

Speech Notes

David Seymour, ACT Leader



Address to ACT Annual Conference 2016:

Welcome friends, fellow ACT members, and supporters.

We meet today on the boundary of the Epsom Electorate.

I enjoy representing my community immensely. People on the street tell me I am doing a good job.

I am committed to the electorate but I know the best thing I can do for Epsom is grow ACT. In next year's election, what sort of government New Zealand gets will depend on how well ACT does.

We know that MMP always delivers coalition governments. New Zealand has elected seven parliaments under MMP, and Germany has elected 18 Bundestags under the same system.

The record is 100 per cent coalition governments, so what sort of coalition will New Zealand have at the end of 2017?

Don't be fooled by the polls, which make the Government look comfortable. It has a majority of only two seats, dependent on four different parties. If it is a coalition of Labour, the Greens, and Winston Peters, we are in real trouble.

But would a National-led coalition be any better without ACT? Let's look at the options.

Coalition Options

Peter Dunne won Ohariu by only 710 votes and his party is all but non-existent, unless he can reinvent his party as cannabis law reformers, he'll be good for one vote at best.

The Maori Party are doing well in the polls, but as we've seen from last year's lacklustre attempt at RMA reform, a National-led government dependent upon them will be a caretaker government, even by National's standards.

Winston Peters shows us how well Donald Trump could do with better hair. Helen Clark and Jim Bolger both discovered what one wag said long ago. Getting into bed with Winston is like getting into bed with a Gorilla. You don't stop when you're tired.

He destroyed both the Clark and Bolger governments and John Key and Bill English have better things to do than stick around for such treatment. It would be a disaster

government of second tier ministers dependent on the whims of one man who is ultimately rather odd.

Then there's the Greens. Senior National Ministers are seriously considering it. National is a broad church and a few of them could sink without trace in a Green cabinet. Needless to say it would be a stagnant government at best.

That leaves ACT. We are rebuilding our party to put the right back in centre right.

New Zealand deserves better than a timid National government restrained by weak coalition partners and its own inertia.

National Stagnation

I can never understand why the left hate John Key so much. After eight years he still hasn't done anything that a Labour cabinet couldn't have signed off. Even the flag change is Labour Party policy. Their real irritation is that he has more fun doing it.

But what of the long term issues facing New Zealand? On every major issue, National is doing what the Holyoake, Muldoon, and Bolger Governments did before them. Waiting.

The RMA is a 900 page handbrake on economic growth and housing supply. The housing shortage is the second greatest cause of poverty behind children having children. It needs reform, not tinkering, but tinkering is exactly what Nick Smith has negotiated with the Maori Party.

The staple of a centre-right government should be tax relief. By the next election National will have gone eight years with nothing to say about it.

We have one of the highest tax rates on capital in the developed world. ACT advocates progressively cutting the business tax rate to match the Maori Authority rate of 17.5 per cent. Our alternative budgets have shown how it could be done by cutting corporate welfare but Steven Joyce is too busy handing it out to companies that laugh all the way to the bank.

The average family, not a high income family, has paid an additional \$1,500 dollars in tax over the last five years thanks to tax bracket creep. The ACT Party says tax brackets should be inflation indexed, but even that seems too hard for the current government.

All politicians privately agree that New Zealand should follow the rest of the OECD by signalling a higher age of entitlement for Superannuation as life expectancies increase, but both major parties have their heads in the sand.

All politicians say that we must do something about the long tail of educational underachievement, but ACT *is* doing something about it. ACT's Partnership Schools

are reporting up to 100 per cent pass rates for kids disillusioned with their previous schools.

Legalised Assisted Dying is democratically, legally, and ethically the right thing to do, but no other party has the guts to even put a bill in the ballot. I hope my bill is drawn this year so we can confront the issue with compassion.

In its whole history National has had three MPs demonstrably committed to improving New Zealand. Is it any wonder that Derek Quigley, Ruth Richardson, and Don Brash all ended up in ACT? Their former colleagues are simply proud to administer whatever policies the last Labour Government bequeathed.

ACT is the only reforming party left in parliament. Our touchstone is better public policy for all New Zealanders.

We've named the things National *aren't* doing. But what they *are* doing is worse.

They campaigned against a capital gains tax but have accidentally introduced one.

Their so called Bright-line test will grow. Opposition parties are already promising to extend the two year test. I predict it will become five, then ten, until everybody pays capital gains tax on residential property. It will be no more effective at reducing home prices than in Sydney, Vancouver, LA or London, but we'll have double taxation.

We've just seen Steven Joyce give Buller \$300,000 of taxpayer money to create 20 jobs. What possible funding demands can a National Government now refuse?

Last year the Government legislated a ten point code of conduct for emailing and texting each other called the Harmful Digital Communications Bill. I wish I was making this up.

Earthquake regulations for Auckland will cost hundreds of millions, even though most Aucklanders have never felt an Earthquake.

Home insulation policies turn out to be ten times less beneficial than promised because government departments can't do maths, but it made good PR.

Marine Protection Areas are great PR too, but without adjusting the Total Allowable Catch they leave the same number of fish, just taken from different places. Let me be the first to tell Nick Smith, fish can swim.

All of this bad policy making matters. The hardest thing about being a local MP is when people come in with chronic and terminal conditions that could be cured by new drugs, but the drugs aren't funded. I had two such cases this week.

The instinctive temptation is to tell them I will campaign for their particular drug to be funded, as the Government did for Herceptin, and didn't do for Keytruda. But that would be wrong. The Pharmac system makes the most of limited funds.

The reality is that we compare ourselves to Australia, Britain, America and Canada, but our productivity is a third lower than theirs. We just can't afford it, and that's why we can't afford fiddling, poor quality policy, we need a relentless effort to improve our policy settings and increase productivity.

My fellow ACT Members, have no doubt about these things:

We live in an MMP environment.

Every coalition arrangement that doesn't involve ACT is a stagnation option at best.

If this country is going to take better public policy seriously, then ACT must hold the balance of power at the next election.

Today, I want to talk about a specific area where ACT's been undersold, and that some may see as a barrier to voting ACT. The environment and environmental policy generally. I will outline the way environmental issues are best addressed, and close with one major specific policy.

Perhaps it is a symptom of my generation that I grew up terrified about the environment.

I should probably blame the 1990s cartoon, Captain Planet. In every episode five children fought a different capitalist eco-terrorist, eventually defeating them by summoning Captain Planet with their special moon rings.

My first political speech was to Assembly at Maunu Primary School in 1989, urging the school to get a Comalco aluminium recycling centre. The purpose was to recycle aluminium and raise funds to save the Kakapo. Maunu Primary got a recycling centre so I decided to stay in politics.

I was a member of the Kiwi Conservation Club, even tried to join Greenpeace. I nearly studied environmental engineering instead of electrical because I wanted to save resources instead of using them up.

But slowly I became disillusioned with the leaders of the environmental movement. Partly due to their hypocrisy.

A student once told me he voted Green because he saw Nandor Tanczos catching a train in the middle of the night, when nobody was watching. How things have changed.

When I flew up to Waitangi this month there was a Green MP on the plane up and another one on the plane back down. Do they not know that there are buses from Auckland to the Bay of Islands?

Julie-Anne Genter likes to tell everybody she lives on Mt Eden road so she can catch a bus to the airport. Really Julie-Anne? What do you catch when you get there?

You might think I'm just picking anecdotes but here's the thing. Last quarter Green MPs spent more on air travel than New Zealand First MPs. More than National MPs, and even a smidgen more than Labour MPs. All but three Labour MPs have electorates to get back to. Where do the Greens go?

They talk about buses and trains but they spent less on surface travel than any other party's MPs.

Co-leader James Shaw likes to tell people he used to help businesses reduce their air travel. The Green Party must be his hardest client.

This is the party that flew three MPs to Paris to talk about climate change. I could go on.

But it's not just that the environmental movement is hypocritical, it's that their policies aren't very good either.

Free Markets And The Environment

It's interesting to look around the world at how countries are doing environmentally. That's what the Environmental Performance Index at Yale measures.

My friends at the Fraser Institute in Canada like to measure whether countries adopt free market policies. The interesting thing is this. Countries with free markets make better environmental custodians.

The Four Ps Of Environmentalism

Of course, we all know causation doesn't equal correlation, but let me speculate why it might be that free markets are better for the environment. I call it the four P's: Pricing, Property Rights, Prosperity, and Private Initiative.

Prices

Let's start with pricing.

Green MP Gareth Hughes proposed a bill requiring the Electricity Authority to set the price at which electricity retailers buy back solar power.

There are two ways to get a price wrong, too low or too high. If he gets it too high, retailers will leave the business. If he gets it too low, installing solar panels will be less worthwhile.

Only the Green Party could introduce a policy to promote solar that would have discouraged solar because they don't understand how prices work, but I digress.

Most environmental problems are caused by prices not reflecting all the costs of an activity, particularly the costs to the environment.

If industry can pump pollutants into the atmosphere, into our rivers and lakes, or land, at zero cost, environmental degradation is inevitable.

It's what economists call an externality.

The environmental costs are not internalised, that is to say, brought in within the ambit of the price system.

The environmental costs are ignored. No weight is given to them in the decision-making of producers, and thus also consumers.

For an example, the government paid substantial subsidies to farmers through the 1970s.

The subsidies distorted price signals, causing farms to extend too far into steep hill country, causing devastating erosion. You can still see this when you fly over parts of New Zealand.

That great environmentalist, Sir Roger Douglas, stopped those subsidies.

Today we have the same issues with road use – with who pays and how. We collect petrol taxes, which are a good approximation of use, but these do nothing for time of use.

It's nuts. It's like saying that if you buy jet fuel you can get on any plane, any time of day, any time of year. Of course airlines don't price like that, they vary fares to manage demand. If they didn't there would be chaos and congestion half the time and empty airports the rest of the time. That's exactly what happens on our roads.

Major cities around the world, Stockholm for example, have moved to peak load pricing to internalise some of those costs. They make it more expensive to drive at peak hour, and cheaper to drive off peak. They are reducing emissions by reducing congestion and stop-start traffic.

There are practical problems with pricing road use. There are privacy problems. There is a worry that governments will bait and switch, charging taxes and road user charges so we pay twice.

But these problems won't be solved if the government doesn't even have a policy to try. The reality is that Vodafone and Apple know I'm here, and where I've been all day. Why can't the government, that owns roads, find a way to charge for road use?

ACT's policy is this:

The Government should have an in-principle policy of introducing time-sensitive road user charges.

There should be a serious effort to solve the technical problems and implement it as rapidly as possible.

The petrol tax should be scrapped and all road user revenues should go back into improving roads.

We also have a pricing problem with water, where again there are no prices, just bureaucratic allocations.

Our looming problems in fresh water management reflect the absence of sensible pricing of water "use rights".

The efficient use of our water resources will require us to move away from the current first come first served basis. Permits are issued for a maximum term of 35 years, usually for a particular purpose, and come attached with various conditions.

Once you've got a permit, what is the incentive to conserve if you can't sell the excess?

That's not good enough.

In a sensible institutional framework water "use rights" would be traded, so that water would be used in its most valuable way – a routine matter of using the price system to ensure efficiency of resource use.

Getting the price signals right is the first step to environmental custodianship, and ACT wholeheartedly supports applying sensible economics to the use of roads and water.

Property Rights

The next of the four Ps is property rights. Prices imply a property right, either to own something or to have the right to use it. Pricing and property rights go together.

It's no surprise that the pollution is in the things nobody owns, the air and the water. With no owner there's nobody saying 'don't put that there.' Strong property rights are critical to strong environmental custodianship.

Our Quota Management System for fisheries is world class, I might add that it was introduced under Rogernomics. It solves the problem that Garret Hardin outlined in his famous essay "The Tragedy of the Commons."

Without the quota system, the tragedy arises with fish because nobody owns them. It makes sense to leave some for next time but how can you trust others to do the same, and how can they trust you? Everybody makes the same calculation and the fish stocks are devastated.

As Hardin put it 'ruin is the destination to which all men rush.'

But issuing quota created a property right, the right to take a percentage of the Total Allowable Catch. Introducing property rights in fisheries was possibly the most effective environmental policy this country has ever seen.

We have similar problems on land.

The RMA is silent on property rights. It treats environmental habitat as public property, even though private owners bear the costs of improving and maintaining them.

Last weekend I visited a man many of you will know who has created several hectares of wetland on the shore of the Kaipara Harbour.

The compliance issues he's faced from Council have been enormous. As he put it 'they keep talking about how important wetlands are until you try to give them some.' Now that he's done good work, he risks further 'public interest' in his property.

It's a common theme. I've visited other farmers who've done their best to conserve habitat on their farms only to have it declared a Significant Natural Area under the RMA.

Ditto planting native trees. Who would plant a Kauri tree after what happened to the couple in West Auckland?

The situation is ridiculous. The reward for doing good conservation is to lose your property rights. We must reform the RMA to respect property rights.

Prosperity

The next P is prosperity. If you get the prices right; if you allow tradeable rights; then you get better resource use. Using resources better, more effectively, more productively, is the key to prosperity.

It is prosperous nations that look after the environment best. They can afford it.

Poorer nations live with massive air pollution – eg London smog in the 19th century, Beijing today. But as countries get wealthier they devote more resources to a cleaner environment.

Only rich countries like New Zealand would transport endangered snails that may be threatened by a development, to a new safer valley.

I read a story last year about a sick Kakapo. How do we know it was sick? Because DOC staff had installed a baby monitor on its nest. They tramped in, gave it antibiotics, and nursed it back to good health.

There are people in the world who don't get that level of care, but wealthy countries like New Zealand can do it for sick Kakapo. Contrast that with third world countries where majestic animals are poached by men with cheap AK47s.

Productivity growth is the basis for prosperity.

It's the opposite of the rhetoric you hear from the Green Party. They want to subsidise so-called green jobs, the green economy.

But using more resources to produce the same amount, or even less, is throwing productivity growth into reverse. It's a recipe for getting poorer.

So just how has the developed world got richer? Where does that prosperity come from?

For the most part that has come from technological advance, doing more with less, using our stockpile of knowledge – the one natural resource that is growing over time.

Rameez Naam, in his book *The Infinite Resource: The Power of Ideas on a Finite Planet*, used the metaphor of knowledge as a recipe. He gave a nice example: a bow and arrow is valuable, but the idea of a bow and arrow – the recipe – is of far greater value

To use modern language, the design of a bow and arrow is software, the objects themselves hardware.

Or as the economic historian, Deidre McCloskey puts it, *our riches come from piling idea upon idea*.

While physical resources matter, our resources of knowledge, particularly of science and technology, are of far greater importance.

I'm glad I became an electrical engineer, because my old profession have done more for the environment than almost any other. The Tesla car showing up outside is just the sexy end of it.

For something more every day, consider telecommunications.

Once upon a time all telegraphs, then phone calls, went through copper wires. There was a serious concern that we'd run out of copper wire.

Then fibre came along. Fibre optic cable is made from glass, which is silicon and oxygen, the two most abundant elements in the Earth's crust. It's also more energy efficient than copper because it carries light instead of electricity.

But of course if we did run out of silicon and oxygen, most phone calls are now made through nothing but air.

And note that it is our evolved institutions and our trade-tested business practices that allow this innovation to flourish.

In ACT we tend to be optimistic.

We understand and celebrate human ingenuity, and entrepreneurship. We embrace markets and technological innovation.

The reason the doomsters get the future wrong is that they underestimate or even ignore technological change. If you predict the future on the basis of current technology you will be wrong.

Not just a little wrong, but wildly so.

There have been a few pessimists gone wrong over the years: from Malthus on population in 1798, to Ehrlich in 1968 (The Population Bomb), to the Club of Rome in 1972 (Limits to Growth), to Al Gore claiming in 2006 that we had only ten years left to save the planet.

But we're still here.

And we are thriving.

In fact the past 30 years have witnessed the greatest reduction in global poverty in the history of the planet.

It is a tribute to globalisation, international trade and freer markets.

All those protestors against the TPP – including tragically the Labour Party, and predictably the Greens and NZ First – still don't get this free markets and globalisation thing.

They don't understand the sources of our current wealth, and of the rising prosperity that human ingenuity can produce. Consider some of these developments.

Ideas keep piling upon ideas.

The pace of innovation isn't slowing, it's accelerating. New technologies displace old.

While some developments like automobiles, spaceships and robotics were, at least in broad concept anticipated, , most were unforeseen.

For example, x-rays, radio, lasers, superconductors, nuclear energy, and transistors were all pretty much a complete surprise.

There will be plenty more ahead in the next few decades.

This point about innovation, of ideas piling on ideas, is all highly relevant to climate change issues, one of the great environmental issues of our times.

You only need to look at the plunging price of solar power, the rising efficiency of large scale wind power, the rising efficiency and falling cost of battery technology, to see that a substantial energy transition will be underway through the next two decades and beyond, if and as those trends continue.

Forecasts of global fossil fuel use based on current technologies will be wildly overstated.

I think we should all be sceptical of the intense politicisation of climate science debates.

And I mean that in a bi-partisan way. It is always suspicious when scientific issues seem to line up with political positions.

The left/right divide tends to correlate with alarmist/sceptic positions. And that is weird, from whichever side you come from.

I personally am in the “luke-warmist” camp, as outlined by Matt Ridley.

That means I think recent global warming is real, a part of it is probably man-made, and it will continue, but I am sceptical about the degree to which it is dangerous.

But my view, like yours, is not that important. It’s just a moderately well-informed opinion.

In spite of some of the ludicrous claims of near scientific infallibility, the science – all science, by the nature of science – is uncertain.

That the earth is warming, and has been since the end of the little ice age, is true. That’s what happens at the end of ice ages, small or big, pretty much by definition.

That humans have had some influence on warming in more recent times, say the later stages of warming through the 20th century, is very likely. How much, is rather uncertain.

But there is a serious precautionary case to take some action.

As time passes and our knowledge improves we will find out whether we should be responding with greater urgency, or with less.

Obviously, whatever actions New Zealand takes will have effectively zero impact on global warming outcomes.

But there is a strong case for us to contribute, as a good global citizen.

It's a bit like sending some troops to Iraq to help train their army. It is doing our bit, even though that contribution is tiny and will not determine outcomes.

I believe there is a case for New Zealand to match other nations – but matching their actions, not their words – in restraining net emissions of CO₂ and other greenhouse gases.

And that applies even if one is sceptical about the more extreme alarmist enthusiasms of the climate change zealots, especially those who have built a political programme around it.

For now we are contributing to the global effort by building out an ETS.

Arguably this was a poor choice, given the complexity, the cost and the rorts involved in global emissions trading.

ACT's policy has always been to dump the ETS. It has been a public policy disaster.

The Greens have a point on this one.

We would be better to have a simple low carbon tax. Like road user charges it should be offset by income tax cuts. The Government should not make a cent of extra revenue from it.

We could gradually increase the tax over time if the science suggested that the risks of global warming were rising, or reduce it if, as the science develops, the likely risks seemed lower.

As far as global warming, is concerned, New Zealand is very much a passenger. We can't have any influence on outcomes.

But there are areas of environmental damage closer to home which we can influence, and do have the power, if we have the will, to make a big difference.

I want to turn to that now, in discussing the last P: private initiative and the environment.

Private Initiative

For too long we have accepted a subtle assumption on the environment: Government good, private bad. Nothing could be further from the truth. The assumption is a disservice to the extraordinary efforts everyday Kiwis make to preserve our natural environment.

All over this country people volunteer to trap, plant, and clean up pests, native trees and beaches.

One particular type of private initiative that we should all support is inland islands, or sanctuaries.

More on them later, but here is what they sought to preserve:

Michael King opened his *Penguin History of New Zealand* with a diary note from Joseph Banks, a naturalist on board Captain Cook's Endeavour. King records that Banks 'caught a last vibration of primordial New Zealand.'

I was awakd by the singing of the birds ashore from whence we are distant not a quarter of a mile, the numbers of them were certainly very great who seemed to strain their throats with emulation... [Their] voices were certainly the most melodious wild musick I have ever heard, almost imitating small bells but with the most tuneable silver sound imaginable.

King goes on to say that dawn chorus was a "mere echo of what would have been heard four hundred years before, for by 1770 around half of New Zealand's bird species were already extinct."

Due to New Zealand's remote island location, our plants and animals evolved for millions of years without human or mammal predators. Many native birds cannot fly, and were vulnerable to humans and the range of predators that accompanied us to these islands.

The arrival of humans was devastating for this remote and pristine environment.

Maori brought with them the kiore (Pacific rat) and kurī (dog). They first hunted the largest animals – moa, geese, takahē, sea lions and fur seals. The kiore killed many small animals. Māori burnt about 40% of the forest within 200 years of arriving.

Later came waves of European settlers, who cleared much of the remaining lowland forest for farming. Large trees were felled for timber. Less than a quarter of New Zealand is now covered in forest. European settlers drained swamps and other wetlands for farming, so that only 10% of the original wetlands remain.

European sealers and whalers hunted seals, sea lions and whales from the 1790s to around 1850, killing huge numbers.

Most damaging of all, Europeans brought rats, cats, stoats, weasels and ferrets, which have killed many native animals. Smaller prey like frogs, lizards, invertebrates and small ground-nesting birds are highly vulnerable. Introduced grazing animals such as goats, deer and possums wreak havoc in our forests.

Extinctions since human settlement include one bat, at least 51 birds, three frogs, three lizards, one freshwater fish, four plant species, and a number of invertebrates.

The sad reality is that we are losing the battle. However people up and down the country are fighting back through private initiative.

One area of tremendous civic engagement that particularly interests me, and which I think deserves support from government – and it is not often you find the ACT Party pushing for Government spending – is the efforts being made all around New Zealand in developing sanctuaries to preserve our endangered species, our flora and fauna.

The SanctuariesNZ website (<http://www.sanctuariesnz.org>) gives a terrific account of projects underway in New Zealand, listing over 80 spread around the country.

I've visited Maungatauri in the Waikato, where a 47km pest-proof fence has been constructed to make the entire mountain a mammal free haven for native birds. I visited Brooks Sanctuary in Nelson, which will complete its fence this year and begin the task of ridding the enclosed area of introduced predators. The oldest and so far the most successful is the Karori Wildlife Sanctuary, now known as Zealandia, several kilometres from parliament. Seventeen years after the fence was completed, you can start to hear a whisper of what Banks heard in 1770.

I have a few observations from visiting these places.

They have an enormous power to bring people together. They become social institutions. Each of them have hundreds of volunteers who do hard work building and maintaining the sanctuaries. They bring out the best in people and put the lie to those who complain that we have an uncaring society and government must solve all problems.

They struggle to get started, with large capital costs and administrative burdens.

There are too few of them. For example when the Brooks sanctuary fence is completed there will still be no fully enclosed sanctuary between Nelson and Dunedin, that is to say half the country.

Sanctuaries

So I have a proposal to speed the recovery of our flora and fauna, protecting our native biodiversity.

The tremendous civic engagement and voluntary effort we can see around the country, in establishing sanctuaries, or ecological islands, is a wonder to behold.

What is particularly impressive is the long term vision involved. Because the vision extends for hundreds of years.

If you visit Zealandia, the Karori sanctuary, you will see an outline of what the native bush will look like in 50, a 100, and 500 years. Now that is a vision.

That is the time required for these forested areas to fully regenerate.

It is clearly cheaper to establish sanctuaries on actual islands, with the sea providing the protection. We are already doing that.

In the 1960s the Department of Conservation initiated pest eradication on offshore islands. DOC has sensibly focused on the most cost-effective approach, which is to eradicate pests from offshore islands.

But a network of inland island sanctuaries around New Zealand is a worthy vision.

Inland islands are more expensive, because of building and maintaining predator proof fences, but they are much easier for the public to access. And if we are doing this on scale, and with a sustained effort, the costs will come down.

Our vision should stretch out to the end of this century. Imagine what could be developed all over New Zealand if we harnessed the civic engagement that is already there, and supported it with the finance needed to overcome some of the hurdles along the way.

Note also that these inland reserves will generate a halo effect – the localities beside the ecological reserve enjoy the effect of much more concentrated birdlife.

How might we fund a sanctuary programme?

Well, the government owns, through Landcorp, 140 farms. The government does not need to be owning farms.

From the 2015 Annual Report we see Assets on the balance sheet of \$1.8 billion, comprising of land, livestock and forest. Netting off liabilities, Total equity is \$1.4 billion. The dividend yield to the government, as a percentage of equity, is less than 1% over the past three years.

The Government's partial privatisation model is widely hailed as a success. We should spread it to Landcorp. The Greens have criticised Landcorp in the past for its river pollution and deforestation activities, so this could be one asset sale they can get behind.

We could invest the sale proceeds in a lasting legacy.

Given the long-term nature of sanctuary projects, this legacy will have to be administered at arms-length from the Government of the day. The sale proceeds should be administered by an independent Sanctuary Trust, with a mission to allow New Zealanders to come together and create more, bigger and better sanctuaries to bring back the sounds that Joseph Banks heard nearly 250 years ago.

Groups wishing to establish sanctuaries would apply to Sanctuary Trust and, if approved, receive grants conditional on achieving outcomes: eradicating pests, engaging the community, and rebuilding biodiversity in their area. These areas will work like Special Economic Zones, where groups can innovate with minimal government interference, and are free to seek private sponsorship.

The model is not so very different from what ACT has done with Partnership Schools. Invite social entrepreneurship, measure performance according to agreed targets, and get out of the way.

You only have to ask, one hundred years from now, which vision do you prefer?

The status quo will read like this: we slowly lost the battle to preserve New Zealand's unique natural heritage, several more species are gone forever, but the government retained a poorly performing investment in some farms.

The alternative is that we took a bold vision. We sold down an underperforming asset and invested in something truly unique about New Zealand. We have a network of sanctuaries in every town, and they are independent, social, non-government institutions, a uniquely New Zealand policy innovation.

New Zealand has led the world before with real reform. Let's keep the legacy going.