The Government is to make urgent changes to the way building consents are granted after it found 20% of homes badly damaged in the February earthquake were built in areas known to be highly prone to liquefaction.

Environment Minister Nick Smith on Friday released a report on the approval of subdivisions in the Christchurch and Waimakariri areas.

Dr Smith says in 1991, there was a detailed report which showed parts of the eastern suburbs and Kaiapoi would be susceptible to liquefaction and lateral spread in the event of an earthquake.

The minister says that report is uncannily accurate, given what happened to those areas in the devastating quake on 22 February this year.

He says it is alarming that since 1991, hundreds of homes were built in the area and given resource consent despite the report.

"My big concern is that there were about 80 resource consents involving 1200 sections when the risks of liquefaction was well-documented, and yet there is no information to show that those risks were in any way taken into account."

Dr Smith labelled the Resource Management Act as being too politically correct for not taking natural hazards into account when granting consents.

The minister says consents take a range of factors into account, such as the landscape and environmental impact, but not whether the land is safe to build on.

Dr Smith says changes will be made to the act so that natural hazards will have to be taken into account and the Government will look to do this next year.