

To be read in conjunction with
the tabled evidence/statement



**HEARD BEFORE JUDGE D SHEPPARD (CHAIR), MR K PRIME,
DR J HARDING AND MRS J VERNON, MEMBERS OF THE BOARD**

THURSDAY 23 JULY 2009

**HELD AT TE RŪNANGA O NGĀI TAHU CONFERENCE ROOM,
158 HEREFORD STREET, TE WAIPOUNAMU HOUSE, CHRISTCHURCH**

HEARING OPENED [10.04 am]

APPEARANCES

Sir K Burke and Ms I Clarke, Local Government New Zealand

Mr M Rodgers, the Water Rights Trust Group

Audio file: dpm0112

CHAIR: Good morning Sir Kerry and welcome again to our continuing hearings. We are going to start this morning with one of the more constructive and substantial submissions, that of Local Government New Zealand.

SIR K BURKE: Well, Mr Chairman. Morena. Thank you for the opportunity on behalf of Local Government New Zealand to present this submission into your preliminary description of it, which is appreciated. May I introduce Ms Irene Clark who is the manager for environment and regulation of LGNZ, who is here to assist - perhaps to answer the more difficult questions, Mr Chairman.

You have obviously received our details of the written submissions and comments on the proposed National Policy Statement, including an alternative statement. And the key issues from the submission as you received it has been briefly summarised by us this morning and then, secondly, subject to you having any, we will endeavour to answer questions.

The submission which the Board has received, the first part provides a summary of the process for the development of it, an executive summary, and an overview of the issues that we want the National Policy Statement to address. In the second part we have an analysis or a synthesis of issues and options in a paper there, and our preferred approach. And the third part which is the alternative National Policy Statement that we think would achieve our preferred approach.

The Board should note that the alternative National Policy Statement is proposed as an example of how local governments' preferred option might be achieved, and is not intended to be word perfect or holy writ.

I start this next part, Mr Chairman, by just talking briefly about the background when the Government at earlier times produced its sustainable water programme of action - the regional affairs committee agreed to establish a particular sub-committee with regard to water issues. That consisted of regional Council representatives, but was expanded subsequently to incorporate territorial representatives. I think Dianne Hale from North Shore City and Peter Nelly from Ashburton District and Laurence Yule in latter times ex-officio are three district territorial representatives, which have been brought into that. As a result of that sub-committee's work it flowed through into the Local Government New Zealand council's decision making, and the consequence of all that is the submission that you have before today.

Local Government has a primary role in environmental management under the Resource Management Act, preparing policies, objectives, rules and other methods in relation to activities that affect freshwater resources, as well as being decision makers on resource consent applications. It means that local authorities are critical in the community Government's decision making model that the Resource Management Act was founded upon. We can only do as well as the laws allow us to. Deficiencies in the law of course cannot be fixed by a National Policy Statement. While there is always room for improvement in local Government performance, before (inaudible) lead to new solutions in an attempt to address the Act's performance, we have to acknowledge some things, in our view.

First, administering any law which seeks to manage natural resources involving people, values, personal gain, social conscience and conflict will always be somewhat fraught. The Act and our, that is local Government's, RMA plans may not be perfect, but we doubt if any law, policy or (inaudible) in this area can ever satisfy all interests.

Second, local authorities and any decision makers can only do as well as the legal setting and tools allow. The focus should be on getting the right, legal framework, and tools in place for local authorities to carry out their role. In this respect the National Policy Statement has the potential to add value to that toolbox. To add that value however, the policy statement on freshwater must actually assist local authorities to carry out their roles and responsibilities. That doesn't mean that a National Policy Statement should be a prescriptive, "how to" document, as we believe the proposed statement is.

[10.10am]

Local Government New Zealand asks the Board to recommend to the minister a National Policy statement that will achieve two key objectives: First, to provide clear policy direction, in respect of national priorities for freshwater management and priorities for the interrelationship with other conflicting activities which also have national importance - so clear policy direction is our first request. Second, that the National Policy Statement provides a framework that enables local authorities to decide how best to allocate resources locally, to address those national issues and priorities. In part three of our written submission, which includes the alternative National Policy Statement, it provides an example of how we believe these two objectives may be achieved.

We talked earlier about the policies in the alternative Policy Statement being examples intended to illustrate how the issues be addressed in policy terms. The paragraphs preceding each policy example are important, as they explain what each example is intended to achieve. And in developing the alternative National Policy Statement we try to break

down each problem in a meaningful way, and then develop a policy response that would actually assist.

If I can turn to the key issues about the third approach. I think I can refer to page 27 of the written submission. It talks about an overarching objective and corresponding policy instruments which flows from that holistic kind. Although the proposed policy statement refers to the integrated management effects, it fails to expressly acknowledge the nature of the system sought to be managed, in order to set out the interrelationship that exists in the context of freshwater management. I'm speaking particularly, of course, to our request, that an integrated approach to decision making be established, with regard to Objective 1 in Policy 4 of our alternative. For example, the significant relationship between surface and ground water. The National Policy Statement should acknowledge those interrelationships and require an integrated approach for decision making in respect of the management of competing activities, and their impacts and the management of the freshwater resources themselves.

In terms of competing activities, key themes in our submission are that first, water is a public resource; second, the linkage between sustainable development approach of the Local Government Act, with the sustainable management approach of the Resource Management Act; and third, that the National Policy Statement should enable local decision making.

A second key issue is the identification of (inaudible) values and applications to the protection of water quality, and in our alternative National Policy Statement, the reference here is to Objectives 2, 3, 4, and 5 and Policies 6, 7, 8, and 10. The National Policy Statement should identify the key national values to provide a national benchmark for the management of the freshwater resource. However, reliance on a national

standard alone is likely in practice to mean that these national values will be regarded as “the” standard, which should be applied in respect of all freshwater resources.

Our view is that the National Policy Statement cannot adopt a “one size fits all” approach. Values should be determined according to the nature of the specific resource. Local Government New Zealand’s concern is that a “one size fits all” approach has the potential to undermine local levels of protection. For example, a water resource described locally as outstanding, could be degraded by inappropriate development because it already exceeds the national standard for an outstanding freshwater resource, rather than maintaining the higher standard. There is a need to protect existing values.

The National Policy Statement should acknowledge that the nature, quality, or use of freshwater resources, varies considerably both across the country and within catchments. To determine what is the appropriate balance that must be struck for the management of those water bodies, the National Policy Statement must enable or empower the interaction between national and community values. The existing Resource Management Act processes, and in particular the first schedule processes provide the means to achieve this objective. Identification and management of freshwater resources based on values requires a comprehensive approach, which we believe is reflected in our alternative Policy Statement, across Objectives 1 to 4 and Policies 6, 7 and 10.

Our alternative National Policy Statement proposes three alternative management approaches contingent on how regions identify the values (inaudible) or group of freshwater bodies. First, in relation to freshwater resources identified as outstanding (e.g. Lake Wakatipu) the management focus is protection of existing values, such as - the values are to be

protected even if already higher than the generic national values. In relation to degraded water bodies that fall below the national standard, the policy approach is to manage their restoration to the national standard on a timeframe, improvement over time, to recognise the practical difficulties of improvement; the impacts of improvement on surrounding land uses. And third, all other water bodies need to be managed to ensure that they meet the national standard. The purpose of this policy is to avoid locking in existing water quality standards in water bodies not identified as being outstanding. In situations where further development could degrade a water body even though it can still reach the national standards, for example, the west coast.

The third area of our submission, the protection of environmental flows, and support prioritisation when allocating fresh water resources, can be found in alternative National Policy Statement Objectives 6, 7 and 8 and Policies 10 through to 14. The freshwater management National Policy Statement should provide a stronger mandate for regional councils to ensure that environmental flows and levels are maintained, and to manage allocations. This needs to include the ability to review existing allocations and to maintain those flows.

The National Policy Statement should enable regional councils to be able, with their communities, to establish priorities for the allocation of water. Local Government New Zealand's view is that subject to demand management strategies, domestic and municipal supply should have priority over other uses of water. To address the efficiency of water use, the Policy Statement should recognise the role infrastructure might play, including the coordination and sequencing.

To encourage the development of infrastructure we suggest that the National Policy Statement require regional councils when managing water

allocation, to ensure that water is used in accordance with appropriate water conservation and demand practices.

The establishment of environment flows is the building block of which an allocation regime is developed. The alternative National Policy Statement proposes that a strong mandate be created for the establishment of environmental flows so that where existing allocations compromise those flows, they can be called back. Please note in our submission, for an ecological flow national environmental standard, we stated that the regions needed to be able to set priorities for the establishment of flows; they needed to avoid a blanket requirement to recognise that not all water resources are in demand, and resources must be deployed to where they have the best effect - to prioritise work.

In terms of priorities for water allocation our bottom line is a priority for municipal and domestic supply. However, our alternative National Policy Statement, Policy example 12B proposes other priorities as well. This is an example drawn from Environment Waikato's regional water plan change, Variation 6 which we note is still before the courts.

[10.20am]

The alternative National Policy Statement links water efficiency demand management and infrastructure development in Policies 13 and 14. The suggested Policy 13 is sufficiency focused, a stronger step would be to have a policy that more actively recognises the importance of infrastructure development, and reduce barriers to that development, for example, for water storage. Noting however, that funding will always be a significant barrier.

One might note that the Prime Minister in Christchurch recently, said that he would be astounded if Central Government did not find itself involved in some way, in infrastructure developments for water resources in Canterbury, as it was based in Christchurch and the forum was a Canterbury economic developments forum. That could be applied and would certainly be applied elsewhere as well.

The fourth area of our submissions is support for decision makers in relation to the lack of or uncertainty of information, and cumulative effects, by that our alternative National Policy Statement, Policies 10 and 11.

Although regional councils and their staff have built a considerable body of knowledge, and experience about water resources, the requirement to make decisions in relation to freshwater management on the basis of incomplete or uncertain information is a common issue. The National Policy Statement should acknowledge this issue, and require decision makers to adopt accepted approaches to this uncertainty. The precautionary approach when considering consents; the requirement for further information, and the adoption of an adaptive management approach once consents have been granted.

Applying the appropriate weight to cumulative effects when making decisions in respect of resource consent applications, remains a challenge for decision makers. The National Policy Statement should provide strong mandate to Regional Councils to ensure that freshwater quality standards and environmental flows and levels are not breached, and an over-allocation does not occurred.

The specific reference in the alternative National Policy Statement is “that the precautionary principle in managing cumulative effects are basic matters of principle in implementing the Resource Management Act. But

these principles can be called to question on a case-by-case assessment of individual proposals”. So endorsing the principle through the National Policy Statement would definitely assist councils.

We could also be assisted in terms of our fifth submission point, the management of at risk catchments which are referred to in alternative statement - Policy 9. The ability of local authorities to develop policy responses to rapid changes in land use, is limited by the first schedule processes of the Resource Management Act. The National Policy Statement cannot speed up the planned change process. Amendments to the Act may be required, or a National Environment Standard that identifies at risk catchments, by limits on specific land uses. The Resource Management Amendment Bill, currently with the Select Committee, may introduce some streamlining of the planned change process. There is in the modern form that Parliament has, no certainty to the outcome of that Bill.

If it doesn't improve the process, we still believe that the National Policy Statement can further assist local authorities by acknowledging the importance of identifying and managing at risk catchments as a priority. The alternative National Policy Statement lists a number of criteria for identifying these at risk catchments. The intention is that plan changes to address this issue will be given attention by Regional Councils.

The most recent example where this policy might apply was the removal of pine forests, and conversion to dairying on the Landcorp land between Taupo and Rotorua. In this example plan rules were not in place to manage freshwater as a consequence of that rapid land use challenge.

Our sixth submission point addresses the Tangata whenua issues with regard to alternative National Policy Statement Policy 5. Local

Government New Zealand supports Tangata whenua involvement in the management of freshwater resources. But believes that requiring the involvement of Iwi and Hapu in every region, will impose too high a burden on local authorities, and significant capacity issues for Iwi and Hapu. And one might note, the rapid development of Hapu in various parts of the country, almost a lever-like as Hapu split, and new Hapu are created. One should ask rhetorically, "Is it local government's role to identify Iwi and Hapu?" And ask that would be known - we believe that the focus of the National Policy Statement should be on the outcome rather than prescribing the process and that the role of tangata whenua as recognised in the Act should be paramount. Processes enacted between the council and local Iwi, tangata whenua necessarily will vary according to the nature of that relationship by region.

We note that there is considerable variability in how it's practiced. Some Regional Councils such as the Hawke's Bay Regional Council, already consult at Hapu level, but for others, such as Northland, where there are hundreds of Hapu, that task would be impracticable with Local Government (inaudible).

The Resource Management Act refers Tangata whenua and, we believe that the National Policy Statement should be consistent with that.

The seventh point of our submission is to deal with appropriate time frames for the implementation, and in our alternative National Policy Statement these can be found are our suggestions of Policies 1 and 2.

The National Policy Statement will require a significant amount of work to be undertaken in order to give effect to the policies - of the policy statement, and in that regard it represents a significant burden on the physical and financial resources of local authorities. Local Government

New Zealand submits that the timeframes for implementation of the objectives and policies of the freshwater management National Policy Statement should recognise the limitations of the available resources, the need to amend regional policy statements, and regional and district plans, through a cascade and the need to take the time to get the important step in implementing the National Policy Statement right. Amendments to Policy Statements and plans should be made as soon as practicable, or within a reasonably practicable timeframe, or when the policy statement or plan is next reviewed. And we note that the current timeframe is subject to amendment for the Bill that Parliament is considering at the moment. We think that our submission point there is - makes the point, but doesn't necessarily refer to the 10 year obligation that is current.

More specific timeframes can be set out regionally dependent on the nature of the issues in the region and the status of relevance of various regional and district plans.

Our eighth point in our submission is with regard to implementation, and support. Local Government New Zealand can't emphasise enough that the Government's role in a National Policy Statement is not finished once it is gazetted. As a Board, your immediate proof is about the content of the National Policy Statement. But we submit to you, that you must also take an interest in ensuring that the National Policy Statement can and will be effectively implemented. And we encourage you to make recommendations to the minister about this. Councils will need support in implementing the National Policy Statement, and as a Policy Statement of the Government support is expected to be provided by the Government.

There is a link between implementation, support, and timeframes, for implementation, providing more flexibility. When Councils need to amend their Policy Statements and plans - will ensure adequate time for the

Government to develop an appropriate implementation package, preferably implementation guidance and an understanding of the broader implementation package should be developed before the National Policy Statement commences.

[10.30am]

One critical matter for implementation which must be considered by you as a Board - is how the National Policy Statement will integrate with, and not conflict with other National Policy Statements. This is particularly relevant for the proposed Renewable Electricity Generation National Policy Statement. The two must be consistent in how they prioritise use of freshwater resources, for hydroelectricity generation versus domestic and municipal supply versus other uses. Pages 19 to 22 of our submission cover that as implementation support and assistance. There's an example of how timeframes, and implementation support should not occur, refer to the Electricity Transmission National Policy Statement gazetted on the 13th of March 2008. The preamble requires that within four years local authorities notify and process of plan change for review to give effect to the provisions of the National Policy Statement. We are now almost 18 months into that four year timeframe, and the implementation guidance is still under preparation, and is still not available to councils.

Mr Chairman, in conclusion - Local Government New Zealand thanks the Board for the opportunity to be heard, and encourages you to give careful consideration to our submission, and to the detailed suggestions in our alternative National Policy Statement.

CHAIR: We are grateful for an outstanding summary of all matters that are in this submission. Thank you very much Sir Kerry. My I see if my colleagues have some questions for you.

MRS VERNON: My first question is, well, compliments to Local Government for putting a lot of effort into this document which is extremely helpful to the Board. I just note that - first of all, is it Local Government's anticipation that this NPS is going to raise the bar generally to current standards that we have got, or practices that we have got throughout New Zealand, with the treatment of freshwater?

SIR K BURKE: I think I would have to answer "Yes" to that. It will do that - but we are also seeking to do more, we are seeking guidance and direction.

MRS VERNON: I ask that question because I find it quite interesting that you make a comment on item number 17.2(f) - that the NPS should focus on the future and we are getting quite a lot of submitters saying, "Yes that's fine, but also, it needs to be looking at some of the current activities as well." Because in fact, some of those are actually what caused some of the issues.

So I just wondered - whether that was just a broad statement taken as it is and I shouldn't read any more into that, or that in fact, that it is the philosophy, that local Government really is looking for this document, more about the future rather than the present.

MS CLARKE: Yeah, I think it is a mixture of those two things, I mean obviously what's happening in the current situation and the past has to inform where we are heading. But the purpose of that statement is to say, here is our chance to relook at our framework that we are working under, and to get some assistance for local government through the National Policy statement, so that we can (inaudible) our intention that would improve, the plans, the policy statements would improve, but we've got to look forward.

MRS VERNON: Thank you. Under 18.21, I take the point about setting national priority, and you've listed - and I know that the wording is just example, so that's fine, and you've noted there the domestic and municipal supply, would - we've had other submitters, and I guess it wouldn't surprise you, that they would like to be listed as well, and I guess in comment to the last statement by Sir Kerry about trying to relate to the NPS on Renewable Energy, which isn't our role anyway, is it local government's anticipation that there would be a list, or should it just be left at domestic and then when it gets to resource consents it would be done on a case-by-case basis? It's just that Renewable Energy is quite keen to be listed as second, and I just wonder where - which, you know, really is it the role of an NPS to be listing, or picking the losers, I guess? Other than this one.

SIR K BURKE: I think you've only gone as far as municipal and domestic, haven't you Irene?

MS CLARK: But we have got a little bit more detail in the Policy 12, which is on Page 64, so we'd still say we have that domestic and municipal as the authority, and then after that it's up to the region, you know, and the community on a regional basis to work out where to from there, but - but in that example policy, it does suggest some particular things to look at, and the bottom line there does refer to renewable energy generation, without saying it's number 2, or number 3, or whatever it might be, yeah. So it's recognised that it needs to be acknowledged.

MRS VERNON: In your Objective 3, 18.25, I notice in B you use the term "contamination of fresh water resources is minimised", now going back to your answer to your original - my first question about looking at raising the bar, and making the future that we're setting some new standards, would

local government have any objection to the word being “avoided”, rather than “minimised”?

SIR K BURKE: Perhaps we need a hierarchy of words, as the Act has, to avoid remedy mitigate, but um - “avoided” may not always be possible, when one combines society, and the economy.

MRS VERNON: And finally, right throughout your policies, from about 6 to actually 14, there’s a lot of recommendations of regional councils should do this, regional councils should do that. Now, that’s all very well but - and some regional councils are bigger than others, and there’s nothing worse than having a plan that sets something up to failure, because they don’t have the resources available, and I just wonder, right through all those policies, is it fair, and I know it’s their role, but I mean, it’s quite prescriptive in actual fact, what you’re anticipating regional councils to do. And I just wonder, do you think that it is achievable? I know it’s got the flexibility that you’re seeking, but just the bottom line is, not everyone’s a big regional council.

SIR K BURKE: That is true. I mean, I thought the submission provided for more flexibility than prescription, but then, you would read it obviously from a different point of view. Irene, can you make any comment on the subject?

MS CLARK: I think that the comment I’d make there is that where we’ve suggested in our alternative policies that regional councils should do certain things, we believe that that’s what should be done on a regional basis. In terms of the resourcing and actually achieving that, the two key things are the timeframes that regional councils have to do that, and the support that they have to do that. So that was the final two points that Sir Kerry touched on, around the timeframes, and the implementation support, and it is really critical, and as we say, you know, there’s no point

having an NPS which is (inaudible), so you've got to think about these things. It's not necessarily within your brief, we understand that, but it's important.

DR HARDING: Thank you very much for the submission, it's extensive, and it's certainly given us a lot to think about, and again, going back from the comments that I've already made, I accept that these are just examples that you've put in. I've got a few sort of general questions, for example about 18.6, which refers to your Objective 2, I note just looking in sort of general terms there, that a lot of those examples you've given there in 18.6, that it might be perceived to be viewed from like (inaudible) generic point of view. A number of our submitters have made comments like "what we need in this country are some environmental bottom lines", would you like to comment on that?

[10.40am]

SIR K BURKE: My reading of that is that the environmental bottom lines, if they're not explicit, they are, they flow out of the achievement of those other matters, I would have thought. They're not explicit, we would concede that.

DR HARDING: Yes, I guess I just read this from one point of view, safe swimming; protection of - safe harvesting of fish, shellfish, wildlife, mahinga kai;, so that's about human use of these resources;, potable water; sufficient water, which is about quantity, not quality. So, as I say, some of our submitters would turn around and say, "well where's the environment in this? Where is the likes of volume capacity, the diversity of the flora and fauna and that sort of thing?" and I wonder, am I reading too much into this, or is this just a –

SIR K BURKE: Well, it's the specific example you refer to Dr Harding, and the quantity issue of providing sufficient water is to ensure the protection of the intrinsic values of ecosystems. So it's designed to ensure that the environmental aspects of the streams and the waterways are protected.

DR HARDING: From a quantity point of view?

SIR K BURKE: By making - for example, one of the reasons we need the ability to manage consents in water in a more adaptive way, is that the exercising of the consents to the full capacity, in a year where there is insufficient rainfall, means the complete destruction of the ecosystems, and that's a matter we need to address, to ensure that there's sufficient flow in the waterways, to maintain the range of ecological biodiversity values, which are there.

MS CLARK: I was just going to add, that it's not the intention to exclude those capacities particularly; I think it's just a matter of (inaudible).

DR HARDING: That's fine, thank you for that. In 18.12, and a number of places, you've made reference to councils being able to determine appropriately in achievable timeframes, which is, from your point of view not an unrealistic expectation, but again, a number of our submitters are saying, "well, we already have systems running throughout this country where we've degraded and these various issues", and they're looking to this proposed NPS to try and provide some sort of time limits, some sort of certainty. Do you have any comment on that?

SIR K BURKE: Well, you need to be reminded I think, that this is the submission of local government New Zealand, which represents those from the richest and the poorest authorities, and each will have a varying ability to expand its role, to achieve the outcomes, and we're suggesting that there should

be the ability for the regional councils and their communities to determine the timeframe, and therefore the funding, subject to central government cavalry coming to the rescue, how those standards and levels should be reached.

MS CLARK: Yeah, I think it goes back to our point also about “a one size fits all” is very difficult. It would be very difficult to come up with a timeframe on that particular (inaudible), about degraded freshwater resources that suit across the country. Each resource is going to be in a different state, and have different needs, and require a different process, so it really needs to be looked at locally.

DR HARDING: I accept what you’re saying, and certainly when you mention the resource of issue, but some people might perceive this to be an opportunity for some councils to do nothing, for as long as they can.

SIR K BURKE: That would need to be avoided. It’s not a position that we would agree to support.

DR HARDING: Okay, thank you. Going over to 19.8, if you could just, there’s a reference there to the (inaudible) for example, “resource rentals and environmental offsets”, I’m just wondering if you could just clarify for me, I’m not quite sure in my mind exactly what that - what examples of those things might be - you might necessarily be referring to?

MS CLARK: Just the idea that conditions on resource consents aren’t necessarily going to be the only way to achieve the objectives that you get, for the thing to achieve. So just a little bit of flexibility, and in the example, in the box on Page 55 there, it refers to that there - it talks about other things, so they might not necessarily come through in terms of

conditions on resource consents. I mean environmental offsets are an example.

SIR K BURKE: There would be examples of major consent applications in New Zealand, which have been conducted in a collaborative way, where the applicants have engaged a cross section of the community at the beginning, taken on board matters that might compensate in an environmental sense with the activity that they're doing, and gained broad agreement. An example I can use is Christchurch City's application to Environment Canterbury, for waste water discharge into Akaroa Harbour, and instead of expensive, litigious process, the City had a suggestion, engaged with the Environment Canterbury suggestion, engaged with the various submitters, and essentially got an agreed outcome, which everybody was happy, as far as was possible, a vastly greater safeness to the community.

There is another major consent application, the Central Plains Water application, which is adopted a different approach. It's expensive, it's very litigious, it will continue to be as it seems to the public. It might have been done in a different way. We're looking for that sort of collaborative approach to be built into the range of possibilities that are available.

CHAIR: I'll just ask about the collaborative approach you've just been describing while it's still in our minds, what I'm trying to understand when I hear about these methods, is the way in which the consent authority satisfies itself that the outcome meets the public purposes of the Act. Obviously it meets the private interests of the various participants to the collaborative process, or the collaboration, but the RMA expects more than meeting the private interests of some, or all, if you can identify all, of those who are affected. Can you help me to understand that a bit more clearly?

SIR K BURKE: Well it's clear that the terms of the Act have to be met.

CHAIR: And how are you assured of that is the result of a collaboration of people who are looking after their individual interests?

[10.40am]

SIR K BURKE: There's still a need for a consent, which is a legal document and it has conditions attached to it. But if the parties who would - the two main adversaries are engaged in a collaborative process, local government has found that you meet the terms of the Act, you meet the environmental bottom lines of whatever standards are enforced, you meet the better outcomes for the environment, and the parties don't engage in litigious and expensive alternatives. I can offer you an example, other than the Christchurch City example I mentioned earlier. The Rangitata South irrigation proposal commenced three or four years ago with a proposal to dam the Orari River, to wreak havoc as some other parties saw it, with the local environment. We facilitated a process which required considerable effort, unheralded and not widely publicised, which resulted in no dam; a series of irrigation proposals by alternative methods, which left all parties in agreement, and the consenting process was rapid, and it's settled. It's like the hundreds of thousands of people who drive safely every day, they don't get reported on, it's the accidents and the fist fights, which get the publicity.

CHAIR: Thank you. Now may I ask a question about the vexed question of priorities in that local government New Zealand is asserting for priority for domestic and municipal supplies, and we've already had some discussion about where renewable energy, other possible players might come in, but I wonder whether you can assist me further as to why domestic and municipal supplies should take priority over environmental players?

SIR K BURKE: I may not understand that law precisely, so Irene may wish to comment, but I think that already domestic and stock water have some priority, and we're suggesting that municipal might be a useful, or more rounded description of what ought to receive priority, rather than simply domestic, because communities have requirements for water beyond simply every household. Irene, can you expand or comment on that?

MS CLARK: You're right, it's generally - well our understanding that that's the accepted priority and the proposed NPS identifies it as well, but it's just a matter of making it absolutely clear. What that means, domestic and municipal supply. I think that's what we've attempted to do in our policy example.

CHAIR: Well I can identify in my mind where the idea of drinking water for people and their animals, individuals and their animals you might say, get some claim to (inaudible). When you go beyond that, how do you justify, say the water for processing food, which we all agree is a very desirable thing, should have priority over the maintenance of the life of the water source?

SIR K BURKE: There would almost certainly, if you accept our thesis of the virtues of adaptive management, that would provide scope for an appropriate policy response by the authority. As it would for say water take irrigation consent holders. There would need to be - there will be times in New Zealand communities, where communities are encouraged to use less water because of other external forces, climate for example. Adaptive management approach would enable a community to sharpen its focus on its use of water.

CHAIR: And I notice somewhere in the submission, and I can't put my finger on it at the moment, but there's also, as it were, a condition of that priority, that there would be appropriate management of the use of the – I haven't captured the exact words that your submission uses, but I think I've captured the idea well enough, haven't I?

MS CLARK: Yes, so water conservation and demand management -

CHAIR: Demand management, yes.

MS CLARK: Yeah, so we're definitely saying –

CHAIR: So that it's not an encouragement to be (inaudible) with the water under that priority.

MS CLARK: Correct.

SIR K BURKE: The communities are moving - Christchurch City for example, is moving to consider the demand management requirements long term. Because if growth continues at the rate that's forecast, its steady supply of water at about 7 cubic metres per second from the Waimakariri River, will be challenged to the point where the spring fed streams in Christchurch would be somewhat changed and therefore, they want to avoid that. As a territorial authority it's moving towards demand management, so that's - it's a policy response to what it forecasts is a potential outcome 40, 50, 60 years down the line.

CHAIR: Thank you. Then the last matter I wanted to ask about was the relationship between the NPS, which this Board is asked to look at, and the NPS that another Board is looking at about Renewable Generation, and you've urged, obviously with some sense, that there should be some

consistency in the outcomes of the two inquiries. But I'm wondering whether you might agree, that the consistency is the responsibility of the Minister, rather than the individual Boards, which are required to be focussing on particular NPSs. The Minister has chosen to have the two inquiries running at the same time, and we presume that the Minister is taking on the responsibility of ensuring that the outcomes can be consistent. Does that seem -

SIR K BURKE: Yes, the answer is yes. Ultimately that will be a decision for the government.

CHAIR: Well you will understand that the Board regards local government New Zealand's submission as one of the most important of all of the submissions, because you represent, not a sectional interest, but the interests of all New Zealanders, of all the people who are affected by local government. And so the fact that you've come with such a constructive, and positive and thoroughly prepared submission, is a great value to the Board. Thank you very much indeed.

SIR K BURKE: Thank you very much sir.

ADJOURNED

[11AM]

RESUMED

[11.09 am]

CHAIRMAN: You're Mr Rodgers are you?

MR RODGERS: Yes.

CHAIRMAN: Well thank you very much for coming in. We have your submission in front of us and we've all read it and we'd like to give you the opportunity to present on it just as you would like.

MR RODGERS: Thank you very much. Thank you for the opportunity to present. What I would like to do is just to take you through the Water Rights Trust's perspective of water issues in Canterbury. No doubt covering some ground that you're already familiar with. But nonetheless, wrapped within the perspective of a bunch of citizens who have developed concern over how our water is being managed the last – in the last ten years. And I would like to share the basis of those concerns for you as a context for looking at the role of the National Policy Statement.

I'll take you through a presentation that's based around the streams. The Trust was formed out of concern for the state of Canterbury's water and the desire to preserve its utility for our future generations. We're a charitable trust supported by Te Rūnanga o Ngāi Tahu in an ex officio capacity (inaudible), the Ecological Foundation, several business organisations, St Albans and Halswell Residents' Associations, Christchurch Combined Residents' Association, angling and canoeing clubs, and many other concerned groups and citizens.

This presentation outlines some elements of our water crisis, suggests reasons why we believe we have a water crisis in Canterbury and what we

must do to begin to fix it. And we see a robust National Policy Statement as forming an essential part of this work.

Canterbury's water of course is central to our agriculture and tourism industries. We have some of the best salmon and trout fisheries in the world and outstanding kayaking and jet boating waters. Around 90 percent of our regions drinking water is drawn from our aquifers. Christchurch is reputed to be one of the few cities in the world that has pure, untreated drinking water.

The yellow portion of the chart represents demand for water, used for irrigation and the rest for stock water, municipal and industrial usage.

Around half of our irrigation water comes from rivers and streams and the rest from our aquifers.

The peak weekly allocation of water in Canterbury is estimated at around 290 cubic metres a second, or cumecs, 83 percent of which is for irrigation.

Long term demand of 569 cumecs is projected on the basis of the amount of land in Canterbury that's able to be irrigated. Around double that under irrigation at present. And equivalent to the total average combined flows of the Waitaki and the Rakaia rivers, just to give you an idea or a picture of the volume. The Avon river is another comparator, carries around 1.6 cumecs. Most of this extra irrigation is expected to come from several major water storage schemes.

The Resource Management Act 1991 has set in place some serious intent, as we perceive it, in terms of the needs of future generations avoiding, and remedying adverse effects, drawing attention to the finite

characteristics of resources and emphasising sustainable management of natural and physical resources. So our dependence on the natural environment is well recognised in this piece of legislation.

How have we been doing?

The ecological health of lowland streams is one indicator as to how well we're managing our environment. The bottom portion of the bar graphs indicates the percentage of lowland streams in very poor ecological health as measured by ECAN. The graph shows an increase from around 30% in 1999 to over 80% in 2007 as being in very poor ecological health. The issues behind this degradation are best described in terms of water quantity issues or supply and demand of water, and water quality issue or contaminants - concerning the contaminants that are entering our waterways. The two are closely interwoven, but the separation helps in the clarity of presentation.

Most of our spring fed streams have been devastated in recent years because of dropping aquifer levels. Rivers such as the Hawkins, the Hororana (ph), Selwyn, and many others have become either dry stony beds or severely depleted. The Selwyn River was once a world renowned brown trout fishery with annual spawning runs of over 40,000 trout. The most recent count in 2005 was 87 trout. While a series of relatively dry winters have contributed to this situation, so too has the increasing rate of extraction for irrigation. And ECAN acknowledge that relationship.

Our water supply is affected not just by farming activities, but also the effects of climate cycles and seasonal variations. This history from NIWA of the mean flow of the Hurunui River for 20 years in 1977 shows it was some 15 percent lower than for the 20 years, 22 years to 1999. The pattern is consistent across our major mountain fed rivers and reflects

rainfall patterns in the mountains. The large proportion of irrigation water in Canterbury has been allocated within the last 20 years on the basis of higher mountain rainfall and river flows that it might expect over the next 20 years. We therefore need to recognise these cycles in our water allocation decisions, particularly with regard to the security of flow for our lowland rivers and supply of water to farmers. ECAN's initiative for an annual review of consents in the Selwyn catchment needs to extend across the region.

As the amount of irrigated land expands so too does the potential for contamination of our drinking water with nitrates, pollution of our lowland streams and choking of those streams by algae. Once nitrate enters the water system it takes a very long time to disperse and as long as it is being fed into soils at a rate greater than is being taken up by plant, life it is an accumulating problem. Dr Brian Jenkins of ECAN has said that no country in the world that has contaminated its ground waters with nitrates has succeeded in cleaning it up. In 1991 the European Union introduced its nitrate directive to arrest growth of nitrate contamination of drinking waters in member countries. We have no such restriction in New Zealand.

[11.10am]

The nitrate effects from this huge increase in intensive farming across the plains is still to become apparent. A report in 2006 by ECAN scientists Raymond Ford and Ken Taylor states that an extrapolation of current trends suggest that within 30 years nitrate concentrations of many shallow unconfined aquifers in Canterbury could exceed the limit set in the drinking water standards for New Zealand. They point to serious implications for the off shore coastal waters of Canterbury which could impinge on marine farming potential. And they say that at this stage, ECAN has not determined how it will manage total nitrate loads from individual catchments in the region. So, we've allowed this huge

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the tabled evidence/statement

expansion of intensive irrigation based farming across the plains without knowing how we will manage to reverse and we still don't know. The Ford and Taylor reports are available in full on our website which is www.waterrightstrust.org.nz under learn more (inaudible).

A judgment by the Environment Court on Linton Dairy's application to take water for irrigation referred to the state of the lake and its feeder rivers and streams. To quote from the judgment: "we were shocked at the ever present effluent smell from all these waterways. Clear evidence of poor management, excess effluent levels and contamination", Te Waihora was a significant shock to the court. This is a lake that has worldwide status for its biodiversity and its cultural significance and this statement from Judge Jeff Smith is a fair reflection of the state of many waterways throughout the region.

Reviewing the great number of consents for water and land uses that contribute to this situation and others across the region is a major unresolved issue for Canterbury.

What I have to say next illustrates some of the barriers against achieving a timely change through a sustainable water management framework. These barriers are partly systemic in the way in which our bureaucracy functions; partly to do with farmers traditional freedoms to manage their land and water as to how they see fit; partly the strong corporate commercial drive for profit and a lack of commitment from central and local government policy (inaudible) to dealing with the issues.

We acknowledge that much is being done to address the concerns that I'm articulating here, but there are also deeply held attitudes that are keeping the gate open for unsustainable practices to continue. An NPS on water should unequivocally address such attitudes.

Rules and regulations referred to by Doug Leader in this statement are embodied in ECAN's natural resources regional plan, still several years away from being fully operative.

The science and technology are also many years away from adequately informing sustainable dairy farming practices on the scale being developed in Canterbury. In the meantime, the conversion of dry land to irrigated pasture is continuing at pace, perhaps slowed a little by the present economic situation, but it will no doubt move again. Driven mainly by the prospect of big money from converting water into milk and especially the capital gains that arise from irrigating properties. Fonterra Chief Executive Andrew Ferrier said in 2006 that Fonterra and its 12,000 farms (inaudible) annual growth targets lifting milk supply by 3% (inaudible) by 4% without compromising the environment. This statement seems to overlook the major damage already done to our waterways here in Canterbury and is not supported by Fonterra's performance under its clean streams forum.

A rural sector serious about its impact on the environment would have had all water ways protected from damage and stock access, at the same time as changes away from sheep and crop farming to dairy cattle and deer too place. The sector would have driven ECAN for rapid ratification and firm implementation of robust environmental standards. And would have driven hard to restore the damage already done to our waterways. It would have done these things in its own best long term interest and the knowledge of the importance of New Zealand's clean image to our global marketing strategy. Not just the minimum we can get away with, but leading the world in how things can and should be done and selling off this to the rest of the world. Instead, the rural sector seems intent on generating headlines like those seen in the National Business Review 2006, "Fonterra accused of treating the river like sewer" where the Otago Regional Council staff said they "know of no worse quality discharges of

biological oxygen and nutrients to a freshwater way, the Matau branch of the Clutha River either in New Zealand or globally". And despite the criticism that Fonterra received for this event, they followed through with a similar event a short time later in the Manawatu River. After ten years of consultation and education, some Waikato dairy farmers continued unabashed to pour effluent into streams, meanwhile being filmed doing so by helicopter. Within the last six months a large herd of cattle wandered at will over the riverbed of the Upper Selwyn River.

Section 30 of the Resource Management Act - functions of regional councils under this Act include words such as "the controlled use of land; the maintenance and enhancement of the quality of water and water bodies; the control of quantity level and flow of water in water bodies". In our view, ECAN has not fulfilled these statutory intentions. Some 8,000 consents to take the water have been issued since 1991, mostly for 35 year terms and only a very small handful have been reviewed for their environmental impact. Over 100 farms, that is 17 to 30% of the farms surveyed, have been rated by ECAN in the years 2006 to 2008 as seriously non-compliant in their effluent management practices. Fonterra's penalty framework for non-complying farmers also seems ineffective. Available evidence points to Fonterra's clean streams support as falling short of meeting its objective to reduce the impacts of dairying on quality of New Zealand streams, rivers, lakes, ground water and wetlands.

In 2005 ECAN rejected the Water Rights Trust's suggestion of a moratorium on all new consents to take water for irrigation until these sorts of issues were resolved. Implying that current processes are adequate to protect Canterbury's waterways. The evidence shows that sustainability limits have already been breached across the region in terms of the volume of water consistently available to many rivers and streams. The suitability of many waters for contact recreation and they've already been

breached in respect of the growing contamination of ground waters in some parts of the regions. Decisions taken by ECAN and the Environment Court show that rather than needing to prove a new development is sustainable before proceeding, it is necessary to prove it will have an adverse affect. To the extent that science is incomplete, this means potentially unsustainable developments are able to be commissioned.

[11.20am]

The recent granting of 59 consents to the over-allocated (inaudible) and Rakaia catchment by ECAN appointed commissioners and a further 41 consents in the Selwyn Waimakariri catchment against staff recommendations illustrates this issue. In other words, the science is uncertain; the process around science for ensuring sustainable management of our water resources is poor.

The length of time taken to develop Canterbury's water plan, the NRRB has ensured that the rural sector has continued its unrestrained growth for many years virtually free from any significant obligation to avoid collateral damage to the environment.

Why do we have a water quantity problem? Dairy farming on the naturally dry stony lands of Canterbury occupies around 15% of existing land use but has a colossal demand for water. Litres of water for one dollar of output needed by dairy farming is hugely in excess of other farming options - many other farming options. For example, 1470 litres of water to produce a dollar of output for milk, 245 for grain, 379 for fruit and vegetables. These figures are have been produced by CSIRO in Australia, they are not based on New Zealand figures, because I don't know how to access them if they do exist. However, they give an idea of the order of magnitude.

ECAN's zoning system to enable a more systematic approach to new consent applications to take water is based on incomplete understanding of the linkages throughout our complex ground water systems. And also what is actually being used, because as yet there are no mean of measuring water takes. And this zoning system introduced by ECAN is not supported by those tasks with interpreting legislation in situations where over-allocation of water has occurred. The considerable volume of water that is being lost through leakage from existing distribution systems which may well reduce the amount of storage by a significant amount, it's been estimated by Brian Jenkins, I think, up to 30% if those leakages were plugged. So, there are huge efficiency issues in how we are currently using our water, both in terms of land use and also in terms of how we are manage its distribution before we should be leaping into building big storage dams.

Given that we will have storage in Canterbury, and there are those who feel that it is inevitable anyway, we've had a close look at the Central Plains Scheme as it's been mooted, simply just to see - not so much the issue of storage itself, but the land use that would result from the storage. The assessment of environmental effects produced by a Central Plains (inaudible) Trust contains a memorandum of agreement between the trusts and the operating companies Central Plains Water Ltd. Section 14(2)(a) of this Memorandum of Agreement says: "Central Plains Water Ltd will adhere to and uphold best practice environmental standards of such a type and such levels of performance that shall be agreed by the parties. Such standards, 1), must be reasonable and appropriate, 2), must be actually viable to implement and 3) must not affect the financial viability of water user's use of water with the scheme". Under this agreement, how readily would investors in this scheme reduce stocking levels and fertiliser input to give assurance that their activities were not contributing to long term build up of nitrate levels in ground water? There would be no incentive for farmers to critically examine other farming

options that were not environmentally sustainable. Storage may allow replenishment of some lowland stream flows, but it must be accompanied by tight land and water use controls to prevent escalating contamination both of surface and ground water. All water catchments across the region, in our view, should be allocated a nutrient (inaudible) that protects the health of downstream waterways and aquifers and be subject to regular review as science emerges on what a catchment can sustain. Then best practice standards will be in the best interests of individual farmers in getting the most out of their allocation nutrient resource.

CHAIR: Now Mr Rodgers, we're going to take a break now, not because we're losing interest in what you're saying, far from it, but it's time we took our morning break.

MR RODGERS: Of course.

CHAIR: So we'll take a tea break now and we'll come back with even more enthusiastic to hear the rest of your presentation.

MR RODGERS: Good yeah, not much more to go.

CHAIR: I'm not implying that you should cut it short at all, but we'll listen better when we've taken a break.

MR RODGERS: Good that's fine.

ADJOURNED

Audio File: dpm 0113

RESUMED

CHAIR: Well thank you Mr Rodgers if you could pick it up at the end where we interrupted you.

MR RODGERS: No that's just fine. So the trade off that's occurred over the last 18 years since the Resource Management Act first came into being does not seem to us to fit the intentions of the Act.

We urgently need a programme which will restore and protect all water ways so that they are swimmable, fishable and in good ecological health and our ground waters are drinkable. This is a simple aim which we hope would be supported by all sectors of the community, yet the magnitude of the change needed is so great from our current position that this has to be a long term project. We need a set a of milestones and objectives against which to monitor and report progress.

We hold the view that those who would remove water for private gain should pay a rent for the privilege and the proceeds should be used, at least in part, for restoring degrading waterways.

All Canterbury catchments should be managed within nutrient budgets and with feedstock water ways and immediate compliance to ECAN standards for effluent management should be required for all farms. If the law needs to change then we must change it. We need a period of rigorous focussed unpopular education and policing of regulation while we all get the message in government and local government needs the resolve to do it.

Commitment to sustainable management of our waterways is essential, for otherwise it becomes simply a matter of time and lack of sustainable practices and let dire consequences catch up with us all.

We've reached a stage where a major mindset shift is necessary and recognise in our actions that the economy is after all a wholly owned subsidiary of the environment, not the other way around.

Under our present system and set of rural attitudes there are no grounds for any confidence that the continuing increases in intensive land use over the next 10 to 15 years won't spell disaster for our rapidly diminishing pure water reserves. Developing a framework that redefines the conventional wisdom of rural production, assuming limited rather than unlimited water resources, enhancing the maximum dollars from each drop used should be a priority. Morgan Williams 2004 Priority for Good report as Parliamentary Commission for the Environment then points the way for the rural sector by calling for a complete change to farming systems and this framework needs to be embraced, rather than resisted or ignored or put down by the sector. When the true costs of sustainable water usage are in place the real comparative economic contributions from various farming options would become apparent and dairy would find its rightful place as a contributor to our country's economic and social wellbeing. Rigorously implemented catchment management is the key to driving the necessary changes. The tragedy of our continued inaction is that we and our descendents can indeed have the best of both worlds, a strong rural economy, rivers, streams and lakes that are fit for gathering food and swimming in and aquifers we can drink from, providing we have a clear unequivocal policy framework to work within.

So far normal political and bureaucratic processes have yet to ensure a satisfactory solution and now we see the Canterbury water management strategy is offering the best hope for this solution. We need a much more tightly focussed set of behaviours to protect the environment than we have now.

A summary of what must happen if we are to get on top of our water management issues has been presented in my written submission. These requirements have been abundantly evident for many years yet so far there is a singular lack of commitment from people in authority to bring them into place.

The standards which are being set within the Canterbury water management strategy process might be usefully embraced by the National Policy Statement and it's important that the integration of both these lines of development is considered and I'll like to suggest your Board takes that opportunity.

CHAIR: We understand that's your point here.

MR RODGERS: Yes. The Water Rights Trust represented its concerns to ECAN, various territorial authorities, central government, the public of Canterbury for over seven years; we've engaged with the rural sector. We've made submissions on a large number of consent applications for water. We're representing on the steering committee for Canterbury's strategic water study and we've been represented as well on the ministerial advisory group for the sustainable water programme of action and technical reference group for that same body.

But we need strong leadership to help bring us all to the point where the necessary changes are implemented more expeditiously than current processes seem to be doing. A robust National Policy Statement on water that focuses on protecting and enhancing our environmental competitive advantages will help.

Halfway measures such as contained in the draft of the NPS will, in our view, not do what is required.

Thank you very much for the opportunity.

CHAIR: Well we're grateful that you've come and done it and that you've presented it in the way that you have and my colleagues may have some questions.

MRS VERNON: I don't have a question, but can I thank you for your very clear message and also your clear submission with where you see this NPS should be heading so thank you.

MR PRIME: Likewise.

DR HARDING: Thank you very much for your submission. I guess I have just a couple of slightly general questions because part of what we're looking for here is feedback on how we might - what sort of changes we might make to the actual proposed statement. You've given us a very clear message here about the condition of Canterbury waterways; one of the things that's come up with other submitters is being an issue of timeframes and in the proposed draft NPS it talks about from 2025 and that sort of thing as being a timeframe to aim for, for improvement in conditions. Do you have a view on that timeframe?

MR RODGERS: No my - the issues are so complex and at this stage so apparently intransigent, that certainly it will take more than a decade or two to reverse where we are now. Our main concern is the commitment to that reversal to begin with, that commitment to having pure clean rivers and streams that are viable. And if we can start from that base then within each catchment there can be a catchment management plan put in place that acknowledges or recognises the particular constraints that exist within that catchment in terms of what is possible. And I think that if that commitment is there, then that's something. I think to sort of try and say by 2035 or some other date, is a bit academic. But what we should do is have the intention clearly articulated and then within that, the milestone behavioural changes that need support and have those tracked in a

timeframe. So that you end up within each catchment for some specific targets that are committed to. Does that help?

DR HARDING: Yes thank you. One of the other comments that's come up from local government New Zealand just prior to you and that was one of the issues, they felt, has been this sort of lack of science or uncertainty of science, which you also commented on in your presentation. And they are proposing ideas like "precautionary principle" or "precautionary approach" be included in the NPS how do you feel about that?

[12.05]

MR RODGERS: Yes I think that's (inaudible). One of the dangers with our current way of doing things is that we are locking ourselves in to either economically unsustainable or environmentally unsustainable practices. And it's that conflict that has to be resolved. And by taking a precautionary approach you therefore preclude major investments from an economic perspective that are going to continue to damage the environment. So both economically and environmentally, from my perspective, very important that the precautionary approach is embraced a lot more seriously than it has been done up till now.

DR HARDING: Thank you. You also raised the issue of - I didn't write down your exact term, but sort of effectively purchasing - being charged for the use of water, rent for water. So - for commercial purposes, so would part of that idea then encompass the fact that if someone were able to buy the rights for water then they could then also transfer those rights?

MR RODGERS: The whole question of trading water in Canterbury is again, a very complex issue and I think that we need to approach that notion with great care. Many farmers have consents for much more water than they currently use; that's right now. And if they're able to trade that surplus for example that would place our rivers and streams, aquifers, under even

more stress than they are now. So, as a precursor to any trading situation consents must be reviewed completely right across the region.

The other concern that we have is that there would need to be matched by a similar trading arrangement for nutrient. So that if we're going to trade water ultimately, then nutrient trading should be part of that. In fact, we would see nutrient trading as perhaps being of greater importance between the two. We would certainly not want to create a situation, or see a situation created where people could come in and buy water by itself and then hold it for resale as pure trading, a thing for profit. And so the sort of restrictions that would have to be placed around such an arrangement would have to see people residing in the catchment being the only people who have that access to purchasing the water. But there are the practical scientific and existing allocations situations which still have to be resolved before we move in that direction. So it is and I've only addressed some of the issues here, but it is a very knotty area. The way to approach it perhaps is to identify a couple of catchments after the reallocations of water and nutrients have been made, get those things in place first and then run those catchments for a period of five to ten years under a trial arrangement, whereby trading can occur within those catchments. And that will help us identify some of the other undoubtedly unforeseen wrinkles in moving in this direction. So that's about the best I can offer I think on that point at this stage.

DR HARDING: Thank you very much.

CHAIR: You've acknowledged that commitment is critical, but commitment can't be imposed from outside. Commitment is only effective when it's actually experienced as a motivation by individuals isn't it? So your reference to the mayoral forums strategy could have an additional relevance to what we're considering. Is it an example of where a commitment is actually

being experienced by these leaders of their communities? What is the status of the strategy?

MR RODGERS: A draft strategy has been presented to Minister for Agriculture and Forestry for his feedback and then it will go out for further public and stakeholder consultation and hopefully with the intention of being ratified before the end of this year. There is a commitment that satisfies so far, and I have to say so far, the aspirations of the Water Rights Trust to having appropriate environmental standards in place. This commitment, so far, has experienced the support of the Chairman of Irrigation New Zealand and the farmer representatives from South Canterbury; taking account of perspectives from the productive sector. They recognise and acknowledge the dire straights of Canterbury's water and we are hopeful, and I use that word advisedly, that this strategy will stand the distance and will come into being as a significant means of changing people's behaviour.

Now, where we see the NPS sitting over this process is to be able to provide the clarity, people are still debating why should we worry about a few rivers and streams when we can make so much money? You know, this sort of fundamental economic environmental conflict is still there, simply because we do not have, in my view, that sort of overarching commitment to the competitive advantages that come out of a clean environment. We have two backbones for our country, one of them is the rural sector and our productive sector and the other is our marvellous environmental heritage. And we make a lot of money out of each of them and we need to reconcile the two, so that we get the best of both worlds. And what we need to reinforce that, and that's what an NPS would do, or I hope it would do, is to say we acknowledge the importance of having and we work our productive sector within those constraints, not holus bolus as has been happening up until now. And that's where we see the relationship of the NPS to helping that commitment. If our country is able

To be read in conjunction with
the tabled evidence/statement

to show that commitment, then it will reinforce and fill out some of the votes that are happening about the conflict between the two to the disadvantage of the environment. Does that - I'm not sure whether that answers your question adequately.

CHAIR: Well I think some of it does yes, or at least hints at it, so thank you for that. And thank you for presenting your submission in the NPS and thank you for the colourful way in which you presented it to us, which of course really makes sure that we won't overlook it. So thank you indeed.

MR RODGERS: Thank you very much.

CHAIR: Now after the lunch break we are to hear a submission for West Coast is that right. (Hearing Manager indicates that the next submitter is unable to attend). All right, well it seems that we've completed the business for our Christchurch visit then. And we resume in Nelson on Wednesday the 5th.

ADJOURNED

[12.16pm]