

BRF 25-373 Review of Crown land legislation: scope and engagement approach

Ki / To:	Hon Chris Penk Minister for Land Information	Rā / Date:	15 July 2025
Priority Level	Priority: High	Action required by	21 July 2025

Purpose

To provide the scope and timeframes of the review of the Crown Pastoral Land Act 1998 and Land Act 1948, including LINZ's approach to targeted engagement.

Toitū Te Whenua Land Information New Zealand Whakapā/contacts

Ingoa/Name	Nama waea/ Contact number	Whakapā tuatahi/first contact
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Ngā kōrero a te Minita/Minister's comments

Excellent. Please see minor amendments on pp. 9 + 10
then good to go!

also to consultation with Pākehā leaders? (P.M.O, NZF, ACT)

Key messages

1. In May 2025, you consulted with your Ministerial colleagues on a draft Cabinet paper, *Unlocking economic growth through efficient use of Crown land*, that sought agreement to the scope of a targeted review of the Crown Pastoral Land Act 1998 (CPLA) and the Land Act 1948.
2. **Attachment 1** sets out the review scope and timeframes reflecting your discussions with officials. The scope includes:
 - a. Enabling the best use of the Crown pastoral estate, including:
 - i. Secondary use of Crown pastoral land (in addition to the land's primary use i.e. pastoral farming).
 - ii. Additional options to further enable land use flexibility¹, including different forms of landholding where enabling secondary use on Crown pastoral land alone is insufficient to realise economic opportunities.
 - b. Reviewing the framework for permitted and discretionary pastoral activities under the CPLA.
 - c. Considering revenue and cost-recovery mechanisms.
 - d. Updating the Land Act to support efficient, modern land management.
3. The scope means that:
 - a. the review progresses the Government's objectives of enabling appropriate afforestation (through enabling secondary land use on Crown pastoral land);
 - b. through the review, or the resource management reform programme, any overlap or duplication is reduced; and
 - c. the review aligns with Government priorities and other key programmes of work.
4. Issues that are out of scope include reviewing the pastoral rent-setting methodology, and reinstating tenure review in its form prior to the enactment of the Crown Pastoral Land Reform Act 2022.
5. In addition, the review of the CPLA's Treaty clauses is being considered in a separate process led by the Minister of Justice.
6. This approach will achieve outcomes quickly by improving administrative efficiency, reducing compliance costs, and ensuring the Crown can recover costs and receive a fair return.

¹ For example, one option may be to enable the Commissioner (with the lessee's agreement) to be able to remove specific areas of land from a Crown Pastoral lease for other uses.

7. LINZ is engaging with iwi, leaseholders, the High Country Accord, sector experts, and key agencies to ensure input into the proposals. Formal public consultation will occur during the Select Committee stage.
8. Following completion of the policy work and targeted engagement, LINZ will prepare a Cabinet paper for you to consider. The paper will seek approval to instruct Parliamentary Counsel Office to draft a Bill, with introduction and enactment planned for 2026.

Tohutohu/Recommendations

Toitū Te Whenua Land Information New Zealand Recommends that you:			
1.	Me mātai/Note	this briefing provides information on the scope and timeframes of the review of the Crown Pastoral Land Act 1998 and Land Act 1948, including LINZ's approach to targeted engagement	Noted
2.	Me tuku-whakamua/Forward	this briefing to the following Ministers in relation to the stated portfolios: <ul style="list-style-type: none"> • Hon Chris Bishop (RMA Reform) • Hon Paul Goldsmith (Justice) • Hon Todd McClay (Agriculture, Forestry) • Hon Tama Potaka (Conservation, Māori Crown Relations, Māori Development) • Hon Simon Watts (Climate Change, Energy, Local Government) • Hon Penny Simmonds (Environment) • Hon Nicola Grigg (Associate Agriculture) • Hon James Meager (Hunting and Fishing, South Island) 	Agree/ Disagree



Hannah O'Donnell
 Leader - Strategy and Policy
Toitū Te Whenua
Land Information New Zealand

Rā/Date: 15 July 2025



Hon Chris Penk
Te Minita mō Toitū Te Whenua
Minister for Land Information

Rā/Date:

17 JUL 2025

Tāpiritanga/Attachments

Document number	Name of attachment
1.	Background on LINZ-administered Crown land and legislation in scope of the review

Proactive release

Te Horopaki/Background

This briefing contains information for you to forward to your Ministerial colleagues

9. You have agreed that Land Information New Zealand (LINZ) commence a review of the Crown Pastoral Land Act 1998 (CPLA) and the Land Act 1948 (Land Act) to make the best use of Crown land. The scope of the review ensures it delivers benefits quickly [BRF 25-269 and BRF 25-316 refers].
10. In May 2025, you consulted with your Ministerial colleagues on a draft Cabinet paper, *Unlocking economic growth through efficient use of Crown land*, that sought agreement to the scope of a targeted review of the CPLA and the Land Act.
11. **Attachment 1** provides a summary of the purpose, scope, stakeholder engagement and timeframe for the review. The summary could be useful for other Ministers with an interest in the review's direction and implications.

Ngā tirohanga me ngā kōwhiringa o Toitū Te Whenua/Toitū Te Whenua LINZ views and options

Changes have been made in response to departmental and Ministerial consultation

12. Overall, feedback sought greater clarity on specific aspects of the scope and approach. In response to comments received from departments and Ministers, the review's parameters have been refined including:
 - a. Ensuring alignment with the RMA reform, climate policy, and Māori economic development.
 - b. Adding transparency as a fourth assessment criterion in response to feedback emphasising the importance of openness and accountability alongside efficiency, effectiveness, and flexibility.
13. The review of the CPLA's Treaty clauses is being considered in a separate process led by the Minister of Justice.

LINZ has commenced targeted engagement to inform the review

14. To support the development of credible, workable, and durable policy proposals, LINZ has started a programme of early, targeted engagement.
15. Engagement with key stakeholders and partners is underway to:
 - a. test the clarity, feasibility, and acceptability of early policy options;
 - b. ensure iwi and Māori perspectives are reflected early in the process, with particular regard to economic development aspirations, Treaty settlement implications, and cultural values;

- c. identify potential implementation challenges and regulatory risks; and
 - d. strengthen the legitimacy and durability of resulting reforms by demonstrating a transparent and inclusive policy development process.
16. Engagement prioritises relationships with those most directly affected by the legislation and those with key interests in the Crown land portfolio, including pastoral leaseholders, iwi partners and relevant government and non-government entities, i.e.:
 - a. Crown pastoral leaseholders and their representatives, particularly the High Country Accord Trust. They have direct experience navigating the CPLA framework and have identified areas for improvement.
 - b. The LINZ High Country Advisory Group, an advisory group that includes members with varied expertise in cultural matters, pastoral farming, and high country environmental issues. The group provides insights and advice to the LINZ Chief Executive and the Commissioner of Crown Lands.
 - c. Iwi with interests in Crown land, particularly Te Rūnanga o Ngāi Tahu and the Te Taihū iwi collective. LINZ will also engage with iwi on a case-by-case basis where existing Treaty settlement obligations or live negotiations involve Crown land.
 - d. Relevant government agencies that bring subject matter expertise in land use planning, environmental management, climate policy, Treaty settlements, Māori development, and regulatory practice.
17. Crown land is significant to iwi and hapū, particularly in relation to existing Treaty settlements, outstanding claims, and overlapping interests such as freshwater, forests, and afforestation. While changes to settlement commitments are out of scope of the review, the review may intersect with live negotiations and Crown assertions of land ownership (for example, riverbeds). An active and early engagement strategy and clear communication with iwi is important.
18. Engagement is occurring through bilateral meetings, written feedback processes, and targeted workshops. LINZ will provide regular updates to your office on engagement progress, and any issues requiring Ministerial direction.
19. There is likely to be a high level of interest in the review given the complex nature of Crown land, and the diversity of stakeholder interests.

Delivery timeframes

20. The review is expected to conclude in July 2026. Table 1 outlines the indicative key actions and milestones over this period.

Table 1: Indicative timeframes

Action	Timeframe
Targeted engagement with government agencies, iwi, leaseholder representatives, and sector stakeholders	July – August 2025
Refine and test policy proposals based on engagement feedback	August-September 2025
Submit final policy proposals for Ministerial consideration	October 2025
Cabinet approval to draft legislation	November 2025
Drafting of legislation	November 2025 – February 2026
Cabinet approval to introduce legislation	By March 2026
Select Committee process	March-June 2026

Ngā Tāwhaitanga/Next Steps

21. Following your consideration, we suggest you forward this briefing to your Ministerial colleagues to inform them of the review, its connection to Government priorities, and key milestones for targeted engagement, and Cabinet decisions.

Attachment 1: Background on LINZ-administered Crown land and legislation in scope of the review

1. The review of the Crown Pastoral Land Act 1998 (CPLA) and the Land Act 1948 (Land Act) is to enable the best use of Crown land.

The CPLA and Land Act govern the management of approximately 1.5 million hectares of Crown land

2. LINZ administers approximately 1.5 million hectares of Crown land under the CPLA and Land Act:²
 - a. 1.2 million hectares, mostly in the South Island High Country, is leased for low-intensity pastoral farming. The Crown retains ownership of this land to maintain or enhance its inherent values³ while enabling productive use.
 - b. 330,000 hectares is managed under the Land Act. This land mainly comprises the beds of lakes and rivers, as well as other land and property types such as irrigation and drainage infrastructure, erosion control reserves, farmland, Crown forests, and sites formerly held for public works. Some of this land is also held in the Treaty settlement landbank for future settlements.

Current legislation limits flexible and efficient use of Crown land

3. The CPLA and Land Act provide the legal framework for the Crown to own, use, and manage land that is outside the conservation estate or not being used for public works.
4. At the time the Land Act was drafted in 1948, the Crown estate was significantly larger than today. Most of the land had high commercial value, including land for farming and settlement. The focus at the time was on developing, leasing, or selling Crown land.
5. While functional, both Acts are misaligned with modern land management needs, and new tools are needed to enable the leasing, transfer within the Crown, and sale of Crown land in a modern context.
6. For example, for Crown pastoral leaseholders, current legislation prevents land uses allowed beyond pastoral farming and commercial recreational activities. This restriction makes it difficult to innovate or diversify income streams, even where new uses benefit the environment or improve financial return for the Crown or leaseholder.
7. For Crown land held under the Land Act, some outdated provisions limit the ability to address contemporary land management issues and contribute to costs on the Crown through outdated administrative processes.

² The Commissioner of Crown Lands, a statutory officer within LINZ, is responsible for managing this land on behalf of the Crown.

³ Inherent values are the special, natural, cultural, or historical features of Crown pastoral land that make it important, apart from its use for farming.

8. As a result, the current legislative settings do not consistently support efficient land use, value optimisation, or alignment with the Crown's broader strategic goals.

Review purpose

9. The review is intended to improve the efficiency, flexibility, transparency and financial sustainability of Crown land management. It will ensure that Crown land management is fit for purpose, supports innovation and productivity, and enables more strategic and flexible land use where appropriate.
10. The desired outcomes are:
- a. A modernised legislative framework that supports timely, cost-effective and evidence-based land management decisions.
 - b. Reduced compliance burden and greater certainty for Crown pastoral leaseholders.
 - c. Efficient systems for enabling and regulating secondary land uses on Crown pastoral land.
 - d. Stronger alignment between Crown land management practices and wider government priorities.
 - e. Improved ability for the Crown to recover costs and receive a fair return on public land assets.

Scope

11. The scope of the review will focus on areas of greatest potential impact and operational need:

a. Enabling the best use of the Crown pastoral estate, including:

- i. Allowing for secondary uses of Crown pastoral land.** This includes exploring options to allow non-pastoral land uses such as afforestation, horticulture, beekeeping, gravel extraction and renewable energy generation on Crown pastoral land in a manner that complements the pastoral farming operation. The intent is to allow pastoral leaseholders and third parties to unlock new income streams on land, while ensuring compatibility with the purpose and outcomes of the CPLA, lease terms and the Crown's land ownership and environmental responsibilities.

- ii. Additional options to further enable land use flexibility.** While enabling secondary uses of Crown land can support stronger economic returns, this alone may not always be sufficient to fully realise the value or potential of some land parcels.

Although a reinstatement of tenure reviews (in its form prior to the enactment of the Crown Pastoral Land Reform Act 2022) is out of scope,

(NATIVE
AND/OR
EXOTIC)

work will be undertaken on options to explore different forms of landholding, amendments to lease conditions, lease type, and land classification to enable activities that is not complementary to pastoral farming (such as infrastructure), and increase land-use flexibility.⁴ One option may be to enable the Commissioner (with the lessee's agreement) to be able to remove specific areas of land from a Crown Pastoral lease for other uses.

Considerations on costs to the Crown to enable the reclassification or transfer of Crown pastoral land, and maintaining the economic viability of Crown pastoral leases at an individual and estate level, will also need to be worked through.

b. Provisions for permitted and discretionary pastoral activities under the CPLA

Reviewing the provisions for what pastoral activity classifications are permitted or require the Crown's consent and associated consent criteria in the CPLA. It will explore both legislative and non-legislative options to improve clarity and streamline processes.⁵

c. Revenue structures for Crown land

Evaluating mechanisms to ensure the Crown receives an appropriate return from Crown land. It will evaluate pricing models for Crown land use (excluding rental for pastoral use), and consider the design of revenue mechanisms for secondary uses. It will also propose tools to recover land management costs, including through application fees, other fee-setting or contribution frameworks for land users. Alignment between LINZ and Department of Conservation charging arrangements have been identified as important to stakeholders.

d. Updating the Land Act to improve land management in the modern context

Identifying amendments to the Land Act to improve administrative efficiency and address contemporary issues with managing Crown land which the Act, due to its age, does not support (for example, removing abandoned vehicles). These may include options to strengthen the Commissioner's statutory powers, modernise enforcement provisions, simplifying alienation and permitting processes, and revise cost recovery settings to reflect contemporary land management needs.

⁴ In Australia and Canada, these options are typically used when the secondary activity is likely to become a dominant activity on a pastoral lease, or it conflicts significantly with the pastoral purposes of the lease. In most Australian states, for example, major renewable energy activities on pastoral land would result either a change to either all or a part of the lease, or the land classification, to a form better suited for said activity.

⁵ Due to changes to the statutory criteria for assessing consent applications in 2022, LINZ has limited case data to evaluate the current provisions' efficiency.

12. The following matters are out of scope:
- a. Reinstatement of the tenure review process in its form prior to the enactment of the Crown Pastoral Land Reform Act 2022.
 - b. Reforms to the methodology for setting pastoral lease rents.
13. In addition, the review of the CPLA's Treaty clauses is being considered in a separate process led by the Minister of Justice.

Connections to government priorities

14. The review contributes directly to several government priorities and initiatives:
- a. It supports the Government's **Getting Back to Farming** commitment by reducing regulatory burden and improving certainty for pastoral leaseholders.
 - b. It aligns with the **Going for Growth** policy agenda by removing barriers to productive use of public land and unlocking opportunities for innovation.
 - c. s 9(2)(f)(iv) [REDACTED]
 - d. It reflects the objectives of the **Modernising Conservation Land Management** and the **Tōnui Māori / Going for Growth with Māori** initiatives by seeking to improve land asset utilisation and productivity.
15. In addition, as part of the **Resource Management Reforms**, the Ministry for the Environment is considering how adverse effects are managed under other regimes as it develops consent processes. LINZ will continue to engage with the Reforms to ensure best outcomes, particularly reduced duplication or overlap, for Crown pastoral land.

Assessment criteria

16. To guide the development and assessment of policy options, four core criteria will be used throughout the review:
- a. Efficiency – The extent to which the regulatory and administrative framework enables land to be managed and used with minimal unnecessary cost or delay. This includes streamlining consent processes, removing duplication, and reducing compliance burden for leaseholders and for LINZ.
 - b. Effectiveness – The extent to which legislative settings support the intended outcomes of Crown land management, including environmental stewardship, economic return, and alignment with broader government objectives. Proposals

will be assessed for their ability to achieve these goals in a consistent and reliable way.

- c. Flexibility – The ability of the system to accommodate new uses, evolving technologies, and changing circumstances over time without requiring legislative amendment or imposing disproportionate constraints.
- d. Transparency – The clarity, predictability and accountability of decision-making processes. This criterion reflects feedback from agencies that regulatory decisions, particularly those that balance economic and environmental considerations, must be open to scrutiny and understandable to applicants and the public.

Targeted engagement to inform the review

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