Submission on the Fast-track Approvals Bill

Submitter details:

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Introduction:

Resilience to Nature's Challenges National Science Challenge (RNC) welcomes the opportunity to submit on the Fast-track Approvals Bill.

RNC's mission is to accelerate Aotearoa New Zealand's resilience to natural hazards through innovative and collaborative research. As a National Science Challenge, RNC is a collaboration between thirteen partner organisations comprising university, Crown Research Institute and private sector partners.

Our research teams undertake fundamental and applied research across physical sciences, social sciences, mātauranga Māori, engineering, planning, law and economics. Over the last ten years of science investment, and alongside aligned research programmes, we have built up an extensive body of knowledge on natural hazard risk reduction.

We are submitting on this Bill because we see natural hazards experts and expertise as having a valuable role to play in decision-making on new developments, and helping government and other investors avoid costly problems and economic disasters in future.

General comments:

- 1. New Zealand is highly exposed to natural hazards including damaging earthquakes, tsunami, volcanic activity and unstable land. Climate change and sea-level rise is changing our hazardscape, bringing more severe and frequent storms, flood events and progressive and ongoing rising seas. All these natural hazard impacts create significant risks for development, infrastructure and other investments and need to be carefully assessed to enable option choices as part of the efficient development decisions for avoiding, controlling, transferring or accepting those risks.
- 2. As we have witnessed over the last fifteen years, damaging natural hazard events require costly cleanup and drawn-out processes for asset replacement, and involve significant and ongoing economic and social disruptions that have impacts on local and national productivity. Some estimates put annual risk costs for natural hazards at between \$5-8 billion dollars, with significant contingent liabilities on the Crown balance sheet, as well as a range of long-term social and health costs that are not even estimated.
- 3. It is important that we avoid creating new risks through the building of new infrastructure and development in high natural hazard risk areas. It is also important that new infrastructure does not

encourage development in high-risk areas.

- 4. Given New Zealand's high exposure and vulnerability to natural hazards, well understood and effectively managed natural hazard risks are important determinants for making New Zealand an attractive place for overseas capital.
- 5. We are concerned that the Bill as proposed could have unintended consequences, by increasing the likelihood that development is poorly located, or without adequate consideration of risk avoidance and mitigation of the hazards where it is situated.
- 6. There is real opportunity to invest in infrastructure that will reduce the impact of future natural hazard events; saving lives, livelihoods and reducing both social and economic disruption and the costs of cleanup and recovery. For example, in 2019 the Wellington Lifelines Project business case for investment indicated that that an investment of \$3.9 billion in increasing the seismic resilience of Wellington's infrastructure will save New Zealand \$6 billion in the event of a magnitude 7.5 Wellington fault earthquake (2019 \$NZ).
- 7. However, we recommend the use of spatial planning at a national scale to set out future infrastructure needs. As the New Zealand Planning Institute note in their submission, a national spatial plan, would bring significant efficiency, effectiveness, and transparency to the [fast track] process.
- 8. We consider that the Bill is severely lacking with respect to Te Tiriti, and fails to uphold Māori rights and interests. There is no Te Tiriti clause, and the Bill considers Treaty settlements and customary rights only. We refer the committee to the submission from Papa Pounamu, the Māori Special Interest Group of the New Zealand Planning Institute, for specific recommendations on how to better uphold Te Tiriti and Māori rights and interests.
- 9. We have suggestions for improvements to the Bill to better allow for decisions based on adequate assessment of natural hazard risk.

Specific recommendations:

- 10. Under 'Purpose', a key phrase is 'significant regional or national benefits'. Subsection (2)(d) provides guidance as to whether this occurs. The guidance here is very broad, and it is hard to think of any development project of any size that could **not** be applicable under this framework. Therefore, we recommend the methodology to establish 'significant regional or national benefit' needs to be narrower and have more clarity and rigour to distinguish itself from standard development practice. Ambiguity concerning the fundamental purpose of the legislation is a serious flaw.
- 11. The hazard management clause is very limited. Currently, under **S14(3)(v)**, information in referral applications needs to include 'a description of whether and how the project would be affected by climate change and natural hazards'. These requirements need to be more specific to allow effective risk management to occur. For example under what risks, what scenarios, what timescales and the additional cascading effects that infrastructure failure could produce on populations who may rely on

this infrastructure. By creating a new two-speed policy process, we risk eroding existing checks and balances, which is particularly dangerous for hazard management that needs time to consider and assess complex risk science and consider trade-off in risk treatment options.

- 12. As part of the 'Eligibility criteria', S17(h), matters for consideration should include negative impacts:
 - will support **or negatively impact on** adaptation, resilience, and recovery from natural hazards.
- 13. As drafted, the Bill does not require members of panels to have knowledge and skills in assessing natural hazard or climate risks. We recommend panel members receive training on risk assessment and tolerance and the use of risk tolerance assessment frameworks, (including trade-offs required across risk treatment options) to guide their decision-making. We note that Toka Tū Ake EQC has developed a robust risk tolerance assessment framework and we recommend use of this framework to guide expert panel decision-making.
- 14. Currently the 'Joint Ministers' Interpretation S4(1) means the Minister for Infrastructure, Minister of Transport, and Minister for Regional Development. We recommend that the interpretation of Joint Ministers includes the Minister for the Environment and Minister of Conservation, as they both have clear roles to provide Government with advice on natural hazards. The Ministry for the Environment is responsible for the management of significant risk from natural hazards under the RMA and the Environment Act. The Minister of Conservation is responsible for the implementation of the New Zealand Coastal Policy Statement, which includes policies specific to coastal hazards.
- 15. If an activity's effects are such that monitoring is required, monitoring needs to include the effects of, and on, natural hazards. This requires an addition to **Schedule 4**, part **1(13)(g)** 'Information required to assess environmental effects':
 - if the scale and significance of the activity's effects are such that monitoring is required, a description of how the effects will be monitored and by whom, if the activity is approved:
 - (i) This includes the effects of natural hazards on the infrastructure or development, and the effects of the infrastructure or development on the natural hazard.

Thank you for the opportunity to submit on this Bill.

Dr Richard Smith

Director

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