

BALANCING THE ENVIRONMENT WITH REGIONAL ECONOMIC DEVELOPMENT

Hon Denis Marshall, QSO
Former NZ Minister of Conservation, Lands, and
Associate Agriculture Minister
And former
Secretary- General Commonwealth Parliamentary
Association

It is an honour to be your Keynote Speaker

Thank you for the invitation to give the Keynote address at this 2010 CLAIR Local Govt Forum

Firstly I should say I am not an expert in Local Government, although I was involved in the predecessor of Regional Government in NZ .

I do have experience in national politics, and I do have experience in conservation & environmental management issues – both in governmental and also in the private sector.

Career Background:

Nuffield Farming Scholar to UK & Europe

Member of Regional 'Catchment Board'

Member of Parliament 1984 - 1999

Minister of Conservation, Lands, Associate Agriculture

Post Parliamentary career - 2000

Chairman:

NZ National Parks and Conservation Foundation.

NZ Rural Communities Trust

2002-2006

Secretary-General Commonwealth Parliamentary Association.

2006- to date:

Director:

Hawkshead Vineyard Ltd, Queenstown, Central Otago, NZ

You have seen from my background that my life experience is far removed from dealing with 'Big City' stories, but I can certainly speak from a New Zealand rural community's perspective.

Interestingly, it's an historical fact that about 180 yrs ago the colonial administrators once considered the possibility of NSW, Victoria, Tasmania & New Zealand as one country because of the strong links between Sydney and NZ in the days of sailing ships . The decision went the other way, and the rest is history.

But frankly its time we made much more progress on closer ties first initiated under CER in 1984. A move towards an association similar to the EU would be timely.

To-day Australia is still NZ's largest trading partner (approx 25%), and after PRC and the US, Japan is our 4th largest trading partner.

So we in NZ have close regional ties with both Australia and Japan

New Zealand

- ▣ NZ is a country with a small population relative to its size.

NZ Population 4.2million

Population density of 16 people per sq kilometre
compared with Japan

Population density of 337 people per sq kilometre,
and Australia

Population density of 2.9 people per sq kilometre
(which doesn't really count as no one lives in most of it, and
most people live on the eastern seaboard, including a large number
of New Zealanders.)

NZ Overview

- ▣ NZ is heavily dependent on agriculture for export income - NZ\$23bn or 65% of total export receipts.
- ▣ - we are possibly the only country in world to earn a living from unsubsidised agriculture.
- ▣ Nevertheless NZ also has a large concentration of its population in in an urban environment.

25% of the population live in Auckland, and another 25% have the whole of the South Island to themselves.

- ▣ So NZ has urban as well as rural environmental considerations, and I will be interested in your stories from the big cities, as well as rural communities. I'm sure we share similar challenges balancing the environment with economic development, but also each one of us have our unique challenges as well.

Early developers were unaware of environmental effects?

- ❑ Settlement by both early Maori and the later arrival of Europeans had a significant impact on the natural environment in country that had no animals, few reptiles, and a bird population with no predators.
- ❑ Deer, rabbits, stoats, cats, dogs, and many other species were introduced, including possums, which consume 700 tonnes of forest per night. They took an enormous toll on indigenous species.
- ❑ Clearance of forested lands for pastoral farming was frequently over enthusiastic to say the least, with erosion of fragile hill country and consequent flooding of river systems a problem.
- ❑ Both administrators and farmers soon realised soil and water conservation were critical - although we still have issues with freshwater management.

NZ's Clean Green Image

- ❑ How did NZ achieve this enviable reputation?
- ❑ 25% of the country is mountainous and protected in the Conservation Estate – another 15% is high country in the South Island allocated for pastoral farming only
- ❑ Image is of an Arcadian lifestyle – actually referred to in our District Plan.
- ❑ Exports of primary products and income from tourism mean we are deeply conscious of the need to protect that image.
- ❑ Government initiatives for sustainable development in recent years include:
- ❑ Resource Management Act 1991, a complete overhaul of all NZ town planning laws created one single effects based law designed to avoid, remedy or mitigate the effects of development on the environment.
- ❑ Forest Act amended – ensures any logging of indigenous forest is sustainable

NZ's Clean Green Image.....

- ❑ Land Act amendment allowed pastoral farmers to negotiate an exchange of rights – to sell their fragile mountain lands back to the State in exchange for the right to freehold land less valuable from an environmental perspective, but potentially more valuable economically.
- ❑ So here is a good example of 'Balancing the Environment with Regional Economic Development'.
- ❑ For example, our vineyard at Gibbston is in an area that only 30 years ago had been virtually abandoned with farms no longer economic and schools and services closing.
- ❑ Now it is once again a thriving community growing up around the new vineyards and wineries

A New Gold Rush

- ❑ A combination of the opportunity to change the land use, and determined private initiative, enabled the viticultural and wine industries to get established in areas of the South Island which had previously been seen as an environmental liability, because farming sheep was no longer an economic option.
- ❑ Vineyard owners at Gibbston sought and achieved a special designation in the District Plan called the Gibbston Special Character Zone – in an attempt to lower the risk of conflict between vineyards, wineries and residential or ‘life style’ property owners.
- ❑ At the same time the growers organisation ,New Zealand Winegrowers , was aware of the need for the industry to maintain NZ’s ‘clean green’ image and for growers to operate in an environmentally sustainable and reputable way.

Sustainable Winegrowing

- ❑ Established in 1995 as an industry initiative directed through NZ Winegrowers.
- ❑ Commercially introduced in 1997, and adopted by growers in all regions.
- ❑ Sustainable Winegrowing New Zealand is a proactive management system that enables the production of high quality wine by employing environmentally responsible and economically viable processes in vineyards and wineries.
- ❑ Introduction of winery standards in 2002 has been a significant development, which further substantiates the industry claim
“New Zealand wine, riches of a clean green land”.

Sustainable Winegrowing New Zealand

- ▣ The programme was developed in order to:
 - Provide a 'best practice' model of environmental practices in the vineyard and in the winery.
 - Guarantee better quality assurance from the vineyard through to the bottle
 - Address consumer concerns regarding products which are made taking care to respect the environment.

...an integral part of NZ Wine production

- ▣ The programme aims to deliver the following benefits to its members:
- ▣ A framework for viticultural and winemaking practises that protect the environment while efficiently and economically producing premium wine grapes and wine.
- ▣ A programme of continual improvement to ensure companies operate with a goal of improving their operation practices.
- ▣ A platform for technology transfer so that companies are kept up to date regarding any new technology and its application.
- ▣ An external audit structure that has integrity and rigour to comply with market expectations.
- ▣ Opportunity to be a part of the positive future for NZ grape growers and winemakers producing “the riches of a clean green land.”

Goals for Sustainable Winegrowing NZ

- ❑ The over-all goal is for the entire New Zealand wine industry to be operating sustainably by 2012
- ❑ New Zealand aims to take up the mantle as the first wine producing country to achieve sustainability.
- ❑ Any winery that does not comply will not be allowed to participate in competitions and promotional events organised by NZ Winegrowers.
- ❑ Final emphasis – this is not a government initiative – it is entirely an industry initiative in self management.
- ❑ Some wineries have gone much further – organic, biodynamic, carbon zero,

Assessment and Audit

- ▣ Vineyards and wineries are required to fill in a scorecard covering the following practices:
- ▣ Soils & Fertilisers
- ▣ Irrigation
- ▣ Pests & diseases
- ▣ Resource Management – energy, power, fuel
- ▣ Biodiversity practises

Assessment & Audit....

- ▣ For wineries the scorecard covers 3 main categories:
- ▣ Compliance with Resource Management Act
- ▣ Waste management – winery waste water, by-products, etc
 - ▣ - spills and emergency procedures
 - ▣ - packaging
- ▣ Process Management – resources, power and water use
 - refrigerants
 - monitoring sub-contractors

Finally there is back-up in terms of Regional Meetings and Vineyard and Winery Technical Workshops

Another success story from rural community

Central Otago Rail Trail

- ▣ 'Branch Line' Railway serving remote rural towns between Dunedin & Clyde closes.
- ▣ Small rural communities die out.
- ▣ Abandoned tracks – environmental hazard.
- ▣ The old permanent way vested in the Dept of Conservation and becomes a 'Rail Trail' for cycling.
- ▣ Villages revitalised, hotels re-open. New cafés and accommodation rebuilt, as tourists flock to the region.

New Challenges in Balancing the Environment with Regional Economic Development

- ▣ The biggest challenge in NZ to-day is that of freshwater management.
- ▣ Urban and regional development – especially in dairy farming regions, where current market prices for milk solids have created a new wave of investment in dairy farming have put management of our fresh water resources under the spotlight.
- ▣ Water allocation such a political issue at regional level, Government sacked one elected council and replaced the councillors with appointed Commissioners

Land and Water Forum

- ▣ A national forum rather than local or regional
- ▣ Formed to bring stakeholders together to recommend a path forward
- ▣ 58 participating organisations, distilled to a working group of 21 tasked with
- ▣ Agreeing the current situation, identifying the problems, and making recommendations to Government

Problems

- ▣quality and availability deteriorating
- ▣ The debate about some economic uses of water has become fractious and difficult to resolve, and processes for allocation are under strain in some catchments – reasons:
 - ▣ We have not acknowledged or managed limits
 - ▣ Lack of engagement with stakeholders
 - ▣ Policy, planning and regulation inconsistent
 - ▣ Unsatisfactory governance
 - ▣ Poor use of science and knowledge
 - ▣ Water services management disjointed & lacking sufficient investment

Recommendations

- ▣ Central Government should define objectives and set time frames through a National Policy Statement under RMA.
- ▣ Regional Councils remain the responsible administrative agencies but ensure greater community consultation and establish codes of good management practice.
- ▣ Improve Allocation
- ▣ Strengthen Rural Water Infrastructure
- ▣ Strengthen Governance
- ▣ Commitment to Science and knowledge

Conclusion

- ▣ I have discussed 3 different stories concerning balancing the environment with regional economic development in NZ.
- ▣ After much scepticism the Rail Trail has been an unqualified success.
- ▣ Sustainable Winegrowing is an excellent example of an industry leading the way in sustainability.
- ▣ Finally the debate over the quality and allocation of fresh water is ongoing but a satisfactory outcome is vital for the environment and for regional development, but most important of all, agreement over this issue will enhance our reputation as a country with a 'clean green image'.