

Submission by



to the

Ministry for the Environment

on

**Managing our Wetlands: Proposed Changes to the Wetland
Regulations under Essential Freshwater Amendments**

July 2022

**REPORT, RECOMMENDATIONS AND SUMMARY OF SUBMISSIONS
MANAGING OUR WETLANDS: PROPOSED CHANGES TO THE WETLAND
REGULATIONS
SUBMISSION BY BUSINESSNZ¹**

1.0 DISCUSSION

- 1.1 BusinessNZ welcomes the opportunity to comment on the Report, Recommendations and Summary of Submissions - Managing Our Wetlands: Proposed Changes to the Wetland Regulations (*"The Report"*).
- 1.2 It is noted that the report has been prepared in response to a considerable amount of feedback from many organisations, including BusinessNZ. Those responding were particularly concerned about the unintended consequences of the Resource Management (National Environmental Standards for Freshwater) Regulations 2020 and their adoption of a very tight definition of 'wetlands', and the activities associated with wetlands.
- 1.3 The Regulations essentially prohibited earthworks on all 'natural wetlands' – very broadly defined. No account was taken of the unique circumstances facing individual regions and communities or the regulations' impact on broader economic development. The potential impacts have been well canvassed over the past year so are not repeated here, suffice to say that BusinessNZ is pleased the Government has now reviewed the regulations to ensure they are workable – this being the second round of consultations, the first being October 2021.
- 1.4 BusinessNZ broadly supports the proposed changes outlined in the report, and in particular:
- i. The proposed revised definition of 'natural wetland'.
 - ii. The explicit provision for urban development, landfills, quarrying and for mining activities in general.
- 1.5 However, we are concerned with 3 particular issues.
- 1.6 First, in respect to exotic pasture. While we broadly support the clarification around exotic species in the wording of part (c) of the definition, the list of exotic pasture species excluded from the definition looks to be very narrow.

¹ Background information on BusinessNZ is attached as Appendix 1.

- 1.7 Having recognised the need to exclude pasture from the natural inland wetland protections, there is a risk of over-complicating what that means. In practice this will likely mean that in some cases what is normally considered wet pasture, will be unintentionally captured by the wetlands definition.
- 1.8 Second, the narrow definition of 'mining' and 'quarrying' as currently proposed mean that ancillary activities essential to these operations, such as access roads and other infrastructure, will be excluded. To avoid confusion and potential conflict we support Option 1 in Recommendation 16, and Option 2 in Recommendation 31 so that 'quarrying activities' and 'mining operations' respectively are included in the definitions.
- 1.9 Third, BusinessNZ also considers that no distinction is needed between the different types of minerals found, or mines and quarries operating in the wetlands, as the extractive sector's effect on wetlands does not depend on the type of mineral extracted.
- 1.10 In this respect BusinessNZ disagrees with the proposal to differentiate coal, specifically thermal coal (or non-coking coal), from minerals generally. Specifically, BusinessNZ opposes excluding coal from minerals able to be mined under the proposed consent pathway and therefore supports Option 1 in Recommendation 32, not to place any controls on minerals able to be mined under the proposed consent pathway in the NES-F.
- 1.11 BusinessNZ considers that the regulations should be about addressing activities' effects, not about the activities themselves. This means it is not appropriate to use the natural wetland regulations to try and achieve a reduction in fossil fuel (e.g. coal) consumption. Other policies already in place, including the Emissions Trading Scheme (ETS), focus on greenhouse gas emissions and, as BusinessNZ has commented in recent submissions, it is the ETS that should be the primary means of encouraging emissions' reductions, at least cost.²

² See for example, BusinessNZ Submission to the Environment Select Committee on the Natural and Built Environments Bill (August 2021):

"Provided emissions are adequately covered by the ETS, authorities should be agnostic as to which specific projects should be supported. Therefore, when it comes to meeting domestic and international obligations to reach net zero carbon emissions by 2050, we consider the focus should be on:

- 1. Net emissions and not gross emissions*
- 2. The ETS as the sole tool except where it can be clearly demonstrated that further interventions will have net benefits*
- 3. Any supporting policies as outcome-focused and technology agnostic*
- 4. Avoiding bans and interventions as typically these increase cost for no gain, given the ETS cap*
- 5. The importance of lowest cost abatement as cost matters to the wellbeing and livelihood of New Zealand families and businesses."*

- 1.12 It should also be noted that coal's contribution to emissions occurs when it is consumed, not mined, and if the coal destined for combustion is not produced locally, then it will be imported and still burned here.

RECOMMENDATIONS

BusinessNZ **supports**:

Option 1 in Recommendation 16, "Include the definition for quarry and quarrying activities as set out in the National Planning Standards 2019 which also includes ancillary activities associated with Quarrying."

Option 2 in Recommendation 31, "Apply the Crown Minerals Act 1991 definition for both 'mining' and 'mining operations' in the NPS-FM and NES-F."

Option 1 in Recommendation 32, "Do not place any controls on minerals able to be mined under the proposed consent pathway in the NES-F"

Appendix One - Background information on BusinessNZ



The BusinessNZ Network is New Zealand's largest business organisation, representing:

- Business groups [EMA](#), [Business Central](#), [Canterbury Employers' Chamber of Commerce](#), and [Business South](#)
- [BusinessNZ](#) policy and advocacy services
- [Major Companies Group](#) of New Zealand's largest businesses
- [Gold Group](#) of medium-sized businesses
- [Affiliated Industries Group](#) of national industry associations
- [ExportNZ](#) representing New Zealand exporting enterprises
- [ManufacturingNZ](#) representing New Zealand manufacturing enterprises
- [Sustainable Business Council](#) of enterprises leading sustainable business practice
- [BusinessNZ Energy Council](#) of enterprises leading sustainable energy production and use
- [Buy NZ Made](#) representing producers, retailers and consumers of New Zealand-made goods

The BusinessNZ Network is able to tap into the views of over 76,000 employers and businesses, ranging from the smallest to the largest and reflecting the make-up of the New Zealand economy.

The BusinessNZ Network contributes to Government, tripartite working parties and international bodies including the International Labour Organisation ([ILO](#)), the International Organisation of Employers ([IOE](#)) and Business at OECD ([BIAC](#)).

