



**PSA Submission on the  
Te Tūāpapa ki te Ora  
to the New Zealand Infrastructure  
Commission Te Waihanga**

**June 2021**

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## About the PSA

The New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi (the PSA) is the largest trade union in New Zealand with over 80,000 members. We are a democratic and bicultural organisation representing people working in the Public Service including for departments, Crown agents and other crown entities, and state-owned enterprises; local authorities; tertiary education institutions; and non-governmental organisations working in the health, social services and community sectors.

People join the PSA to negotiate their terms of employment collectively, to have a voice within their workplace and to have an independent public voice on the quality of public and community services and how they're delivered.

We are committed to advancing the Tiriti o Waitangi of partnership, protection and participation through our work. Te Rūnanga o Ngā Toa Āwhina is the Māori arm of the PSA membership. The PSA is affiliated to Te Kauae Kaimahi the New Zealand Council of Trade Unions, Public Services International and UniGlobal.

## This submission

In preparing this submission we publicised the consultation with and sought the views of PSA members working for local authorities and with members of the PSA Eco Network. This is a large and complex consultation document and would require significant resources for civil society organisations to engage fully. This submission is limited to responding to discussion questions 1, 2, 3, 14, 23, 25, 26, 27 and 34.

## Summary of PSA recommendations

We recommend:

- The strategy include a clear statement of what is meant by “infrastructure”.
- The Commission ask Government to more clearly define the national level outcomes it is seeking to achieve through its programme of work and in particular through the strategy.
- The strategy contain a clear articulation of how the strategy fits with and supports Government’s other national level infrastructure-related strategies, its plan on climate and reforms of key systems, including the reform of the resource management system and the review of the future of local government.
- That “partnership” with iwi/Māori is described as both an outcome and decision-making principle and that “participative and inclusive” is included as a decision-making principle.
- Including a high-level outcome of stewardship or kaitiaki, in particular in relation to decarbonisation and a low carbon future, and a decision-making principle of just transition to that future.
- Reworking the proposed “action areas” and “needs” so that they are more clearly framed and clustered.
- A population strategy is developed.
- That internet access is provided for in all public housing and as a procurement requirement for all social housing and in all aged and disability residential care.
- That appropriate institutional arrangements are made for governance of the infrastructure strategy that include relevant central government agencies and local authorities and that partner with Māori.
- That the question of how local and central government can better coordinate themselves to manage, plan and implement infrastructure is referred to the Government’s review of the future of local government.
- That all procurement of infrastructure provision is subject to a public interest test and that the Government Procurement Rules are amended to include social, cultural and environmental requirements. The CTU provides more detailed comment in its submission and we support this.
- We recommend that a public service agency is established to procure and deliver infrastructure projects. It should also plan and coordinate industry training, in cooperation with the relevant Workforce Development Councils, to support the infrastructure delivery necessary to carry

through the Government's various infrastructure strategies, including and with urgency its housing strategy.

## PSA response to the consultation questions

### Q.1 What are your views on the proposed 2050 infrastructure vision for New Zealand?

The proposed vision "Infrastructure lays the foundation for the people, places and businesses of Aotearoa New Zealand to thrive for generations" is very broad and does not for us paint a picture of what this would look like.

PSA members in their feedback to us about the strategy have been clear. They are ambitious for Aotearoa and believe the time is right to set a direction that delivers a more equitable future that meets the needs of both people and the planet. They are not looking for a strategy in which big decisions are kicked for touch but one that actively creates a mode shift to enable a future where everyone can thrive. Public and community services will play a key role in ensuring this transition is just and has equitable outcomes.

**We recommend the strategy include a clear statement of what is meant by "infrastructure".**

The document assumes a definition of infrastructure as built infrastructure and associated services and our submission is on this basis. However, infrastructure is a broad term and is also increasingly widely understood as including, social, cultural, environmental and economic infrastructure and supporting services. The scope of the strategy should be stated.

**We recommend the Commission ask Government to more clearly define the national level outcomes it is seeking to achieve through its programme of work and in particular through the strategy.**

The PSA supports the need for an infrastructure strategy for New Zealand. Having a long-term view of what built infrastructure is needed and how it can be delivered, along with principles and a framework to assist with prioritisation, integration and optimisation of other national strategies will help central and local government align their efforts. However, there are pieces of the puzzle still missing if the strategy is to be effective.

The consultation document provides a “fundamental principle” that infrastructure should “support oranga tangata or the wellbeing of people”, but what this consists of is not described.

The outcomes the strategy is designed to support must be clearly defined. As this clarity has not yet been provided by Government, we recommend the Commission seek further guidance from Government on what overall national level strategic outcomes it is seeking so that the strategy can be more closely focused on the role infrastructure plays in achieving them.

**We recommend the strategy contain a clear articulation of how the strategy fits with and supports Government’s other national level infrastructure-related strategies, its plan on climate and reforms of key systems, including the reform of the resource management system and the review of the future of local government.**

The delivery of infrastructure is strongly affected by the regulation of resources through the resource management system and by the planning and performance of local authorities. In the absence of a set of clearly articulated national strategic outcomes, it would make sense in terms of sequencing for the national infrastructure strategy to be developed once it is clear what the ongoing shape of the resource management system will be, what the Government plans in relation to climate and how the role of local government will change.

Each of these matters are currently in flux: The Government has signaled fundamental reform of both the Resource Management Act and local government; it is making other change to regulation of key infrastructure such as housing; and it has only recently received advice from the Climate Commission on reducing emissions and will not formally release its plan in relation to this until later in the year.

We do not suggest that a start should not be made on an overarching infrastructure strategy, however this may mean that the strategy will need to be predominately high-level so that it is flexible enough to respond to the changes resulting from each of the current strands of reform and there should be regular and transparent review mechanisms as those reforms carry through.

In our view, a significant part of the strategy’s usefulness will be that it will provide the framework under which the other existing and evolving national level infrastructure strategies sit; for example the energy strategies, waste, transport and housing strategies and emerging digital strategies; and local authority infrastructure strategies. A clear articulation of this framework and where each of these strategies fit would be useful and support their ongoing development and performance.

It will also provide useful guidance to Treasury in its role of stewarding long term economic approaches that complement the strategy and enable achievement of Government's overall national strategic outcomes. We are aware that elements of the Public Finance Act are or soon will be under review. This is timely as the Act, and in particular the Principles of Responsible Fiscal Management in s26G have a significant determinate effect on how Government plans for infrastructure in both the short and longer term. In our view, successive government's implementation of the Principles have contributed to a shorter term approach than is desirable and that has left the country with a significant infrastructure liability. The CTU in its submission makes comment on some of the economic policy and public finance measures needed and we support this.

## Q2. What are your views on the decision-making outcomes and principles we've chosen? Are there others that should be included?

In our view the outcomes proposed in the consultation document do not adequately capture the outcomes sought from the strategy. Perhaps this is a product of the broad nature of the proposed vision for infrastructure.

**We recommend that "partnership" with iwi/Māori is described as both an outcome and decision-making principle and that "participative and inclusive" is included as a decision-making principle.**

The document states that "all decision making about infrastructure must be guided by Te Tiriti o Waitangi and its principles, but specifically the obligation to partner with Māori". Yet, the outcomes and principles that the document states will achieve this do not include elements of the principles of partnership or participation. Reading the proposed outcomes and decision-making principles on their own gives no hint of an intention to give effect to the Crown's Te Tiriti obligations. There is more work for the Commission to do on the outcomes and principles to ensure they express this.

The document presents useful questions in relation to partnership and participation of Māori (questions 15, 16 and 17) but this is of little value if not embedded in the outcomes and principles.

Partnership with iwi/Maori can be both an outcome achieved through the strategy and a principle of decision-making. Participation of iwi/Maori helps give effect to this. Participation can and should also include participation in decision making by wider groups including by community and by the workers delivering infrastructure: decision-making should be both participative and inclusive. It is difficult to see how outcomes can be equitable without this.

**We recommend including a high-level outcome of stewardship or kaitiaki, in particular in relation to decarbonisation and a low carbon future, and a decision-making principle of just transition to that future.**

The document describes well the need for infrastructure to be resilient in the face of climate change, however the strategy must also be part of actively supporting Aotearoa to decarbonise. The transition to a low carbon future will impact disproportionately on different industries, communities and individuals. Including a decision-making principle of just transition is fundamental to supporting equitable outcomes.

### **Q3 Are there any other infrastructure areas, challenges or opportunities that we should consider?**

**We recommend reworking the proposed “action areas” and “needs” so that they are more clearly framed and clustered.**

The logic of the labelling of each of the proposed “action areas” and the clustering of the identified “needs” under each of these headings is unclear to us. The action areas might be more understandable if they are more “labelled by what is in the tin”. For example:

- *“Building a Better Future”* appears to cluster needs around response and resilience to change and adverse events.
- *“Enabling Competitive Cities and Regions”*: It is not clear why “competitive” has been chosen to describe this action area, which does not appear to concern elements of competition. In our view competition is not necessary to address the needs described and “thriving” might be a more useful term here. The needs in this action area cluster around creating better connections and integration and something along these lines might be appropriate.
- *“Creating a Better System”*: This label is perhaps the clearest – with many of the needs identified including elements of the infrastructure system. However some read more as a mix of to do list at different levels and also outcomes sought, for example; “Integrate infrastructure institutions”, compared with “Reduce costs and improve consenting”.

It is also not clear why “Partner with Maori” is part of the Building a Better Future area but not of the other areas. In our view partnership and participation with iwi/Māori is a key design principle and also, as we have recommended, a desired outcome of the strategy.

On the proposed priorities:

- We agree that institutional and governance reform is necessary. Many of the elements of this are underway. It will be essential that local and central government better integrate their work on infrastructure and that strong Māori and community participation in decision making are both part of the process and outcomes of this.
- We agree that sorting out how infrastructure is funded is a priority but we do not think that “getting the price right” is a useful summative label for this work. The CTU in its submissions makes recommendations in relation to accounting for infrastructure and in particular for the cost of unmet need and liability due to failing to invest in infrastructure, and we support this.
- *Supporting housing supply* does not include reference to the housing strategy that is currently under development, led by Kainga Ora, or to the State or local government as key housing providers.
- *Supporting a zero-carbon economy and preparing for climate change* needs to include reference to the need for a just transition for industries, communities and individuals affected.
- On *A digital future*, this priority appears less fully worked through than the others. We agree that updating the national digital strategy is a necessary first step to determining what digital infrastructure is needed into the future. Moves towards better data collection must also be accompanied as a priority by better data regulation, including clearer digital rights for citizens.

#### Q.14 Does New Zealand need a Population Strategy that sets out a preferred population growth path, to reduce demand uncertainty and improve infrastructure planning?

**We recommend a population strategy is developed.**

The PSA supports the development of a population strategy to support the development of policy, strategy and delivery to achieve the national level strategic outcomes sought by Government. Having such a strategy would assist with developing the infrastructure strategy and help improve infrastructure planning.



## Q 23. What infrastructure actions are required to achieve universal access to digital services?

**We recommend internet access is provided for in all public housing and as a procurement requirement for all social housing and in all aged and disability residential care.**

PSA supports public provision of universal access to the internet. Infrastructure can help by including at the appropriate level of planning provision and procurement rules for internet access in all public housing and as a requirement for all social housing and in all aged and disability residential care.

## Q 25. Does New Zealand have the right institutional settings for the provision of infrastructure?

**We recommend that appropriate institutional arrangements are made for governance of the infrastructure strategy that include relevant central government agencies and local authorities and that partner with Māori.**

PSA agrees that there is a need for a step change in how we plan, design, fund and deliver infrastructure. Not just greater coordination and collaboration, but true integration is needed. Existing governance and institutional arrangements do not provide for this and must be changed. Infrastructure is by its nature place-based and so ongoing governance arrangements should include a local dimension and opportunities for participation by local communities and iwi in their rohe.

A useful early step could include the infrastructure focussed agencies collaborating more closely and formally on strategy and planning through an interagency board or other appropriate vehicle provided for by the Public Service Act 2020.

## Q.26. How can local and central government better coordinate themselves to manage, plan and implement infrastructure

**We recommend that this question is referred to the Government's review of the future of local government.**

This question is as vital as it is large and complex. We are hopeful that this will be actively considered as part of the Government's review of the future of local government.

