



4 February 2014

Proposed Amendments to National Policy Statement for Freshwater Management 2011

Seafood New Zealand Submission

1. Seafood New Zealand appreciates the opportunity to comment on the proposed amendments to the National Policy Statement for Freshwater Management 2011.
2. Seafood New Zealand ("SNZ") is a professional organisation delivering industry good services for the wider benefit of the seafood industry as currently represented by the aquaculture, deepwater, inshore finfish, paua and rock lobster sectors. SNZ adds value to those industry sectors by advising and assisting them to:
 - a. Protect and promote the New Zealand seafood industry and its reputation;
 - b. Protect and promote the opportunity and right to produce seafood; and
 - c. Retain and advance cost-effective access to our international and domestic seafood markets.
3. This submission has been prepared by [withheld], Policy Manager, Seafood New Zealand. He can be contacted by e-mail at [withheld] if there are any queries as to the content of this submission.

INDUSTRY INTEREST IN FRESHWATER RESOURCES

4. Employing over 5,000 staff and with an export value of \$1.5 billion, the seafood sector has a direct and significant interest in the management of freshwater resources in New Zealand.
5. Those interests of the seafood industry in the management of freshwater resources can be described as follows:
 - a. Commercial fishermen catching freshwater eel species are directly affected by the quantity and quality characteristics of the freshwater resources in which eels live;
 - b. Commercial fishermen targeting wild fish stocks, including finfish, rock lobster, paua, kina and shellfish and operating in the coastal waters, particularly in harbours, estuaries and the coastal fringe, are subject to the effects of contaminants which are carried in freshwater entering the marine environment and which can affect the quantity and quality of wild fish stocks. The collection of wild fish stocks is subject to water quality regimes to ensure food safety. Closures of grounds preclude fishing and have revenue impacts on the companies involved in those activities;
 - c. Aquaculture sector activity is equally dependent on safe water quality and impacts from freshwater water flows to the marine environment pose a major risk to the sector's activity and finances; and
 - d. Seafood processing companies require supplies of high quality freshwater in order to process fish catches.

QUALIFIED SUPPORT FOR THE OVERALL THRUST OF THE FRAMEWORK

6. Access to freshwater is one of the cornerstones for the social, environmental, cultural and economic well-being of New Zealand. The seafood industry supports the general framework that is being implemented for management of New Zealand's freshwater resources. The concept of communities having the flexibility to establish regional standards subject to a national bottom line is inherently acceptable subject to some provisos being addressed.
7. Our support for the implementation of the reforms is tempered by our concern that the reforms are too narrowly focused on the rural sector and fail to recognise or address:
 - a. the urban freshwater quantity and quality issues; and
 - b. the impacts and externalities borne by users of coastal waters.
8. We do not deny the importance of addressing the impact of agricultural and forestry activities on freshwater but seek to ensure that all freshwater and the wider environmental impacts are given appropriate and relevant attention. There is a risk that, in addressing only one part of the wider environmental issue, resources and effort will be diverted from addressing the urban and downstream impacts of freshwater management.
9. The Land and Water Forum comprised representatives from the agricultural sectors, electricity generators, recreational groups, environmental organisations and iwi with observers from regional councils and central government. The urban sector, the manufacturing sector, the commercial fishing sector and the coastal users were not represented in the forum and their perspective on freshwater remains absent from the reports. Being based on the report, the reforms are equally compromised.
10. We are also concerned that the reforms deal only with the visible freshwater resources – the lakes, streams and wetlands – with no recognition of the impacts and issues on freshwater contained in groundwater and aquifer systems. Dependent on the nature of substrate, the freshwater contained in aquifers and groundwater can be a major source of contaminants to coastal waters. The only reference to groundwater appears in the table on page 21 where the interest appears to be the intrusion of saltwater into groundwater as an indicator of groundwater depletion rather than an interest in the quantity and quality of groundwater flowing into the coastal waters.
11. We note that the table on page 21 refers to contaminant impacts on mahinga kai, but not the wider range of aquatic or fisheries resources. Mahinga kai is interpreted variously with a context of customary food or places at which foods and other subsistence resources were caught or collected. Mahinga kai has a more limited interpretation and is not synonymous with the seafood or aquatic production. Heavy metals, organic contaminants and pathogens are contaminant factors impacting on the quality of aquatic resources.
12. It is not clear why fish and invertebrates are shown as attributes in the table and ranked equivalent to specific biological factors. Or why invertebrates and fish should be considered absent from wetlands. It is our belief that the failure of the framework to address fishing interests and impacts arises directly from the limitations of representation on the Land and Water Forum and the failure of officials to comprehend the impact of freshwater on the freshwater and marine aquatic environment.
13. Where decisions as to quantity and quality standards are effectively delegated to communities, the scope for ill-informed or inappropriate decisions is inherent. There needs to be proper consideration given to the full range of interests in coming to any agreement as to regional standards. It is our opinion that councils tend to consider more substantively the interests of resource users or their constituents rather than the interests of parties affected by externalities. The seafood industry is probably regarded by most councils as not having an interest in freshwater resources. Certainly that may be true of the catching activity but that overlooks the wider environmental impacts of water quality and quantity.
14. While this proposal is only the first step in the implementation process to protecting the quantity and quality of our freshwater resource, we recommend that officials meet with the fishing sector to be better informed as to the impacts on the fishing industry and re-consider the details of the reforms. Given the extent of commercial and recreational fishing, it would be extremely unfortunate if the current absence

of consideration of the fishing impacts resulted in adverse effects to those sectors and the reforms had to be significantly altered at a later date.

NEED FOR NATIONAL BOTTOM LINES

15. The proposed amendments seek to provide regional councils with the flexibility to set regional standards whilst establishing a national bottom-line standard. Such a structure requires the national bottom-lines to be set at appropriate levels.
16. As with other resources, the absence of defined national standards provides no consistency or guidelines for regional councils managing the resource. Notwithstanding the objective of decentralising freshwater to community control, we concur with the need to set bottom-line, objectively measurable standards that can apply on a national basis. Whether regions chose to adopt the bottom-line as their target or choose a higher level still allows regional choice but safeguards the baseline. Where resources are below baseline for non-natural reasons, regional councils should be required to take whatever action is required to achieve the baseline within a specified time period. We leave it to Government using scientific input to determine an appropriate timeframe.
17. We do not have the scientific capability to define the scientific equivalence of desired standards. Doubtless there will be significant discussion as to what is an appropriate bottom-line standard. To facilitate that discussion, we would have expected the consultation to provide a greater range of options of levels, for example for the human health value, including drinking water, swimming, accidental immersion as well as secondary contact from wading or boating. The translation to scientific equivalences would follow that decision.

THE NEED TO ACCOUNT FOR ALL WATER TAKES AND ALL SOURCES OF CONTAMINANTS

18. We agree with the need for an appropriate level of information being available to appropriately manage resources. As an industry, we recognise that full information and uncertainty comes at a cost and other management frameworks that recognise uncertainty and less than full information through the use of precautionary management can be effective and efficient. We caution the desire for completeness and precision in the management of resources.
19. In respect of the need to account for all water takes and sources of contaminants, we are unclear as to whether that requirement applies to an aggregate freshwater management unit or individual take or contaminant source. For example, is it intended in a rural sense to have a robust and reliable estimate for an economic sector, say dairy farming, in a freshwater management unit or is it intended that estimates must be available for each farm in the management unit. The costs of pursuing accounting at the two scales would be substantially different and impose costs on different sectors of society. Takes and contaminants at the management unit level may be adequately modelled and provide robust estimates. The costs of deriving an aggregate sector estimate from modelling would be more likely borne by the council as part of its operational expenses. In contrast to that option, if each enterprise is to account for its take, the costs would lie with the user of the resource.
20. While the policy document refers to all takes, we note that Policy CC1 provides that the accounting systems should be commensurate with the quantity issue pertaining to the freshwater management unit. We agree that the accounting system needs to be commensurate to the risk applying the resource and that a "de minimis" rationale should apply to small water takes.
21. We doubt that it would be practical to allow for the source of all contaminants to be identified and monitored. We are aware of the problems incurred by regional councils in identifying the source of large contamination events. The issues of the scale of measurement will be particularly significant in respect of accounting for quality. The ability of small scale enterprises to provide an accurate decomposition of the outflows would be limited and the costs excessive relative to the risks. In respect of accounting for quality, we would suggest that the quality need be assessed at specified points to establish relative trends but councils institute site specific monitoring at those sites which are most likely the potential source of a high level of contaminants.

COMPULSORY NATIONAL VALUES

22. We concur with the selection of:
 - ecosystem health; and
 - human healthas the two compulsory values.
23. Setting the human health measure at secondary contact recreation (such as boating and wading) would appear to be a relatively low level of value. We would favour a higher threshold for the national bottom-line.
24. From a seafood sector perspective, those bottom-lines must be set at levels that allow:
 - a. For the ecosystem health value, fully functioning aquatic environment eco-systems to thrive without adverse effects; and
 - b. For the human health value, accidental but short-duration full immersion in freshwater.
25. We are unable to comment in detail on the scientific equivalents contained in the paper.

MONITORING PLANS

26. Monitoring the performance of freshwater management units relative to the targets and national bottom lines is a must. Any framework that does not require monitoring and review against targets can only be ineffective and a waste of resources and effort.
27. The policy statement in section CB Monitoring Plans needs to be augmented with a requirement for the regional councils to provide the performance assessments within a timely manner to allow for external assessment of the effectiveness of the freshwater management regime against community aspirations.