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Legislative Statement presented in accordance with SO 272

## **Crown Pastoral Land Reform Bill – Second Reading**

This legislative statement supports the second reading of the Crown Pastoral Land Reform Bill.

### **Objective**

The Crown Pastoral Land Reform Bill (the Bill) amends the Crown Pastoral Land Act 1998 (CPLA) and the Land Act 1948 with the aim of delivering improved outcomes for Crown pastoral land.

The Bill implements the Government's decisions to:

- end the process of tenure review
- set clear outcomes for the Crown pastoral regulatory system.

The Bill sets out how Toitū Te Whenua Land Information New Zealand's (LINZ's) administration of Crown pastoral land will seek to achieve these outcomes by:

- providing direction to LINZ and the Commissioner of Crown Lands (the Commissioner) on how they exercise their roles and responsibilities as lessor and administrator of Crown pastoral land
- explicitly recognising the relationship between the Crown and its Treaty partner and providing for this relationship
- introducing measures to increase transparency, clarify accountability and provide for more public involvement.

### **Background**

The Crown owns approximately 1.2 million hectares of Crown pastoral land, making up five per cent of New Zealand's total land area. This land is primarily in the South Island high country, and most of it is leased by the Crown to farmers for pastoral farming.

The use of this land is regulated under the Land Act 1948 and the Crown Pastoral Land Act 1998. Leaseholders have a right to pasturage (the grazing of stock). However, unless they get the consent of the Commissioner, leaseholders cannot disturb the soil, burn vegetation, or increase their stock numbers beyond set limits. LINZ is responsible for administering the Crown pastoral land regulatory system.

In 2018, LINZ undertook a review of the regulatory system in response to the increasing public concern about the administration of Crown pastoral land and a loss of biodiversity and landscape values on current and former pastoral land over time. The review identified several issues that would be difficult to address solely through operational changes.

## **Key features of the Bill**

In response to the issues identified through the regulatory system review, Cabinet decided to end the tenure review process and make several changes to the relevant legislation to improve the design of the regulatory system.<sup>1</sup>

To give effect to this intent, the Bill will:

- end the tenure review process
- clarify the outcomes of the regulatory system
- clarify how the Commissioner should make decisions on applications for pastoral farming and other activities (including a new schedule classifying activities as permitted, discretionary, or prohibited; and a new statutory process for decision-making)
- better reflect the Crown's obligations under the Treaty of Waitangi
- improve monitoring and enforcement
- clarify accountability and increase transparency and public involvement

The Bill is not intended to make changes to leaseholders' tenure, right to pasturage, quiet enjoyment of their leasehold properties, their rights of renewal, or their responsibilities for good husbandry of the land.

## **Amendments recommended by select committee**

The Environment Select Committee has examined the Crown Pastoral Land Reform Bill and recommends, by majority, that it be passed with amendments. These include changes to:

- more clearly recognise mana whenua interests in Crown pastoral land
- better support the use of farm plans in decision making
- allow the Commissioner to consider financial viability when determining whether an activity is necessary for a leaseholder to exercise their rights and obligations under the lease
- ensure the definition of inherent values reflects the intent that a pastoral farming activity is not an inherent value of the land, but cultural and heritage values (that may be associated with a farming activity) are included in the definition
- allow for pastoral activities in emergency situations to be undertaken without the Commissioner's consent where immediate action is required
- clarify how the Commissioner should consider Government policy in decision-making
- avoid retrospectivity in the transitional arrangements relating to applications for discretionary pastoral activities on Crown pastoral land made before the commencement of the Act

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<sup>1</sup> The public was invited to provide feedback on these changes in 2019, through the release of the public discussion document: [Enduring stewardship of Crown pastoral land](#).

- amend the decision-making process for recreation permits to ensure it provides sufficiently for the ongoing operations of existing businesses using previously-permitted buildings or infrastructure
- clarify the scope of activities in the new schedule classifying activities, and address concerns with how the schedule may be applied in practice
- support increased public access to Crown pastoral land by providing for the consideration of increased public access at the time of lease transfer
- clarify who can issue infringement notices to help ensure the infringements scheme is implemented fairly and appropriately
- provide for a longer commencement period (six months) to ensure that all the necessary secondary legislation (including regulations), operational procedures and systems are in place and allow for meaningful consultation with leaseholders, iwi and stakeholders (with the exception of the repeal of tenure review, which will come into force the day after Royal assent).