly adjust resources and property to protect them from the worst impacts of climate change. This would benefit all New Zealanders and businesses, rather than a select few.

Other possible steps to improve the Bill include:

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<sup>20</sup> Hancock, F. (31 March 2024). 'Fast Track Bill' could breach free trade deals, environmentalists claim. Radio New Zealand. Retrieved 14 June 2024 from [www.rnz.co.nz/news/in-depth/513066/fast-track-bill-could-breach-free-trade-deals-environmentalists-claim](http://www.rnz.co.nz/news/in-depth/513066/fast-track-bill-could-breach-free-trade-deals-environmentalists-claim)

<sup>21</sup> Hancock, F. (31 March 2024). 'Fast Track Bill' could breach free trade deals, environmentalists claim. Radio New Zealand. Retrieved 14 June 2024 from [www.rnz.co.nz/news/in-depth/513066/fast-track-bill-could-breach-free-trade-deals-environmentalists-claim](http://www.rnz.co.nz/news/in-depth/513066/fast-track-bill-could-breach-free-trade-deals-environmentalists-claim)

<sup>22</sup> MBIE (n.d.). Regional Infrastructure Fund. Retrieved 14 June 2024 from <https://www.growregions.govt.nz/new-funding/regional-infrastructure-fund>

<sup>23</sup> MBIE (n.d.). The Provincial Growth Fund. Retrieved 14 June 2024 from <https://www.growregions.govt.nz/established-funds/what-we-have-funded/the-provincial-growth-fund>

- A much clearer set of criteria to be used by the Ministers using the proposed powers;
- Clarity on the ‘expert panels’, including the number of panels per project and how they are selected and why;
- Inclusion of environmental and climate experts and/or environmental and climate impacts as part of the purpose of the Bill;
- A requirement for Ministers to remove themselves from decision making where any perceived or actual conflicts of interest exists;
- A much more balanced approach to decision making – a project must show a net benefit after impacts on society and the environment, not just a benefit to a small constituency;
- Reasoning behind a decision must be outlined in detail, to hopefully give future applicants and objectors some degree of certainty;
- Some limits should be imposed on the Ministers’ ability to ignore the expert panel findings; and
- A hierarchy of decision-making hurdles for applicants depending on the impact and scale of the societal impact of the project. For instance, one could argue coal mining on conservation land at Aoraki/Mt Cook would be higher impact than other less impactful projects, so the decision-making hurdle should be higher.

## 5. Questions and knowledge gaps

There are several questions and gaps in relation to this Bill:

- How are climate and the environment considered in the Bill’s process for selecting and approving projects?
- How are the benefits of each project measured?
- What is the methodology for balancing the costs, benefits and risks of each project?

## 6. Conclusion

New Zealand’s existing resource consent approval process has in some cases has led to delay, extra costs and uncertainty, and that a number of stakeholders would benefit from a clearer and more efficient decision-making process. Unfortunately, the proposed solution to these issues has replaced one problem with even bigger risks, costs and uncertainties.

The Institute acknowledges the Ngāi Tahu submission, which noted the Bill needs to strike the right balance between ‘progress and preservation’.<sup>24</sup> The Bill in its present form makes no effort to strike this balance; instead it presents an extremely unbalanced and opaque decision-making process.

Good democracy and faith in the Government is founded on the tradition of transparent decision-making. The proposed decision-making outlined in this Bill process takes no account of that tradition. If this Bill is approved, three ministers will have an unfettered ability to approve large projects with no need to explain themselves. These ministers will not need to meet any reasonable or independent standards for decision-making when deciding whether or not to approve a project. This is not a high enough standard.

The lack of transparency apparent in this Bill does not do justice to those in our past who have fought for a robust and transparent parliamentary democracy. This lack of transparency is a step towards the abyss of ‘pork barrel politics’ in Anne Salmond’s words,<sup>25</sup> with the potential for corruption and buying favours. Ministers should be required to explain themselves in some detail should they choose to use these extended powers. With power comes responsibility.

<sup>24</sup> Ngāi Tahu (10 June 2024). Ngāi Tahu responds to Fast-track Approvals Bill. Retrieved 14 June 2024 from <https://ngaitahu.iwi.nz/connect-2/connect/media/ngai-tahu-responds-to-fast-track-approvals-bill/>

<sup>25</sup> Anne Salmond (14 June 2024). Anne Salmond: NZ is a democracy, not a company. Retrieved 14 June 2024 from <https://newsroom.co.nz/2024/04/11/anne-salmond-nz-is-a-democracy-not-a-company>

Almost all projects have benefits, and they also normally have problems and challenges. The issue is not whether a project possesses benefits, the issue is whether the benefits clearly outweigh the risks and costs associated with the project. Furthermore, it should be considered who receives the 'benefits' of each project, and whether these 'benefits' will flow onto the local community (directly or indirectly).

The Bill, as presented, fails the most basic tests for good quality, ethical decision making.

As well as disregarding democracy, the Bill lacks public participation and environmental consideration. It does not provide for the ability to create and control our destiny and that of future generations. Businesses need certainty and a social licence to operate. This Bill weakens that social licence to operate. We all want to be part of the process of preparing New Zealand for the future, and that means ensuring our legislation is durable.

The Institute thanks the Select Committee for the opportunity to submit on this Bill on Monday 10 June 2024.