

Hon David Benson-Pope

Minister for the Environment



17 July 2007

Speech

Investing in our Future – LGNZ conference

Good afternoon everyone.

Thank you for the opportunity to speak to you today – I am always pleased to get home to Dunedin and I trust you have all enjoyed the hospitality of the city – I'm sure you've contributed to the cashflow at the Kathmandu sale!

I want to talk today about the relationship between this government and local government, specifically in my role as Minister for the Environment, Minister for Social Development and Employment, and as a City Councillor for 14 years in this beautiful place.

The environment you have been enjoying, in this venue, in the Octagon with New Zealand's leading Art Gallery, more cafes and restaurants than you would risk visiting at the Viaduct in Auckland, the brick-paved streets, with the period street furniture, enhanced heritage buildings, and the student-proof trees characterise what we are about.

This city now is the result of opportunity seized. We had a gold rush in the 1860's, but Dunedin's current prosperity has been the result of decades of hard work and commitment.

This City met the challenge that faces us all, got on with the job, marketed its advantage, faced off the naysayers, and stamped our footprint on where we are going and established our place in New Zealand now and for the future.

If any of you think that was simple, ask Sir Clifford, his predecessors and the councillors of the day or think of your own council meetings and the debate that ensues over even the most minor issues.

I suspect that dynamic is the reality for all of us here.

But in many ways the wider context has changed.

The achievements I detail happened in a wider context of conflict. The relationship with central government used to be entirely negative. Cooperation and respect were not words anyone in Wellington wanted to spell. My how we have changed.

Many of us remember the visionary reforms of Max Bradford which meant that Dunedin was forced against its will to sell the Waipori Dam. The same people were also telling us we needed to privatise our roads. Things were tense.

Thank goodness it is now different. There is now a sound working relationship between this Labour-led government and local government. This in part is due to the leadership of Helen Clark. It is also due to the principles behind the Local Government Act 2002, with its emphasis on local decision-making and community outcomes, and the devolution of a power of general competency. It's also due to the engagement of your leaders.

And a number of you have described the recent central/local government forum as the best yet.

I am very pleased to see local government and councils have the capacity and have taken the opportunity to lead in areas inside and outside the traditional sphere of local government.

And we have all observed a greater confidence in local government to step up and engage with central government on a range of issues, some of which I will touch on later.

I wasn't surprised when I read John Key's comments to you to see that when it comes to local government reform in Auckland John was unsure last week and didn't know yesterday.

Nor that he hinted at increased public spending at the same time as his party is promising to reduce public spending – a promise he reinforced yesterday morning at a National Party meeting at the Savoy, just prior to his speech to this conference.

And that he extolled the virtues of environmental standards but at the same time doesn't feel the residents of Owaka or dozens of similar towns should be entitled to expect safe drinking water.

But I do need to rebut the fanciful suggestion that central government has imposed over 60 new responsibilities, unwanted and costly on local government.

This is quite dishonest so let's set the record straight.

As my colleague Mark Burton has said on many previous occasions, 28 of the pieces of legislation were specifically requested in whole or in part by the local government sector – a reflection of our close working relationship.

26 of those new responsibilities do not impose any additional costs on local government. A number were in direct response to serious public concerns around issues such as leaky buildings and attacks by dangerous dogs.

And let's face it, the public rightfully expects legislation to ensure first world standards in areas like building inspection, food hygiene and dog control. These costs are recoverable from the actual businesses or individuals who use the services, and are not therefore costs to be covered by general rating through councils.

The issue of affordability of rates is taken seriously by central government too. The extension of the Rates Rebate Scheme is a very significant initiative for many low-income households.

Rates Rebates totalling over 48 million dollars were paid out to 107,653 New Zealand households since the expanded scheme came into effect on 1 July last

year. You will be only two aware of the effect of that spending in your own local economy.

Some recent rates increases have been driven by the need to invest in upgraded or new infrastructure, such as roads, drinking water, wastewater and waste management. In some cases, we are facing the consequences of previous investment opportunities deferred.

It is important to note that central government is playing its part in terms of investment in local communities.

It is a fact that between 1999-2004 central government funding was the fastest growing source of revenue for local councils.

Budget 2007 is no different. The Labour-led government has invested an additional 500 million dollars to electrify commuter rail in Auckland –and lets hope the trains for Auckland continue to be built at Hillside. We have made possible a regional fuel tax – a means for investing more in public transport. We have invested in more schools for growing regions and expanded and improved health services.

But our investment has not just been in roading, in health, in education, we are also facing up to the challenges we all acknowledge in respect of the core values in our environment.

And I'd like to turn to those key issues now.

First of all, challenges around water. As we all know, water is a vital resource for New Zealanders' recreation, economy, environmental values, tourism industry, and health. If we don't preserve it, the impact will be felt on all the things that make New Zealand what it is.

Through the Sustainable Water Programme of Action, central and local government are working in partnership to develop effective and workable

approaches to freshwater management - in particular, issues of allocation and quality.

Access to water is becoming much more competitive at the same time as intensification is challenging our water quality.

But we do require more New Zealand-wide consistency in our approach. It is not good enough to observe examples of best practice alongside the worst.

It is not good enough to have a council striving for greater compliance in one part of the country while in another dairy conversions are taking place without resource consents.

Reports from the Ministry for the Environment and the OECD Report released in April on New Zealand's environment highlight the need for New Zealanders to pull together and look after fresh water better.

In addition to the Programme of Action the government is also investing in the areas of greatest need.

For example, we are providing funds towards several projects important for tackling lake water quality issues around Rotorua. We have invested 4 million dollars towards the Ohau Channel diversion structure to provide short-term remedial works for Lake Rotoiti, and I acknowledge that is just the beginning.

We have also provided 645 thousand dollars for land user initiatives through the Ministry for the Environment's Sustainable Management Fund, and the Ministry of Agriculture and Forestry's Sustainable Farming Fund.

Protecting the water quality of Lake Taupo has also involved central and local government working together in partnership.

Environment Waikato took the innovative step of proposing to cap nitrogen levels in the lake, and central government committed nearly 38 million dollars to the protection of Lake Taupo.

In respect of waste, we all know reducing our waste to landfill by recovering resources from waste streams, and improving our waste management systems is essential to our future.

Local government has made impressive headway with addressing the issue of waste and recycling. This has been achieved by improving community access to recycling and green waste diversion schemes. A number of councils have also developed innovative waste minimisation and management initiatives within their communities.

Timaru District Council has been a leader in the area of recycling and waste minimisation. Auckland and Manukau City councils have also increased their recycling programmes, providing positive examples for other local authorities to follow.

The Government is looking to work closely with local government to complement existing waste management and minimisation processes. This will include working together to:

- implement public space recycling facilities through an investment of 4.5 million dollars over three years
- improve waste management and minimisation planning and reporting
- and ensure best contracts practice for waste services they undertake

Most significantly the government is proposing a new and comprehensive product stewardship framework for dealing with waste streams, which involves all those involved in the life cycle of a waste stream working collaboratively together to divert waste from landfill.

Additionally, the government is committed to introducing a waste levy regime on waste to landfill to invest further in waste minimisation infrastructure.

The government is progressing these policies through the Waste Minimisation (Solids) Bill. The Bill provides an opportunity to develop a long-term framework for waste minimisation in New Zealand. This work is consistent with the 2002 New

Zealand Waste Strategy which set the first steps towards zero waste and a sustainable New Zealand.

The Bill will include the capacity to respond more quickly to waste minimisation and resource recovery issues, and to do so in new ways.

As to air quality, you know the first ever National Environmental Standards for air quality were introduced in 2004.

If we ever needed evidence to show why, we got that last week with the release of the Health and Air Pollution in New Zealand (HAPiNZ) Report, the results of which further demonstrated what we already know about air pollution in our country - it is leading to the premature deaths of far too many New Zealanders.

We are repeatedly seeing the damage air pollution does to human health, society and the economy. These effects are felt throughout the country, from towns such as Timaru to cities such as Auckland.

We have recently seen improvements to air quality in some areas, such as Christchurch, but I would like to emphasise now the importance for all councils to progressively work towards meeting national air quality standards by 2013.

On top of other clean air initiatives, the Government has recently committed \$72 million over the next four years for energy efficiency measures including funding to help New Zealand families live in warm, dry, healthy-homes that have clean and efficient heating.

In the wider context I was somewhat amused recently to read that someone called RMA was responsible for banning the ringing of a church bell in Christchurch – and that a few days later a very helpful council official decreed that the bell could ring again.

This story underlines the fact that the RMA is a very good framework for balancing the interests of the community, but that it is just that, a framework. It is

the plans and decisions that communities make within that framework that are of most critical importance.

The results of the review of the RMA and the resulting 2005 amendments to the Act further empowered local government decision-making.

Council hearings have been strengthened by clarifying powers and requiring decision makers to be accredited. The Environment Court is now required to have regard to the council decision when determining appeals.

The Act provides the framework for sustainable management. Ensuring that the RMA is working effectively is therefore a priority for me.

Initiatives which aim to assist the public and small businesses include the 0800 RMA INFO free phone line, the rma.govt website, an interactive CD-ROM and a range of booklets aimed at facilitating a better understanding of the resource consent process.

The Quality Planning website also provides a comprehensive source of articles and publications for people on a range of planning related issues. There has been a phenomenal increase in use of this site to around 30,000 visits per month.

The Making Good Decisions Programme aims to help people involved in decision making. The quality of individual decisions on resource consents and plans is critical. Good decisions at the outset will also influence the number of cases which end up in the Environment Court.

By accrediting decision makers, we are well on the way to improving performance and helping local decision makers make the best possible decisions for their communities. That programme was only possible with local government support.

But it's not just the issues of the physical environment that I wish to address today. Earlier I spoke of the investments we have already made. The most important I haven't yet covered. The most important of these is of course in our young people.

The positive relationship established between Mayors and Central government in 2002, when the Mayors' Taskforce for Jobs Memorandum of Understanding was signed, included a commitment to the shared goal of getting all 15 – 19 year olds in appropriate activities by the end of this year.

I know you are all 100 percent committed to fulfilling this commitment, as is this Labour-led government.

Already our combined efforts and commitment are starting to show good results and there are some excellent indicators of our success which I want to talk about today.

Most notably, our commitment has shown that the number of young people receiving an Unemployment Benefit has reduced hugely and, for those young people requiring the benefit, it is for a shorter period of time.

As at the end of June, 26 Work and Income centres had zero 18 and 19 year olds receiving an Unemployment Benefit. There were a further 69 Work and Income service centres with fewer than 10 youth receiving this benefit.

In 1999 under a National government the number of 18 and 19 year olds receiving an Unemployment Benefit was 17,600. When I spoke to the Taskforce in Hamilton a few weeks ago I was able to tell them that number was just 1,200.

This is a notable achievement. Is it the work of central government? Of local government? Of Work and Income? Of Youth Transition Services or of teachers and schools?

Well of course it's all of those. It's the result of a coordinated effort by a community that values its young people and is prepared to make the most important investment in their future and the future of New Zealand.

17,600 to 1,200. Well that's sixteen and a half thousand young people who are making a positive contribution to their community and taking home a pay packet.

They are earning respect, they are developing self esteem, they are contributing to New Zealand's economy. And let's hope they are making their contributions to KiwiSaver.

That's sixteen and a half thousand young people who will not know the numbing effects of inter-generational benefit dependency. If we keep doing what we're doing, supporting our youth through different initiatives in the community and supporting them we will break that cycle – and it's about time.

Well, let me tell you some even better news. Just to set the scene for you again, in 1999 there were 17,600 18 and 19 year olds receiving the Unemployment Benefit. The last figures from May showed this number was at 1,200. New figures I am releasing today show this number is at just 990.

Not bad at all. But is there more to do? You bet.

We want to make a big impact in supporting young people to stay at school and to complete their education. International evidence and common sense tell us that the longer students stay engaged in schooling, the better their life outcomes.

For example, students who stay at school until senior secondary years typically go on to experience better health, more stable employment and higher earnings than their peers who leave school early.

We have made a start on supporting students to stay at school by more tightly managing school leaving exemptions.

We are also looking at ways to keep in touch with young people who are leaving school and need help to move into good transitions – especially as we know that students who drop out of school early are unlikely to make a successful transition to further study or employment.

We also need to make sure that while young people are in school, they are being provided with the right experiences that will equip them for the world or work and help them lead fulfilling lives into the future.

I hope to announce in the next few weeks a new initiative that will build on Youth Transition Services which already help school-leavers into work or further training.

And I look forward to continuing that work in partnership with local government in supporting our young people – investing in our future.

Thank you for the opportunity to wrap up your working day by focusing on the positives and looking to the future. I wish you well for your local body elections in a few months time.

Thank you.