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Committee **Environment Committee**
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Public discussion paper on the management of New Zealand's freshwater resources

1. Purpose

To inform the Committee about a central government public discussion paper *Freshwater for a sustainable future: issues and options* that staff are preparing a submission on.

2. Background

In 2003, the Government established the Water Programme of Action with the intention of ensuring the country's freshwater resources are managed to best support New Zealand's future sustainable development. Jointly led by the Ministry for the Environment and the Ministry of Agriculture and Forestry, the Water Programme of Action has involved many government departments. It has also involved representatives of regional councils and other local authorities, a Maori Reference Group and a Stakeholders Reference Group.

The public discussion paper is the first opportunity for people to provide feedback on the direction that the Water Programme of Action is taking. At the present time, the Ministry for the Environment and the Ministry of Agriculture and Forestry are holding consultation meetings around the country. A meeting for local authorities was held at Greater Wellington on 8 February 2005 and was attended by staff and Councillors from the Environment Committee.

3. The discussion paper

The discussion paper focuses on water quality, water allocation and use, and water bodies of national importance. It describes how water is managed at present and the pressures and challenges facing our water management system.

The following key issues are identified as needing to be addressed in any reform of the country's water management system:

- national and regional strategic planning for water management could be improved;
- nationally important values need to be better addressed;
- setting environmental bottom lines and allocation limits is costly and contentious;
- water is over-allocated in some catchments, is not consistently allocated to its highest value use over time, and can be wasted;
- tension between investment certainty and planning flexibility;
- Maori participation in water management could be improved;
- a lack of effective action in the management of diffuse discharges of contaminants on water quality, in some catchments; and
- development of water infrastructure is not keeping pace with demand.

The following package of actions to improve the water management system and overcome challenges it currently faces is suggested in the discussion paper:

- develop national policy statements;
- develop national environmental standards;
- address nationally important values;
- increase central government participation in regional planning;
- increase central government's support for local government;
- develop special mechanisms for regional councils;
- enhance the transfer of allocated water between users;
- develop market mechanisms to manage diffuse water discharges;
- set requirements for regional freshwater plans to address key issues and challenges;
- enhance Maori participation;
- enable regional councils to allocate water to priority uses;
- raise awareness of freshwater problems and pressures, and promote solutions; and
- collaboration between central and local government, scientists and key stakeholders on pilot projects to demonstrate and test new water management initiatives.

4. Preparation of Greater Wellington's submission

Written submissions on the discussion paper close on 18 March 2005. Staff will prepare a submission after receiving comments from Greater Wellington's Environment, Wairarapa, and Utilities Services Divisions. The discussion paper is an initial consultation document - there will be further opportunities for the Council to be involved in the process before any decisions are made about the direction central government plans to take on the Water Programme of Action. Our submission on the discussion paper will include comments on topics that follow.

1. While we acknowledge that the Water Programme of Action is not confined to how water is managed under the Resource Management Act, we note that the actions provide for much more central government direction and involvement. We will be questioning whether this is necessary given our belief that this Council is carrying out its water management responsibilities effectively.
2. The direction taken by the discussion paper includes fundamental changes to the way regional councils manage water at the present time. The Resource Management Act requires us to set “bottom lines” for water bodies, such as minimum flows in rivers, while enabling the allocation of water to occur above those bottom lines. The approach suggested in the discussion document is that regional councils would become more involved in deciding which activities should have priority use of water and putting aside water for particular uses.

The new approach suggested is not presently accommodated by the Resource Management Act and would shift its emphasis from the present “effects based” approach to one which allows social and economic outcomes for communities to be decided. We will be raising whether such a major shift in emphasis is warranted and whether such a role is appropriate to include in the Resource Management Act.

3. We will be asking for more information to be provided on the “national interest” and the specific issues and values associated with it. Reports that support the discussion paper identify specific water bodies that are of “national interest” for various reasons such as biodiversity, recreation, heritage, energy, irrigation and others. Details of why the rivers are of “national interest” and any implications for their management are unclear.
4. Our submission will focus on how we manage water at present. One of the actions suggested by the paper is that regional freshwater plans should be mandatory. Our Regional Freshwater Plan was made operative over four years ago and we are already implementing many of the approaches to water management that the discussion paper suggests.

For example, Greater Wellington has established minimum flows and allocation limits in over-allocated water bodies. It is likely that more efficient use of water taken from these over-allocated water bodies will be best achieved by reducing wastage and greater use of water metering than by some of the other methods suggested in the discussion paper.

5. The discussion paper indicates areas for management that central government will consider supporting in the future. Our submission will identify specific actions that central government could take that would assist regional councils. The provision of better information on effective use of water for irrigating various crops in different soil types, and the effects of reducing river flows on ecosystems are examples where regional council management would benefit from better information provided nationally.

A copy of the Council's full submission will be circulated in the Councillors' Bulletin once it is prepared.

2. Communication

The progress of central government's Water Programme of Action is their responsibility and there is no need for Greater Wellington to undertake any external communication on this matter.

3. Strategic direction

Central government's Water Programme of Action will have implications for our roles as a water supplier and as a water resource manager under the Resource Management Act 1991.

4. Recommendation

It is recommended that the Committee:

(1) receive the report; and

(2) note the contents.

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