



**Submission to the  
Local Government and Environment Select Committee  
on the  
Resource Legislation Amendment Bill**

**Date: 14 March 2016**

## EXECUTIVE SUMMARY

1. The Tourism Industry Association New Zealand (TIA) welcomes the opportunity to comment on the Resource Legislation Amendment Bill.
2. For previous submissions on RMA changes, TIA members indicated that they would like to see both central and local government further refine the application of the RMA so that timely and consistent decisions are made.
3. Almost all tourism businesses are affected by the RMA in one way or another. Many operators feel that the RMA hinders development and that the RMA requirements can be difficult, expensive and time-consuming.
4. The proposed legislative changes seem to be a step in the right direction to correct long term issues with the RMA. TIA is of the opinion that there is a need for an implementation framework to successfully put the changes into effect. We also note that there are still many more process improvements that could be made. Overall, the process of applying for RMA consents is still relatively cumbersome.
5. TIA considers it important that there is a fair balance between protection of the environment and sustainable economic development.

## INTRODUCTION

6. The Tourism Industry Association (TIA) is the peak body for the tourism industry in New Zealand. With around 1,500 members, TIA represents a range of tourism-related activities including hospitality, accommodation, adventure and activities, attractions and retail, airports and airlines, as well as related tourism services.
7. The primary role of TIA is to be the voice of the tourism industry. This includes working for members on advocacy, policy, communication, events, membership and business capability. The team is based in Wellington and is led by Chief Executive, Chris Roberts.
8. Any enquiries relating to this paper should in the first instance be referred to Nienke van Dijken, TIA Policy Analyst at [nienke.vandijken@tiaz.org.nz](mailto:nienke.vandijken@tiaz.org.nz) or by phone on 04 494 1842.

## COMMENT

### Tourism 2025

9. Tourism 2025 ([www.tourism2025.org.nz](http://www.tourism2025.org.nz)), an industry-led, government supported economic growth framework was launched in New Zealand in 2014 and has set an aspirational goal of reaching \$41 billion in annual tourism revenues by 2025. The industry's focus is on growing value faster than volume.

10. The Tourism 2025 framework is based around five key themes which are:

- Insight - this is at the core of the framework recognising that having timely, accessible and relevant insight is what will help tourism businesses with the information they need to support operational and strategic decision making.
- Connectivity - focusing on growing sustainable air connectivity is critical for an island nation that relies on 95% of its visitors arriving on a commercial aircraft.
- Productivity - making more money from the investments we already have but finding new solutions to seasonality (the tourism industry's perennial challenge) and regional dispersal.
- Visitor experience - we can derive more value by creating outstanding visitor experiences that meet the needs of a changing visitor mix and recognising the end-to-end visitor experience, the need to improve facilitation and be measuring dissatisfaction.
- Target for Value - the identification of targeted opportunities that, if taken up, will deliver the greatest economic benefit.

#### Overview and General Position on the RMA

11. The RMA is the primary piece of legislation setting out how New Zealand's environment is managed. The main principle underpinning the RMA is the 'sustainable management of the country's resources'. The Act also encourages individuals, businesses and communities to plan for the future of the environment. The tourism industry believes these guiding principles are sound and generally supports the overall intent of the legislation.
12. In 2009, TIA submitted on the Resource Management (Simplifying and Streamlining) Amendment Bill. TIA held a member survey on proposed amendments to the RMA and the response from members indicated how much the RMA impacts on tourism businesses. Our submission said the proposed reforms must find the right balance between preserving the environment and allowing sustainable economic development to occur. TIA also called for reductions in costs, time and delays.
13. Effective and efficient operation of the RMA is critical to both environmental and socio-economic outcomes. Following previous reforms, the Act has continued to be criticised by users for unnecessary delays and compliance costs that hinder economic growth and infrastructure development, as well as failing to adequately protect environmental outcomes. It is for these reasons that the tourism industry welcomes the government's latest review of the RMA.
14. Changes to the RMA do have major ramifications for tourism businesses. On the one hand, it is critical that efforts made to protect and enhance the environment and deliver New Zealand's '100% Pure New Zealand' visitor experience, continue. On the other hand, it is crucial that tourism businesses are able to work within a healthy business-friendly environment. There is a natural tension that exists between environmental protection and enabling businesses, and it is

within this context that the tourism industry signals its keen interest to provide input to the proposed legislative changes to the RMA.

15. TIA believes that the proposed changes that streamline resource consent processes will reduce the cost and delays associated in getting consents. This will provide businesses, communities and local authorities who administer the Act, with much more certainty.
16. In sum, three points stand out for the tourism industry as being important from the proposed changes:
  - Reduce costs
  - Reduce time and delays
  - The need to balance environmental outcomes with sustainable economic development

### General

17. As mentioned previously, for our previous submission on RMA changes, our members indicated that they would like to see both central and local government further refine the application of the RMA so that timely and consistent decisions are made.
18. The proposed legislative changes seem to be a step in the right direction to correct long term problems in the RMA. TIA is of the opinion that there is a need for an implementation framework to successfully put the changes into effect.

### Feedback on proposed RMA changes

19. For this submission, TIA again contacted our tourism operators to gather insight on current issues with the RMA and their opinions on the proposed changes. A number of verbatim comments are provided below to help members of the Select Committee understand how the RMA affects tourism operators at a practical level.

The questions we asked were as follows:

1. Does the RMA affect your business? If so, how?
2. Will the proposed planning template improve national consistency and reduce the complexity of plans?
3. Do the proposed amendments to the RMA ensure faster and more flexible planning processes for your business?
4. Will the new legislation reduce requirements for consents for your business?
5. Does the stronger national direction in the legislation support provision for infrastructure growth?
6. Will the proposed time frames in the Conservation Act lead to a timelier processing of applications?
7. Will the RMA legislative changes have a detrimental impact on the environment?

## **The RMA & tourism operators**

20. The main reasons mentioned by tourism operators for coming into contact with the RMA includes:

- Building work, such as improvements and expansion of existing infrastructure
- Water activities and water usage
- Waste water disposal and discharge
- Land use changes
- The need to have a resource consent if holding a concession with the Department of Conservation
- Compliance with local council plans

21. A selection of comments from surveyed tourism operators includes:

- *It hinders commercial activity by requiring us to comply with difficult conditions and in doing so incur costs to the business. It is also a cause of division in the local community especially where there is mixed use of an area, that is, where commercial and residential entities have to co-exist! It seems to enable people with an anti-business view on everything, an avenue to cause major disruption to the progressing of business ideas and plans.*
- *Process can cause major delays and sometimes cancelation of the project.*
- *Many aspects of our operations are restricted & controlled under the Regional Management Plan. Compliance with these requirements is often difficult, expensive and time-consuming.*
- *Cost and delays affecting minor and straight forward development.*
- *Planning approvals.*
- *We hold numerous consents which we must comply with and for any changes to our business infrastructure or new developments it is most likely a RMA variation or new RMA approval will be required.*

22. Almost all tourism businesses are affected by the RMA in one way or another. Many operators are of the opinion that the RMA in its' current form hinders development and feel that the RMA requirements can be difficult, expensive and time-consuming.

## **National planning template**

23. The RMA gives councils the responsibility for developing regional and district plans to manage the environment in their communities. These plans set out what activities people can do, what activities require permission from the council and how activities should be carried out.

24. One of the RMA reforms is about creating a national planning template, which aims to help consolidate the wider variety of rules across the country, reduce complexity, and improve the clarity and user-friendliness of plans. This template will set out the structure, format and some standard content for all plans across New Zealand.
25. Feedback showed that our members are not convinced yet that the proposed planning template will improve national consistency and reduce the complexity of plans.
26. One member commented that they have concerns *that national frameworks may not dovetail that well with local aspirations and directions.*
27. Other feedback from our members includes:
- *The final form of the planning template will ultimately dictate whether there will be improvements in consistency. It is unclear who will be responsible for developing the national template and what matters it will address. Given there are a number of second generation plans that have recently been developed or are being development (i.e. Auckland Unitary Plan), there are concerns that the adoption / integration of a national planning template will undermine work in progress.*
  - *The construction process will be smoother overall with most planning /design work done in the main cities. There will still be a need for some local input to ensure some flexibility in the outcome for resource consent applicants.*
  - *If the briefing to actual planners is to work cooperatively with an applicant - in a clear and precise manner - rather than taking an adversarial approach then any planning regime can work. I have had success with supportive council planning staff but also aware that planning staff can wield the rule book in an antagonistic manner that allows for little consideration for practical application of the intent of the rules.*
  - *Currently the DC's regional management plan is set out quite differently from neighbouring regional plans and is very restrictive in the way that it is written (i.e. "nothing is permitted except specific listed activities", rather than other RMP's where "everything is permitted except for specific discretionary, controlled or prohibited activities" ). Consistency with other councils RMPs would be very helpful!*
  - *I'm hoping so, as development of infrastructure is vital for growth of our parks and the industry.*
28. Overall, TIA feels that the proposed planning template is a good idea in theory, but we are concerned that the national framework will not align with local plans and/or frameworks. Local input to ensure some flexibility in the outcome of resource consent application is needed.

## Creating a responsive planning process

29. Currently the RMA only allows councils one process for developing plans, whatever the circumstances. The reforms will improve the plan-making process and provide new ways of producing quality plans, by introducing two new plan-making options for councils – the streamlined planning process and the collaborative planning process.
30. The streamlined planning process will mean councils can formally ask the Minister for the Environment for a plan making process that suits their local area and community. The collaborative planning process encourages greater front-end public engagement. It will encourage people with different views to work together to resolve resource management issues, which will reduce litigation costs and lengthy delays.
31. The majority of our members feel that the proposed amendments to the RMA could lead to faster and more flexible planning processes for their businesses. However, businesses applying for complex resource consents feel they would not benefit from the proposed changes.
32. Here is some of the feedback we received:
- *I think they would. The main issue with our local council has been the slow process of the District Plan review - it is painful and costly to be involved!!*
  - *If these changes can achieve the intent outlined here then yes it would be better. Long term plans can be too restrictive and no plan in a business should be inflexible and un-dynamic and this should be the same in a community where change can be prudent.*
  - *We are currently faced with very expensive and time consuming application processes for all resource consent applications, even for minor activities.*
  - *Greater front end public engagement can be risky at best with a lot of well-intended, but ill-informed discussion. Only affected parties need to be involved. There are enough checks in place to ensure development, discharge to environment, etc does not burden the community.*
  - *The amendments to the Act will likely improve planning processes however in our case, the majority of resource consent applications are complex and will not benefit from the changes.*
33. As mentioned, many tourism operators feel that the RMA requirements can be difficult, expensive and time consuming. The proposed changes aim to lead to faster and more flexible planning processes and as such, TIA supports these changes.
34. We are of the opinion, that even though these proposed changes seem to be a positive change, the greater front end public engagement has the ability to slow down application processes and can increase litigation costs.

### **Reduced requirements for consents**

35. The proposed changes to the Act eliminate the need for thousands of minor consents by giving councils discretion to not require them, by introducing a new 10-day fast-track for simple consents and by removing requirements for consents where they are already required under other Acts.
36. Our members are hopeful that the new legislation will reduce requirements for consents for their business. However, they do indicate that this depends upon whether the councils choose to use the discretion that they are given. Some feel that their local council would most likely not do this and as such, they did not feel that the new legislation would reduce requirements for consents for their particular business.
37. Other members feel that the new legislation will not reduce the number of consents required, largely as the nature of resource consents required are complex in nature.
38. Some of our members commented:
- *I see this as being relevant for variations to existing consents. Currently any variation - even if minor - requires approval from the original parties that gave approval. Discretion on the relevance of a change needs to be provided for and this should be allowed for in the definition of a "simple consent".*
  - *We are engaged in a number of minor works tasks. A simple 10 day process would be an advantage to us.*
39. TIA is of the opinion that introducing a 10-day fast-track for simple consents and by removing requirements for consents where they are already required under other Acts is a positive development. This proposed change will most likely reduce requirements for consents for tourism operators. This does mean that councils will need to choose to apply the given discretion: if councils choose not to do this, this proposed change will not be useful.

### **Recognising the importance of residential and business land for development**

40. The reforms will mean councils will have to be more forward thinking, and proactively plan to have enough residential and business land for development. More efficient consenting will make suitable development easier and more affordable. Improving consistency nationally will aim to help reduce the costs for developers of understanding and complying with variations between local rules.
41. The majority of our consulted members feel that the stronger national direction in the legislation could support the provision for infrastructure growth.

Feedback from our members included:

- *The national direction needs to be general, allowing local bodies to decide appropriate development given the local circumstance.*
- *Stronger national direction may provide for infrastructure growth (and the protection of significant infrastructure such as airports). It is noted however that national direction may also expedite residential intensification which may have the effect of undermining existing infrastructure (operational constraints). It is unclear whether national direction (in the form of National Policy Statements (NPSs)) will be extended to dealing with significant Infrastructure.*
- *If this nationalised approach ensures that adjacent councils are forced to take collaborative approaches to issues then it must be a good thing for matters such as roading, water discharge etc. But it doesn't seem relevant to companies situated in a single regional territory.*

42. The option to develop business land and to grow infrastructure is important for tourism operators. TIA is of the opinion that the proposed changes and the stronger national direction in legislation could have a positive impact on infrastructure development for the tourism industry and we feel this is a positive development.

### **The Resource Legislation Amendment Bill & the Conservation Act**

43. The Bill provides time frames for which DOC might consider an application for a notified concession under the Conservation Act.

44. The majority of our consulted members see the proposed time frames for notified concessions in the Conservation Act as a positive development.

45. Some of the feedback our members provided us with:

- *I think this will be a very positive improvement in the concession application process. Time frames are important when undertaking business planning and looking at investment so it is essential that there are parameters around this aspect of the application process. It will definitely ensure that response times are much improved which has got to be a good thing when awaiting decisions.*
- *I guess it is advantageous - but DOC is not a problem. They see value in tourism and are capable of taking collaborative and supportive approaches when working with concessionaires.*

46. TIA is of the opinion that the proposed timeframes could have a positive impact on resource consent applications of tourism operators. We do note though, that these timeframes only apply to notified applications such as the Fiordland monorail or the Milford Dart Tunnel. These notified applications are not very common and only apply to very complicated major projects.

## The RMA and the environment

47. Changes to the RMA can have major impacts on tourism businesses. On the one hand, it is critical that efforts made to protect and enhance the environment and deliver New Zealand's '100% Pure New Zealand' visitor experience, continue. On the other hand, it is crucial that tourism businesses are able to work within a healthy business-friendly environment.
48. Our consulted members do not feel that the proposed changes would have a detrimental impact on the environment.
49. Some of the comments that our members made, includes:
- *The changes proposed will not reduce the ability of the local authority to effectively assess the effects of a development on the environment and impose conditions of consent accordingly. As the proposed amendments now no longer propose to combine Sections 6 and 7 the risk for political opposition to the amendment Bill has been substantially reduced.*
  - *I think it will go some way to restore a better balance between both ends of the spectrum, that is, the competing interests of protecting the environment at any cost and not supporting development to any degree, to recognising that development can take place advancing business investment and development but in an environmentally sustainable way with limited impacts on the environment as an acceptable side effect.*
  - *With a collaborative approach to planning applications the communities policies can be implemented in a manner which is not detrimental to the environment.*
  - *A faster, simple, cheaper to use system will encourage more resource consent applications for development that may tend to slip under the radar; this will help improve compliance levels across many sectors of industry.*
50. Members also indicate that they hope that the proposed changes, especially regarding freshwater, would have a positive impact on the environment.
51. TIA is concerned to see that the following matters in section 7 will be removed: the requirements for decision makers to consider the maintenance and enhancement of the quality of the environment and amenity values, the facts that natural and physical resources are finite, and the ethic of stewardship. We are of the opinion that it is important to consider how these changes will affect the environment.
52. It seems that the RMA is straying away from the original intent of the RMA more and more and increasingly is becoming a planning law instead of an environmental effects law. TIA is of the opinion that it is very important that the proposed changes to the RMA do not have a detrimental impact on the environment. As mentioned previously, although we strongly support a business-friendly environment and economic development, it is very important for the tourism industry that New Zealand's natural environment is protected and that we can continue to deliver our '100% Pure' promise.

## MORE CHANGES NEEDED

53. Although the proposed legislative changes seem to be a step in the right direction to correct long term problems in the RMA and most of the changes seem to be minor process improvements which are likely to assist tourism operators, there are still many more process improvements that could be made. Overall, the process of applying for RMA consents is still relatively cumbersome.

## FOLLOW-UP PROCESS

54. TIA wishes to participate further in any follow-up process, including any formal meetings, to ensure that the potential impacts on tourism are adequately represented.

## CONCLUSION

55. **National planning template** - TIA feels that the proposed national planning template is a good idea in theory, but we are concerned that the national framework will not align with local plans and/or frameworks. Local input to ensure some flexibility in the outcome of resource consent application is needed.

56. **Creating a responsive planning process** - Many tourism operators feel that the RMA requirements can be difficult, expensive and time-consuming. The proposed changes aim to lead to faster and more flexible planning processes and as such, TIA supports these changes.

57. **Reduced requirements for consents** - TIA is of the opinion that introducing a 10-day fast-track for simple consents and by removing requirements for consents where they are already required under other Acts is a positive development. This proposed change will most likely reduce requirements for consents for tourism operators. This does mean that council will need to choose to apply the given discretion: if councils choose not to do this, this proposed change will not be useful.

58. **Recognising the importance of residential and business land for development** - The option to develop business land and to grow infrastructure is important for tourism operators. TIA is of the opinion that the proposed changes and the stronger national direction in legislation could have a positive impact on infrastructure development for tourism operators and we feel this is a positive development.

59. **The Resource Legislation Amendment Bill & the Conservation Act** - TIA is of the opinion that the proposed timeframes could have a positive impact on resource consent applications of tourism operators. We do note though, that these timeframes only apply to notified applications such as the Fiordland monorail or the Milford Dart Tunnel. These notified applications are not very common and only apply to very complicated major projects.

60. **The RMA and the environment** - TIA is of the opinion that it is very important that the proposed changes to the RMA do not have a detrimental impact on the environment. Although we strongly support a business-friendly environment and economic development, it is very important for the tourism industry that New Zealand's natural environment is protected and that we can continue to deliver our '100% Pure New Zealand' visitor experience.

61. Overall, TIA welcomes the proposed changes, but we note that there are still many more process improvements that could be made and overall, the process of applying for RMA consents is still relatively cumbersome. TIA is of the opinion that there is a need for an implementation framework to successfully put the changes into effect.

## BACKGROUND

62. Tourism for New Zealand is big business as the country's second largest export sector. It is a major contributor to the New Zealand economy that will always be here and won't easily go offshore. Tourism takes the lead in promoting New Zealand to the world. The brand positioning built by a vibrant tourism industry has become an important source of national confidence and identity and a front window for "Brand New Zealand". Indeed, the clean and pure offer that is synonymous with New Zealand tourism has been widely adopted and used to promote New Zealand exports in a range of other industries as well.

63. The tourism industry delivers the following value to New Zealand's economy:

- Tourism in New Zealand is a \$81.6 million per day and \$29.8 billion a year industry.
- The tourism industry directly and indirectly supports 12.1% of the total number of people employed in New Zealand. That means 295,908 people – one in eight – are working in the visitor economy.
- Tourism is one of New Zealand's biggest export industries, earning \$11.8 billion or 17.4% of New Zealand's foreign exchange earnings (year ended March 2015).

End.