



The Hollyford River passes through Lake McKerrow before reaching Martins Bay on the coast of the Tasman Sea, March 2017

## Submission

**Submission on Clean Water: 90% of rivers and lakes swimmable by 2040**  
**19 May 2017**

## **About the McGuinness Institute**

The McGuinness Institute was founded in 2004 as a non-partisan think tank working towards a sustainable future for New Zealand. *Project 2058* is the Institute's flagship project focusing on New Zealand's long-term future. As a result of our observation that foresight drives strategy, strategy requires reporting, and reporting shapes foresight, we developed three interlinking policy projects: *ForesightNZ*, *StrategyNZ* and *ReportingNZ*. Each of these tools must align if we want New Zealand to develop durable, robust and forward-looking public policy. The policy projects frame and feed into our research projects, which address a range of significant issues facing New Zealand. In preparing this submission, the Institute has drawn largely on our project *OneOceanNZ*.

## **About the author**

### **Wendy McGuinness, Chief Executive**

Wendy McGuinness wrote the report *Implementation of Accrual Accounting in Government Departments* for the New Zealand Treasury in 1988. She founded McGuinness & Associates, a consultancy firm providing services to the public sector during the transition from cash to accrual accounting from 1988 to 1990. Between 1990 and 2003, she continued consulting part-time while raising children. Over that time she undertook risk management work for the public good. In 2002, she was a member of the New Zealand Institute of Chartered Accountants (NZICA) Taskforce, which published the *Report of the Taskforce on Sustainable Development Reporting*. From 2003–2004 she was Chair of the NZICA Sustainable Development Reporting Committee. In 2004 Wendy established the McGuinness Institute in order to contribute to a more integrated discussion on New Zealand's long-term future. In 2009 she became a Fellow Chartered Accountant (FCA).

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## Introduction

As part of the Institute's *Project OneOceanNZ*, we have primarily undertaken work relating to oceans governance. Many of the lessons we have learnt throughout our research and engagement in this area are applicable to fresh water. Rivers feed into oceans and inshore ecosystems reflect the health of our oceans as well as our rivers. The Institute supports the Ministry of the Environment's (MfE) goal for 90% of rivers and lakes swimmable by 2040. This is an important conversation and a positive achievement for the stewardship of our fresh water. As the 2017 OECD *Environmental Performance Review of New Zealand* said, it 'welcomes this fundamental step towards safeguarding water quality and availability'.<sup>1</sup> However, the Institute has concerns that this goal is not going far enough. Rivers and lakes are not isolated in nature and therefore cannot be isolated in public policy.

In this submission we will present recommendations drawing from our *Project OneOceanNZ*. Our key publications for *OneOceanNZ* are *Report 10 – One Ocean: Principles for the stewardship of a healthy and productive ocean*<sup>2</sup> and *Think Piece 22 – Proposal for the Creation of an Oceans Institution*<sup>3</sup>. The key findings from these publications are discussed below. Please find both attached in support of this submission.

Our more recent work in *OneOceanNZ* has been looking at New Zealand King Salmon (NZKS) as a case study. This work is now published in three working papers:

- *Working Paper 2013/01 – Notes on the New Zealand King Salmon Decision*
- *Working Paper 2016/02 – New Zealand King Salmon: A financial perspective* and
- *Working Paper 2017/02 – Letter to the Minister on New Zealand King Salmon*.<sup>4</sup>

This third working paper, the letter to the Minister, developed out of our submission on the MPI *Potential relocation of salmon farms in the Marlborough Sounds* proposal and formed part of our verbal submission on 9 May 2017. The letter addresses a range of concerns, some of which are outside the scope of the consultation but highly relevant for consideration by the Minister for Primary Industries.

The most significant of these is that this relocation consultation is taking place a few months before public consultation on the national direction for aquaculture in mid-2017. We continue to believe that transparent reporting and robust strategy development processes are crucial, especially in cases that involve the private use of public resources and unique ecosystems, such as those of the Marlborough Sounds.

One of our main concerns is that ongoing commercial activities, which involve the right to use and alter public resources for extended periods of time (in the case of salmon farming, up to 35 years), are compromising our ability to 'safeguard water quality'. It is

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1 OECD Publishing. (2017). *OECD Environmental Performance Reviews: New Zealand 2017*. Paris: OECD publishing. doi: 10.1787/9789264268203-en

2 See [www.mcguinnessinstitute.org/project-2058-reports](http://www.mcguinnessinstitute.org/project-2058-reports).

3 See [www.mcguinnessinstitute.org/think-pieces](http://www.mcguinnessinstitute.org/think-pieces).

4 See [www.mcguinnessinstitute.org/working-papers](http://www.mcguinnessinstitute.org/working-papers).

not logical for MfE to argue for clean fresh water in our rivers at the same time as Ministry for Primary Industries (MPI) is actively pursuing commercial industry goals at the expense of the environmental value of our inshore waters. We believe we need a policy developed for all water to safeguard water quality for all New Zealanders, now and in the future.

We are also beginning some explorative research in late 2017 for our *Project LivestockNZ*. *Project LivestockNZ* will explore a bold narrative for livestock farming in New Zealand – one that moves towards a more robust and ethically sound way of doing business, while at the same time delivering positive economic outcomes for all. Our first working paper in this project will explore ways to reduce our livestock by 20% and still deliver value to farmers and the wider community. This and other working papers aim to contribute to a report similar to *Report 10* in the next few years. We see rivers as the linkage between our *OneOceanNZ* project and *LivestockNZ* project and it is for this reason that we are extremely interested in the work the Ministry is undertaking.

We have been unable to complete as comprehensive a submission as we would have liked at this stage in the process but we would like to briefly note our support of the following principles:

1. The *National Policy Statement for Freshwater Management*,
2. funding to improve fresh water,
3. the plan to keep stock out of our waterways, and
4. the Ministry for the Environment's future work programme.

The Institute would like to be heard in support of this submission. We look forward to following this consultation process and continuing this important dialogue.

### **Additional ideas for discussion**

#### **1. Create a Minister of Water**

New Zealand needs a more coordinated approach to public policy. The creation of a Minister of Water would provide a central person to build an informed narrative around water quality, water use and water supply. The proposed minister and the lead agency, the Ministry for the Environment, would act as the interface between the public and central government: collecting data, pursuing scientific evidence and developing transparent and appropriate consultation processes. This recommendation comes from discussions with our oceans community during research for *Report 10* and *Think Piece 21*. Clearer leadership in this space will help coordinate water management, foster public engagement, provide all parties with certainty and deliver durable social licences that can be trusted by communities.

#### **2. Create an Oceans Institution**

The 30 perspectives in *Report 10* (attached) and our discussion in *Think Piece 22* (attached) explain why we need to create an Oceans Institution. New Zealand is part of an interdisciplinary oceans community of diverse, committed stakeholders, all of whom are eager to engage with each other to discuss issues facing New Zealand's oceans

governance. An Oceans Institution will create an integrated space to interact, engage, and share issues and policy affecting all New Zealand's waters. This institution would complement the role of the Minister for Water by providing a place for developing slow and considered public policy in the wider public domain.

In the current landscape there is no independent place for these discussions to take place. This proposed institution would focus on chronicling the narrative (sharing data, information and strategic knowledge about our oceans) and building stewardship (collating and integrating information to inform all stakeholders and suggest effective and durable public policy making). This would create a space for collaboration and creativity, enabling policy to be developed with stakeholders over time.

At present, we have many effective institutions that are operating partially in this space, but no one independent institution that brings research and policy together to explore common ground, record lessons learnt, describe existing conflicts and identify emerging issues in a considered manner. It would not take over or replace any of the institutions or instruments that are already in existence but would instead be a central institution connecting the large number of organisations and stakeholders that have an interest in New Zealand's oceans.

This central landing pad for oceans policy will help develop durable, integrated, collaborative, evidence-based policy before it reaches Cabinet. This will ensure we develop a framework for oceans and fresh water policy that will enable New Zealand to become a leader in water management.

### **3. Develop agreed measures and terminology**

From the consultation document, we can see the rating system for swimmability and the measures in place to assess that. However, it has been suggested in the media that the 'goalpost' has been shifted and 'what was once only safe for wading was now to be considered safe for swimming.'<sup>5</sup> If this is the case, changes to the measure have not been clearly indicated in the consultation document. Without including background information about this decision and a comparison to the previous definition of swimmable, there is a lack of transparency, which may be considered misleading to the public. We suggest comparable measures for water quality are used, with a particular focus on improving environmental reporting. It is excellent to see the work you have been undertaking in terms of reporting.<sup>6</sup>

### **4. Explore the differences and commonalities between urban and rural water**

Focus on the unique challenges of managing urban versus rural waterways.

### **5. Treat rivers holistically, measuring pollution from source to mouth**

To gain an accurate measure of the health of the river, it will be important to compare levels of impurity at all the different points in its course. We recommend that the

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5 RadioNZ. (23 February 2017). *Govt plans to make 90% of NZ waterways swimmable by 2040*. Retrieved from [www.radionz.co.nz/news/political/325183/govt-plans-to-make-90-percent-of-nz-waterways-swimmable-by-2040](http://www.radionz.co.nz/news/political/325183/govt-plans-to-make-90-percent-of-nz-waterways-swimmable-by-2040).

6 See [www.mfe.govt.nz/publications/environmental-reporting/our-fresh-water-2017](http://www.mfe.govt.nz/publications/environmental-reporting/our-fresh-water-2017).

measurements taken at the mouth of the river be given particular weight, as this will be the best indication of the cumulative health of the river.

**6. Implement a charge for water use and aggressively manage/penalise polluters**

This request supports local authorities to develop charges for water space, water use (e.g. irrigation and bottling) and penalties for misuse.

**7. Extend the goal to include inshore waters**

As mentioned in the introduction, rivers should not be assessed in isolation from the ocean they feed into. By including inshore water in this goal, MfE would be taking a more holistic approach to water management. For example, the goal of swimmability should encompass the water in the Marlborough sounds where New Zealand King Salmon are operating.

Due to time constraints, we would like to undertake further research and analysis and present our findings at a later time.

Thank you for the opportunity to submit on this important issue.