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Environment Committee

By e-mail: en@parliament.govt.nz

Submission on Natural and Built Environment Bill 2022

Introduction

1. Energy Resources Aotearoa is New Zealand's peak energy advocacy organisation. We enable constructive collaboration across the energy sector through and beyond New Zealand's transition to net zero carbon emissions in 2050.
2. Energy projects and infrastructure are critical to our economic and social wellbeing. Recent legislative reforms have focussed almost exclusively on environmental sustainability, failing to fully appreciate the other, equally important, legs of the energy trilemma, namely energy affordability and security. This is particularly important given recent events in Europe which highlighted the importance of these factors.
3. This paper constitutes our submission on the Natural and Built Environment Bill 2022 (the Bill). We wish to appear before the Select Committee to present our submission.

Key points

- We support the need for resource management reform and the overall intent of the Bill as the first of three pieces of legislation to replace the Resource Management Act 1991 (the RMA). However, as drafted we do not believe the proposed legislation will deliver either the Government's reform objectives or a meaningful improvement over existing legislation.
- The complicated structure and cross-referencing make the Bill difficult to follow, more so with the introduction of novel concepts (such as 'places of national importance') alongside an overlapping range of system outcomes, environmental limits, management of effects, and decision-making principles.
- This Bill swaps one form of complex resource management system for another, potentially more restrictive, regime. It is difficult to see how the proposed approach will lead to "better decisions, faster".



- History has shown us how challenging it is to get resource management legislation right. The RMA has been amended some 23 times since its introduction in 1991.
- The short duration and potential to cancel or alter consents will undermine investor confidence for long-lived projects. This will have a chilling effect on investment in energy projects and infrastructure at the very time when this is needed.
- This legislation is being progressed with undue urgency. This is a generational opportunity, and the result must deliver the necessary changes for New Zealand's future. While this Bill will require significant amendment, many of the fundamental components of reform are present.
- While we would prefer this legislation to be slowed down, to ensure the legislation is fit-for-purpose when introduced, we are mindful of the report-back due in May this year. Therefore, we recommend the Select Committee prioritises and focuses on ensuring clear outcomes and decision-making principles, including how trade-offs are made, rather than focusing on specific details in the Bill. This will ensure better direction in the development of the National Planning Framework (the NPF) as outlined in this Bill and the Regional Spatial Strategies (the RSS) as set out in the Spatial Planning Bill (the SPB).

Initial remarks

4. Energy Resources Aotearoa welcomes the opportunity to comment on the Bill. The Bill is the first of three Bills proposed to replace the Resource Management Act 1991. We have also submitted on the Spatial Planning Bill 2022 (the SPB), the second of these resource management reform Bills, and refer the reader to that submission also.
5. We are supportive of the need for resource management reform and the overall intent of the Bill. We consider the current system is slow, complex, and costly, focusing on the minutiae of effects and not at the bigger picture of delivering positive economic and environmental outcomes.
6. However, despite the introduction of outcomes, many of the current processes, and the cultures that sit behind them, form the basis of the Natural and Built Environment Act (the NBEA) with additional layers and conservatism now added over the top of them.
7. In the allocation and use of natural resources there is a necessary tension between the twin purposes of managing for economic and other uses versus ensuring adequate environmental protections. While striving for balance we remind decision makers a clash of values is often central to any environmental dispute, and it is unlikely these disputes can be satisfactorily resolved through legislation.

8. The Bill proposes several novel approaches to resource management and codifies many current practices but does so in a slightly different manner than present practice. It also adds numerous new terms, often with no clear rationale which will increase uncertainty and cost in the system.
9. It is complex and far-reaching legislation, touching on every aspect of the economy. While we are supportive of the intent of the reforms, we are concerned the proposed legislation merely represents a new form of complexity and uncertainty and we are unsure how some of these reforms will be implemented in practice.

Concerns about the legislative process

10. Since its introduction in 1991 the RMA has a long history of ongoing amendment.¹ The consistent need for amendments highlights the complex nature and ambition of resource management legislation. This provides an important signal to public policy makers of the need to get this legislation right. Constant tinkering with legislative settings creates uncertainty, which leads to poor quality decisions and outcomes and higher costs - the very thing this legislation seeks to avoid.
11. With that in mind, this legislation appears to be moving through the House with undue haste, given its significance and scope. We are concerned the passage of the Bill does not allow sufficient time for adequate scrutiny and public consultation. It also does not enable sufficient testing of the actual, on the ground, implications of the proposed changes.
12. The pace of reform risks missing out on valuable input from a more measured and thoughtful public consultation process, ultimately leading to better public policy outcomes.

The further erosion of property rights in New Zealand's legislation

13. We are concerned by the lack of input and recourse for landowners in the proposed legislation. Landowners and businesses enjoy the right, within certain constraints and conditions, to make decisions on the best use of their land. Our submission on the SPB highlights our concerns in respect to arbitrarily determined changes to land use. We again recommend considering this submission in conjunction with our SPB submission.
14. Without sufficient recourse for affected landowners and businesses in terms of input or adequate compensation measures, this legislation represents a further erosion of landowners' rights without sufficient trade-offs between private rights and public interests being adequately considered.

¹ The New Zealand Legal Information Institute lists 23 Acts that amend the Resource Management Act 1991 (available at http://www.nzlii.org/nz/legis/consol_act/toc-R.html)

15. Further, there are significant changes proposed that undermine present rights which we oppose.
16. First, existing use rights already have controls around them that are appropriate and understood. The ability for plan rules to defeat existing use rights applies broadly to any plan rule relating to the natural environment. Existing use rights are widely relied on around New Zealand and expanding the ability for them to be lost greatly reduces certainty for those who hold such rights. Existing use rights are addressed further below.
17. Second, the proposed enhanced review powers, and enhanced powers to cancel consents following reviews, creates significant uncertainty for a consent holder on what the life of the consent will be. These powers can be exercised by the consent authority and the Minister via the NPF providing multiple avenues to undermine a consent.
18. Significant investments normally follow the granting of a consent. Funding for that investment is often based over the medium to long term and certainty is required.
19. Having such broad provisions to review and cancel, along with a short duration (10-years) for water consents, will undermine investment confidence in, and require regular consents to be applied for increasing costs and inefficiency.

Preliminary provisions

20. Part 1 of the Bill sets out the purpose, Treaty obligations, system outcomes and decision-making principles.
21. Taken as a whole, Part 1 represents a seismic shift in New Zealand's approach to resource allocation and environmental effects. This section introduces a range of new approaches, including the expansive use of environmental limits and targets. It also establishes the decision-making principles and system outcomes.
22. This is a deliberate departure from the approach taken by the RMA which, in practice, has been to identify and manage adverse environmental effects through plan rules and consent decisions.

An unnecessarily complex and conservative regime

23. The proposals appear to swap one form of complex resource management legislation for an even more complex and restrictive regime.
24. The National Planning Framework (the NPF) and all plans *must* provide for the system outcomes in Clause 5 of the Bill. Given the breadth, complexity, and conflicting nature of some of the system outcomes, providing for all of them in any single planning document will be difficult, if not unachievable.

25. Indeed, the proposed non-hierarchical outcomes and decision-making principles (in Clause 6), have the potential to create unnecessary tension that will need to be resolved through litigation.
26. Preferably, the Bill would provide clear direction on resolving critical system outcome tensions rather than leaving that to the Minister or Regional Planning Committees.
27. The approach set out in Part 1 introduces the broad range of system outcomes (Clause 5) at the same time codifying a cautionary approach in decision-making principles (Clause 6). Given the breadth and detail within both of the clauses, it is difficult to see how all of the system outcomes and principles will work together in practice, especially without the benefit of knowing what the NPF will contain.
28. Combined with environmental limits (in Part 3) the Bill effectively introduces three overlapping primary controls:
 1. achieving system outcomes;
 2. complying with environmental limits; and
 3. managing adverse effects.
29. This is a far more complicated and unwieldy system than the existing RMA.
30. Getting these preliminary provisions right is crucial in achieving the ambitions of these resource management reforms. One of the five objectives of this legislation is to *“improve system efficiency and effectiveness and reduce complexity, while retaining local democratic input”*.² It is difficult to understand how this could be achieved with the proposals set out in this Bill.
31. We recommend Part 1 of the Bill is substantially reworked to ensure decision-makers have a clearer direction and guidance on how resource use and development is to be undertaken especially without the benefit of knowing what the NPF will contain.
32. More specifically, much of the detail in how Part 1 of the Bill will operate is heavily reliant on the more direct guidance on priorities and system outcomes that must be included in the NPF.

The significant overlap with the purpose statement and the principle of te Oranga o te Taiao

33. The purpose statement (Clause 3) is insufficiently defined. Clause 3 reads;

3 The purpose of this Act is to—

² One of the 5 objectives the Bills were designed to achieve. See the Explanatory Note to the Natural and Built Environment Bill, general policy statement.

- (a) *enable the use, development, and protection of the environment in a way that—*
 - (i) *supports the well-being of present generations without compromising the well-being of future generations; and*
 - (ii) *promotes outcomes for the benefit of the environment; and*
 - (iii) *complies with environmental limits and their associated targets; and*
 - (iv) *manages adverse effects; and*
- (b) *recognise and uphold te Oranga o te Taiao.*

34. Relying on the definition of *te Oranga o te Taiao* provided in the interpretation section of the Bill (Clause 7) it would appear 3(a) and (b) traverse much of the same ground. Given the significant crossover between the content of 3(a) and the definition of 3(b) it is unclear how these two limbs of the purpose statement will be interpreted together. Our view is this crossover will result in an avoidable internal conflict for decision makers and potentially litigation.

35. We are also concerned with the use of the:

1. word "and" arguably joining all the provisions so they all must be satisfied. Which we know is not achievable (indeed, exemptions are provided throughout the regime); and
2. phrase "without compromising" in 3(a)(i), which is highly uncertain and arguably a very strict test not aligned with the Government's reform objective which is to protect "the capacity to provide for the wellbeing of present and future generations."

36. We recommend Clause 3 be redrafted to provide more clarity.

System outcomes will inevitably favour environmental protections in all cases

37. Clause 5 lists a range of intended non-hierarchical system outcomes to provide direction in the development of planning documents at the national and local level. These system outcomes guide the development of planning documents, which will in turn drive decision-making processes. They are therefore critical to get right if the new regime is to be effective and, importantly, enduring.

38. The Explanatory Note accompanying the Bill indicates that the lack of hierarchy is intentional, so as to provide a degree of discretion in deciding how outcomes are pursued once limits and targets are met.

39. However, these outcomes and the verbs used are unquestionably skewed toward environmental protections. Ensuring the availability of an affordable and reliable energy supply for all New Zealanders is an extremely important contributor to the national wellbeing. It is disappointing this, or other similar outcomes are not contemplated in Clause 5.

40. By providing such large discretion to others (the Minister and the Regional Planning Committees), it is unlikely suitable means will be found to resolve the

tension between environmental protections (including restoration) and development and use of natural resources, increasing the potential for litigation and inefficient allocation of resources. More specifically, it will be difficult to ensure that the outcomes are negotiated and/or prioritised in a nationally consistent way.

41. In addition, there is no reference to crucial elements of energy security and affordability within the systems outcomes, which have significant social utility and importance in ensuring the wellbeing of all New Zealanders.
42. We recommend a substantial reworking of Clause 5 to ensure decision-makers have clear and unambiguous direction on how system outcomes are to be considered in their decision-making. As it stands the current intended non-hierarchical nature of Clause 5 means decisions are open to challenge on any number of basis.

The NZ ETS is the best mechanism for controlling greenhouse gas emissions

43. Clause 5(b) explicitly calls for the reduction and removal of greenhouse gases (GHG) from the atmosphere as a system outcome. We do not agree this outcome should be included in the development of planning documents.
44. Resource management legislation sits within a broader legislative environment where the primary tool for managing GHG emissions is, and should remain, the New Zealand Emissions Trading Scheme (the NZETS). The NZETS provides appropriate, market-based incentives to reduce emissions as New Zealand transitions to a low-carbon economy.
45. Decision making in the NBA should not undermine or duplicate existing systems providing incentives for decarbonisation, such as the NZETS. Duplicating systems to control emissions will not have the effect of lowering overall emissions, as pushing down in one area means emissions will pop up in other areas. This is known as the waterbed effect.³

Decision making principles

46. When information is uncertain or inadequate, Clause 6 requires decision-makers to favour caution and adopt a level of environmental protection that is proportionate to the risks and effects involved.
47. "Uncertain" and "inadequate" are not terms that are defined in the Bill. In many instances, information on environmental effects are at least to some degree, uncertain or inadequate. Therefore, Clause 6(2) could have very broad relevance and effects on decision-making.

³ For an explanation of the waterbed effect, we refer the reader to our perspectives note, available at <https://www.energyresources.org.nz/dmsdocument/202>

48. There are already sufficient provisions in the Bill, including identification and management of adverse effects, that allow an adaptive management approach. Clause 6(2) is an unnecessary additional layer of caution when considering resource use and development applications, and risks resulting in an unnecessarily conservative and restrictive environmental management regime.
49. We also note that considerable work is being done in New Zealand's energy sector to embrace new and alternative technologies as the economy looks to decarbonise. The inclusion of this Clause has the potential to stifle important innovation as the adoption of new technology often comes with less certain outcomes.
50. We recommend deleting Clause 6(2), which legislates a cautionary approach to environmental management, as this is unnecessary in a limits-based system with adaptive management available through consent conditions.

Getting the national planning framework right is critical to the success of these reforms

51. The NPF is crucial in the success (or failure) of the resource management reforms. Sitting at the top of the planning hierarchy, the NPF provides national direction in the development of an RSS and Natural and Built Environment Plans (NBE Plans).
52. The NPF is required to provide direction on system outcomes, help to resolve conflicts with system outcomes, provide strategic direction of long-term environmental issues, and to specify how the NPF will be implemented.
53. We understand the preference to utilise regulation making powers for this purpose, rather than legislation, because they afford greater flexibility, and avoiding a time-consuming and costly legislative process. However, it is concerning that such crucial guidance for the entirety of the resource management system could be compiled and implemented without appropriate checks and balances.
54. The development of an integrated national direction on environmental matters is an opportunity to provide a coherent framework for the development of planning documents. A coherent framework will need to be the product of further analysis and thought. However, it appears that the NPF will instead simply collate and continue the National Policy Statements regime. This will essentially grandfathering many of the existing priorities and flaws of the old regime.

Resource allocation principles need to be defined

55. The resource allocation principles set out in Clause 36 (sustainability, efficiency, and equity) are not defined within the Bill. Given the Minister must have regard

for these principles in setting certain directions for the NPF, such ambiguity is unhelpful.

56. For example, the principle of efficiency could be interpreted to be an economic efficiency, such as allocative efficiency, or may be interpreted to refer to administrative efficiency. In the absence of appropriate direction this introduces an unnecessary uncertainty.
57. We recommend the resource allocation principles be defined and included in the interpretation section of the Bill to provide better direction and certainty for decision-makers and applicants.

The proposed approach to setting environmental limits is flawed

58. Subpart 2 of Part 3 of the Bill sets out the provisions for environmental limits and targets.
59. The purpose of environmental limits, defined in Clause 37, is to prevent the ecological integrity of the natural environment from degrading from its current state and to protect human health. The concept of a “limit” in this context is confusing. A “limit” can refer to a number of things, however in this context we take it to define a boundary (either upper or lower).
60. We believe what is meant here is better expressed as “environmental baselines”, not “limits”. This provides a clearer picture of the measurable improvement (or degradation) against an existing state and reduces the potential for misinterpretation of the intent of the Bill.
61. We recommend replacing references to “environmental limits” with “environmental baselines” to better reflect the overall intent of the Bill.

Environmental limits and targets should be set by an independent body

62. The setting of environmental limits and targets is the backbone of this legislation. However, the complex structure and layout of the Bill makes it difficult to fully appreciate who is responsible for the administration of these limits and how environmental limits and targets will be managed and reviewed through the NPF.
63. We understand the NPF is to be developed through regulation setting (Clause 34). While this approach affords the flexibility to update the NPF without engaging in a costly and time-consuming legislative process, the risk is that the regulations may be altered on a regular basis, depending on the particular pressures being exerted at any given time.
64. This has the potential to undermine the overall integrity of the NPF system as a whole, creating uncertainty about the longevity of limits and targets, and the security of rights for landowners and consent holders.

65. We seek the periodic and independent review of the NPF (or at least sections of it) to afford the public an opportunity to provide feedback on the efficacy and issues within the application of New Zealand's resource management system.
66. This is particularly important in the setting of limits and baselines for ecological diversity. Clause 53 sets out the requirement for the monitoring of limits, targets, and responses, but does not specify responsibility.
67. We also recommend that the Bill provides for the establishment of an independent authority or commission charged with collecting and maintaining monitoring data provided by local councils.
68. The authority or commission would also be responsible for reviewing and recommending changes to limits in the NPF. This approach will depoliticise the setting of limits and provide an opportunity for public consultation independent of the Ministry and local government.

Consenting processes should adopt a lifecycle approach to resource use

69. A common criticism of environmental legislation is the inability to adequately consider and manage effects over the lifecycle of a project. It is necessary, when designing legislation to manage resource allocation and environmental effects, to consider the tension in ensuring proponents have confidence in terms of their rights and ensuring there is adequate public oversight.
70. Energy and infrastructure projects are capital intensive, long-lived projects often requiring ongoing investment throughout their economic lifespan. This can present several challenges when working with environmental and resource management legislation.
71. Broadly speaking there are three key interactions for the execution of these projects:
 1. applying for consents to build or develop the project (development phase);
 2. applying for consents to operate – typically take or discharge consents (operational phase); and,
 3. applying for consents to remove equipment and infrastructure and restore or remediate the site (decommissioning phase).
72. Throughout the operational phase of a project there may also be expansion or redevelopment projects that require consents, but for simplicity it is assumed the three phases identified remain broadly applicable. Unfortunately, decision-makers typically only consider these phases as separate, independent decisions, essentially unrelated to one-another.

73. The decision-making processes for each of these phases will consider a range of different effects. Should the consenting process treat each application as independent the opportunity to adequately understand and manage a project's effects and impacts over time, and the final state (restoration) of the area at the end of its economic life will be missed.
74. The consideration of the lifecycle of a project over its economic life will likely lead to better environmental outcomes. For example, the installation of a new offshore pipeline might have to consider removal at the end-of-life (or be designed in a manner that does not require removal) and incorporate this into the design from the outset.
75. In the case of projects with a finite economic or operating life, we recommend the Bill direct decision-makers to consider the lifecycle of a project in the resource consenting process (Clause 223).
76. The proposals set out in Clause 275 prescribes a maximum consent duration of 10 years for certain consented activities. We consider that this would run counter to interests in our sector and discourage investment in activities; especially in the context of transitioning to a lower carbon energy system.
77. We consider clause 276(3) is too narrow and should be expanded to include a general reference to energy generation and other heavy industrial and manufacturing sites. Further, the list of exceptions should be widened to long-term emissions reduction projects for example, carbon capture and storage.

A troubling lack of certainty and transitional provisions for existing operations

78. Energy and infrastructure projects are long-term, capital-intensive businesses often requiring ongoing capital investment throughout their economic life. Investors in these projects require a high degree of comfort that their rights are secure, and not at risk of expropriation by regulatory fiat.
79. Under Clause 105, NBE Plans can include a broad range of provisions, including outcomes and policies, rules and other methods, and any other matters desirable for the plan to achieve its purpose. NBE plans can include rules that will affect existing rights and land use when there is harm to the natural environment or risks associated with natural hazards, climate change or contaminated land.
80. As mentioned above, the potential for existing use rights and land use to be affected could have a chilling effect on investments, increasing commercial uncertainty. These changes, without appropriate compensation mechanisms are potentially inconsistent with authorisations granted under other legislation, such as the Crown Minerals Act 1991.

81. Serious attention needs to be paid to the inclusion of transitional provisions to ensure the rights and privileges of existing land use consent holders are protected.

Decision making should be depoliticised

82. Subpart 1 of Part 10 of the Bill (Clauses 630 through 638) sets out the functions, powers, and duties of the Minister. These powers are wide-ranging and give the Minister significant discretion and flexibility to intervene or direct on matters of national significance or investigate any matter of significance to the environment.
83. There may be pressure on Ministers to tinker or modify regulatory settings, depending on their preferences or pressures they are facing at the time. Clause 633 is particularly problematic, granting the Minister the power to direct a regional planning committee to prepare or vary a natural and built environment plan on any matter relating to a resource management issue.
84. This has the potential to undermine confidence in the resource management system and increase uncertainty for applicants, particularly with the limited right of appeal in the proposed legislation. This is a further erosion of the rights of landowners businesses in the trade-offs between private owners and public interests.
85. A better approach is to remove the decision from the potential for political interference by having an independent advisory board, separate and distinct from the political process.
86. We recommend restricting the Minister's power to direct and intervene in a regional plan to proposals of national significance only, and for any intervention on environmental limits or outcomes to be reserved for an independent advisory board.

Unreasonable expectations on landowners to manage contaminated land

87. The contaminated lands provisions in Subpart 4 of Part 6 of the Bill provide a framework, based on the "polluter pays principle" (Clause 417) for the management of contaminated land.
88. These provisions set out the landowner's obligations for land currently used for activities included on the Hazardous Activities and Industries List (HAIL) and when land is contaminated. In all cases the landowner is made responsible for contamination on their land, regardless of whether they are directly responsible, and for any historical contamination.
89. This approach is unnecessarily restrictive and for current activities does not adequately consider the role land-use and discharge consents play in resource

management, including the ability to levy performance bonds as part of resource consenting.

90. The obligations set out in Clauses 418 and 419 are not costless and will inevitably lead to landowners adopting a “cautionary approach” to land use. We recommend the redrafting of Clauses 418 and 419 to better reflect a more fair and equitable assignment of the responsibilities and obligations for landowners and those undertaking potentially hazardous activities.

The Crown Minerals Act 1991 (the CMA) is considering post-decommissioning financial securities

91. Clause 736 in the Bill enables an NBE regulator to require an applicant to make payments into an Environmental Restoration Account (ERA).
92. An ERA is a mechanism, under section EK 4 of the Income Tax Act 2007 (the ITA), whereby site restoration and monitoring costs can be matched against prior business income.
93. The scope and purpose of an ERA only applies in limited circumstances, for specific restoration expenditures. Payments into and withdrawals from an ERA trigger tax consequences that only make sense in the case of voluntary, not mandated payments.
94. In 2021 MBIE consulted on a range of financial securities, including any post decommissioning monitoring and potential failures (including contamination) for the decommissioning of oil and gas infrastructure. The Bill overlaps with the financial security arrangements, and the ability of the EPA to recover costs from polluters to an extent duplicates the proposed CMA regulations.
95. Section 105(1)(qk) of the CMA is the enabling provision to develop regulations for the setting and use of post-decommissioning payments for oil and gas infrastructure and wells. MBIE consulted on these proposed regulations in 2021 and these regulations are still in development.
96. We encourage officials to ensure consistency between the CMA regime and resource management legislation to ensure there is no doubling-up on financial assurance requirements and the best legislation is used to manage and ongoing and future adverse effects.
97. Therefore, we recommend Clause 736, to the extent that it would mandate payments into an ERA, should exclude oil and gas mining activities as these are sufficiently covered in separate legislation applicable to Crown-owned minerals.

The Bill should provide an explicit strategic national direction for Crown minerals and carbon capture and storage

98. Our submission on the SPB recommends a better approach for RSS is to identify areas where activities are restricted, rather than the proposed approach of prescribing where activities are permitted.
99. The latter presumes decision-makers have sufficient knowledge and information to make informed, future-looking determinations for land-use. We remind the Committee that the distribution of Crown-owned minerals is a location-constrained function of geology not convenience. Similarly, sites suitable for the development of carbon capture and storage projects (CCS) are geographically limited and subject to subsurface constraints.
100. Our preferred approach avoids the risk of unnecessarily excluding or delaying development of natural resources because development was not contemplated in spatial plans. Schedule 4 of the CMA provides an excellent working example of this approach, whereby access to lands included in Schedule 4 is restricted. This approach also affords stronger protections for identified lands.
101. We note also this approach could equally be applied to a range of resources including geothermal and wind.
102. We recommend a consistent strategic national direction on CCS and Crown minerals exploration and development be explicitly provided for in primary legislation.

Drafting errors

103. We draw your attention to a minor technical error in respect to Schedule 15, Amendments to other legislation as it relates to the CMA. There are several incidences where references to “section 352 or section 353 of the Resource Management Act 1991” are to be replaced by “section 806 or 808 of the Natural and Built Environment Act 2022”. This amendment should refer to “section 806 or **807** of the Natural and Built Environment Act 2022”.

Summary

104. Energy Resources Aotearoa supports the need for resource management reform and the overall intent of this Bill.
105. However, the Bill is poorly structured and unnecessarily complex and is difficult to follow and understand. We believe in its current state these reforms will not achieve the aim of ensuring better environment outcomes while making better resource allocation decisions faster.

106. We would also like to see close attention paid, at the national level, to the distribution of geological resources particularly Crown-owned minerals including petroleum. These resources are, by their nature, regionally specific and the decisions made at the regional level may make the current and future development of these resources (in the national interest) impossible.