

Submission

Proposed Action for Healthy Waterways

PREPARED BY: Ashburton District Council SUBMITTED TO: Ministry for the Environment
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Introduction

1. Ashburton District Council ('Council') welcomes the opportunity to submit on the Action for Healthy Waterways - Discussion Document. This submission was approved by Council at its Council meeting on 31 October 2019.
2. Council has signed the Canterbury Mayoral Forum (CMF) submission. Council's submission has been prepared on the basis of supporting the CMF and providing a local context to the freshwater discussion.
3. Located an hour's drive south of Christchurch, more than 33,400¹ residents live in the district, with the main town of Ashburton accounting for over 50% of residents. The rest of our residents live rurally or in smaller towns or villages.
4. Ashburton district has experienced moderate and sustained population increase since 1996, with growth of over 33%². The expansion of irrigation and agricultural diversification on the Canterbury Plains have been major factors in this growth.
5. Freshwater is an integral part of our identity. We are bordered to the north and south by two large braided rivers that signal the start and end of our district; the Rakaia and Rangitata Rivers, as well as the Hinds/Hekeao and braided Ashburton/Hakatere Rivers that transect our district. We also have nationally significant wetlands such as the inter-montane wetland system Ō Tū Wharekai, high country lakes and streams as well as several coastal lagoons. Together these play a vital role in our social, economic, environmental and cultural landscape. The large water race network of 2,058 kilometres that was built in the late 1800s still winds through our rural areas. These water bodies, along with our many springs, continue to be important to Tangata Whenua, and many Ashburton District residents and visitors.

¹ Source: Statistics New Zealand Census 2018

² Source: Statistics New Zealand Population Estimates 30 June 2018

6. Council is governed by the Local Government Act, 2002. Under this, our purpose³ requires us to promote the social, economic, environmental and cultural well-being of our communities in the present and for the future. Our purpose has formed the basis of our submission.
7. Others more qualified than us will undoubtedly submit on if the legislation and regulations proposed are right or wrong. Rather we have focussed on the fact that the proposals will impact everyone in our community, in terms of their broader social, economic, environmental and cultural well-being, and have addressed the proposals through a district-wide well-being lens.

General comments

8. Council agrees that improving the health of our waterways is important for both current and future generations and supports the environmental and cultural goals of the reforms. However, we wish to emphasise our concerns about the lack of good economic and social analysis on which decisions are based, and the risk to the economic and social wellbeing of Ashburton District and more generally between rural communities and urban New Zealand. We believe it is only fair and reasonable to make decisions of this magnitude with all of the evidence and information on the table. The repercussions of the current proposals are daunting for both urban and rural residents of our district.
9. Council is highly concerned with the timing of this consultation. From a local government perspective, the August-October period of the triennium leading into local body elections can be a difficult and politically charged time. When considered more broadly from a rural economy perspective, this time of year is already demanding for the dairy, sheep, cropping and beef industries. Add to this the pressure of proposals with far-reaching implications, as has been suggested, we consider it is entirely predictable that the discussion has been largely negative. We urge you in the future to consider the timing of consultation in relation to the 'real-world' context.
10. The month-long period originally proposed (which we acknowledge has been extended until 31 October) appeared disingenuous to those most affected. Council implores the Government in the future to plan and prepare for longer engagement periods with the community on issues that have broad, long-term implications.
11. Council supports the formal request made by the national body of Federated Farmers for a second round of consultation on the NPS Freshwater, NES Freshwater and Stock Exclusion regulations following the redrafting of these documents. Council believes that a second round of consultation may go some way to alleviate concerns that this has not been genuine consultation.

³ Source: Section 10; Local Government Act, 2002

12. Council considers that the missing assessment of the impact of the proposals on the local economy is most concerning for our district. History has taught us that when farming sneezes, Ashburton District catches a cold. To provide context, our top industries are agriculturally and manufacturing based. The growth in these industries between 2000 – 2018 averaged 2.7%, compared to 0.9% across New Zealand⁴. Similarly, the growth in employment within these industries averaged 1.2% over this time, compared with 0% in New Zealand. As a result, any changes for these sectors will inherently ripple throughout our community.
13. Before proceeding any further with the proposals, we believe that the Government must commission a thorough independent study, to identify the economic and social impacts that implementing the proposed FWPS would have. We acknowledge that such work should sit alongside the ‘counterfactual’, as failing to respond to issues of freshwater quality also comes at a large environmental, economic, social and cultural cost – but such significant changes require the best available information to enable an informed public debate. Too much of the debate has been framed by the media as ‘town versus country’, which is unhelpful for constructively addressing the issues. We appreciate that further analysis would be a large body of work, therefore, suggest that this could be limited to only those districts of which agriculture is most significant to local GDP and employment, such as Ashburton District. An example of the type of analysis we think is necessary is the Selwyn Te Waihora Memorandum, 2017⁵.

Social well-being

14. Council considers that the impact of the proposals, as currently stated, on the social well-being of our community will be significant.
15. At the broadest level, we see that the very livelihoods of some in our community could be severely affected. Many in our community are employed in jobs that are either directly or indirectly connected to the agricultural industry. Accordingly, many of our schools are attended by rural children and young people, while our urban retail businesses are frequented by shoppers whose livelihood is connected back to our agriculturally-based economy. We are concerned that the implications of the proposals could impact on the social well-being of our community in the widest sense possible and fundamentally alter our district.
16. Some in our rural sector have been severely affected by the Mycoplasma Bovis (M.Bovis) outbreak with 28 properties confirmed to have had M.Bovis and a further three properties currently under quarantine controls⁶ in our district. We are most concerned for the social well-being of those in our community who have been affected by M.Bovis and who could now be feeling considerable pressure from the essential freshwater proposals, and the Government’s work on agricultural emissions.

⁴ Source: Infometrics Industry Profiler, 2018

⁵ Source: Selwyn Te Waihora Memorandum, 2017; Land Water People
<https://www.mfe.govt.nz/sites/default/files/media/Fresh%20water/18-D-02833.pdf>

⁶ Source: Biosecurity New Zealand, September 2019

17. Council recognises the importance of health and mental well-being to cope with the day-to-day pressures of life, to work productively and to contribute to the local community. As a district, we have lower mental health presentation rates to medical professionals than New Zealand (3.4% compared with 4.7%)⁷. The Commission of Inquiry into Mental Health⁸ confirmed this noting that people in rural areas are less likely to access mental health care, with distance, limited specialist care and maintaining privacy the most common barriers.
18. We are concerned that our community will face additional and compounding pressures as a result of the freshwater proposals that could impact some residents' resilience and wellbeing. Between 2000 – 2015, the Ashburton District had 67 suicide deaths, an average of 4.4 deaths per year. The overall rate for our district is 14.3/100,000, which is higher than the Canterbury average of 12.6/100,000 and the New Zealand average of 12.1/100,000 over the same period⁹. Council believes consideration must be given to the wider health implications the freshwater proposals may have on communities and appropriate support and resources planned for by government once final decisions are made.

Economic well-being

19. In 2018 Ashburton District had a GDP of \$1,952 million¹⁰ this had grown by 2.2% from the previous year. Our local economy is reliant on the rural sector, with 38.3% (\$748 million) of our GDP coming directly from the agriculture, forestry and fishing, and manufacturing (including meat processing) industries in 2018¹¹. These industries employ over 7,400 people in our district (from a total of 19,000 jobs) and account for over 1,900 businesses (from a total of 5,200 businesses).
20. Council is concerned that the flow-on effects from the proposals will not be confined to the farm-gate as the table above confirms. The Selwyn Te Waihora Zone Memorandum, 2017 shows that under similar reduction targets (75% N Loss reduction) *'widespread loss of equity and change in land ownership is likely, and rural communities will experience loss of services and depopulation.'* Further, it reported an 80% reduction in local GDP as a result of meeting the proposed targets.

⁷ Source: Infometrics Wellbeing Radar, 2018

⁸ Source: He Ara Oranga: Report of the Government Inquiry into Mental Health and addiction, 2019

⁹ Source: Otago University Injury Prevention Research Unit, 2019

¹⁰ Source: Infometrics Economic Profile, 2018

¹¹ Source: Infometrics; Regional Economic Profile 2018

21. The following table shows the sub-industries in Ashburton District who contribute most to our GDP, all of which we believe could be significantly affected by the current proposals.

Table 1 – Ashburton District Largest Sub-Industries 2018¹²

Sub-industry	GDP	Number of Businesses	Number of Employees
Dairy Cattle Farming	\$304 million	540	1,970
Meat Processing	\$83.1 million	3	1,228
Agriculture Support Services	\$66.3 million	255	880
Sheep/Beef Cattle Farming	\$54.2 million	429	486
Agric. Machinery and Manufacturing	\$34.6 million	42	342
Grain Growing	\$31.9 million	132	332
Grain and sheep/beef cattle farming	\$29.6 million	138	315
Total	\$603.7 million	1,539	5,553

22. From the perspective of the activities and services we provide as a Council to our community, we consider that the freshwater proposals will have significant impacts on local authorities throughout New Zealand to upgrade infrastructure for drinking water, wastewater and stormwater. Due to the scale of what is being proposed and the speed with which it is planned to be rolled out, we believe that rate increases will be inevitable. While Ashburton District is potentially in a better position than other territorial authorities to cope with such changes if the proposals negatively affect our local economy this position could change quickly. There is also the risk for Government that reform of local infrastructure services will reduce local control and fuel a growing sense of alienation in rural and provincial New Zealand.
23. For our rural sector, we are concerned about the absence of meaningful economic impact analysis on farming systems in the discussion document. Case studies that are included in the proposals are not representative of mid-Canterbury farming operations and are limited in their analysis of costs. Anecdotally, it appears that the agriculture industry considers that the proposed bottom lines are unattainable without substantial de-intensification of farming operations.
24. We are concerned that a report prepared for the Ministry for the Environment by Macfarlane Rural Business Limited¹³ has not been included in the discussion document. The document modelled potential outcomes from the policy proposals that could have concerning implications for our district, including some, where the impact on case-study farms meant they were not sustainable financially.

¹² Source: Infometrics Top Industries, 2018

¹³ Source: Impact of possible environmental policy interventions on case study farms, 2019; Macfarlane Rural Business <https://www.mfe.govt.nz/sites/default/files/media/Fresh%20water/impact-of-possible-environmental-policy-interventions-on-case-study-farms.pdf>

25. Similarly, the analysis undertaken by Landcare Research for the Hinds Catchment in 2013¹⁴ models economic impacts of nutrient allocation policies in Canterbury and could provide useful insight and calculations for officials to review. We urge the Government to consider and understand the implications of the proposals and to consider fully the professional advice that has been received.
26. At the highest level, the Council supports the requirement for Farm Environment Plans; however, suggests that the implementation of this may have a number of practical difficulties. While not an expert, Council questions if New Zealand has the number of qualified professionals required to prepare the plans. Without this level of expertise the proposed timeframes will be challenging to meet.
27. Council opposes the setting of a national bottom line limits for DIN and DRP. Instead, Council supports the setting of limits that are catchment specific to take into account of natural environmental contexts (such as E-Coli from avian sources, DRP levels in pumice and limestone country). Council strongly believes that further scientific analysis and consideration of wider community impacts are required before new limits for DIN and DRP are finalised.
28. Council strongly recommends that to succeed with improving the health of freshwater in New Zealand, without crippling our local economy and social infrastructure, a 'just transition' should be incorporated into the process. Currently, we consider that the impacts of the proposals will be felt by many but question if it will be felt evenly. We think it is most likely the impact will be felt most heavily by the most vulnerable in our communities. We consider that the impact on our economy, and consequently our community, will exceed the impact urban areas of New Zealand will face, even as there is a degree of downstream social and economic impacts.

Environmental well-being

29. Council agrees with the view that improving the health of our waterways is vitally important for both current and future generations.
30. However, we are concerned that the significant work that has been undertaken as a district, and in conjunction with the wider Canterbury region has not been recognised and acknowledged in these proposals. As a Council, we are actively engaged in the Canterbury Water Management Strategy (CWMS) process to safeguard and manage our freshwater. We are supporting the Ashburton Zone Implementation Programme through the Ashburton Zone Committee and associated projects like the Hinds/Hekeao Managed Aquifer Recharge projects. We are also working to manage flooding issues in our district and have recently been granted a network-wide stormwater consent for Ashburton town from Environment Canterbury.

¹⁴ Source: Modelling Economic Impacts of Nutrient Allocations Policies in Canterbury: Hinds Catchment, 2013; Landcare Research <https://www.mfe.govt.nz/sites/default/files/modelling-economic-impacts-of-nutrient-allocation-policies-canterbury.pdf>

31. In 2018, we adopted a Surface Water Strategy that recognises that the waterways of our district play an integral part in our collective identity and are a fundamental part of our way of life. Further information can be found on our website.
<https://www.ashburtondc.govt.nz/our-council/plans-and-strategies/Pages/Surface-Water-Strategy.aspx>
32. We believe that the proposals should be aiming to meet targets set through community collaboration – sub-catchment groups working closely with regional councils and together setting targets to aim for. In Canterbury, we have been working towards improving freshwater through the CWMS – this model appears to have been working in our district, and we suggest this could be a suitable approach for other areas of New Zealand to follow. We are unclear about how the proposals will affect the work that has already been undertaken to date. Council urges sound consideration is given to integrating the proposals into the existing frameworks that Canterbury has in place. Failure to do so could mean the loss of significant community buy-in and collaborative opportunities.
33. We recognise that many of our local farmers and growers are at the forefront of research and technology to advance environmentally sustainable processes. We recommend that a collaborative approach is taken to work alongside agricultural experts to find local solutions to local issues.
34. We note that the legal action that was taken by Forest and Bird NZ, and the subsequent decision of the Office of Auditor General to withdraw the exemption for Water Zone Committee members to participate freely in all discussions and make well-informed decisions, threatens to unravel the collaborative structures that have supported the success of the CWMS to date. This decision threatens our ability to promote the environmental well-being of our residents, now and in the future.
35. Council notes the planned future consultation on sustainable limits for nitrogen discharge. We respectfully request that the Ministry for the Environment consults widely with representative groups within our district and allows a fair and reasonable time for this consultation (a minimum of eight weeks).

Cultural well-being impacts

36. Council agrees with the concept of developing Te Mana o te Wai (the mana of water) as a guiding principle for freshwater management as presented in the discussion document.
37. Council is concerned, however, that the implications of the proposal to elevate the hierarchy of Te Mana o te Wai obligations above all other considerations have not been considered fully. As a local authority we have an obligation *‘to promote the social, economic, environmental and cultural well-being of communities in the present and for the future’*.

38. An example of how the Te mana o te Wai hierarchy of objectives may be difficult for local government is in the provision of safe drinking water for our communities. The proposal currently prioritises the health of water ahead of essential human health needs, such as drinking water. We are concerned that the impact of this policy approach could result in significantly more expensive approaches for drinking water supplies. We also question the practicality of such a policy approach for source takes where there is only one available localised drinking water source.
39. Council knows that water is of great significance to Ngāi Tahu. As kaitiaki (guardians), Ngāi Tahu and the Papatipu Rūnanga are required to exercise kaitiakitanga (guardianship) over the surface water resources of the district.
40. Through our Surface Water Strategy, Council has recognised that our surface water resources are a taonga (treasure) which provides and sustains life. It is akin to the lifeblood of the earth. The health of the water reflects the health of the environment and the people. The surface water bodies of Ashburton District support many places of spiritual and cultural importance to Ngāi Tahu and provide important mahinga kai resources. The importance of this relationship is reflected in law, with the Resource Management Act 1999 identifying the relationship of Māori and their culture and traditions with their ancestral lands, water bodies, wahi tapu (sacred sites) and other taonga as a matter of national importance.

Final comments

41. Council strongly recommends that the long-term implications of the proposals on the well-beings (social, economic, environmental and cultural) of communities are considered in full before implementation. The Government should consider the impact of the proposals on local authorities' ability to promote the four well-beings under the Local Government Act 2002.
42. Council acknowledges and agrees that change to the management of freshwater resources is important, but questions if the speed of the expected change is realistic?

Council thanks the Ministry for the Environment and the Ministry for Primary Industries for the opportunity to submit on the *Action for Healthy Waterways Discussion Document*.



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