

Aquaculture New Zealand Submission to 'Better Urban Planning' Issues Paper

To the New Zealand Productivity Commission

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1.0 INTRODUCTION

- 1.1 Thank you for the opportunity to contribute to the consultation on 'Better Urban Planning'.
- 1.2 Aquaculture New Zealand (AQNZ) represents the interests of the aquaculture sector in New Zealand. This sector has export earnings in excess of \$330 million and a growth strategy with a goal of reaching \$1 billion per year in sales by 2025. Aquaculture directly employs more than 3,000 people primarily in regional communities.
- 1.3 The activities of the industry take place largely in the coastal marine zone and the industry's internationally recognised reputation for quality and food safety depends heavily on the purity and sustainability of our growing waters. The industry prides itself on its commitment to preserving and enhancing the coastal marine environment and AQNZ has recently launched a new sustainable management framework, A+ (www.aplusaquaculture.nz) in order to maintain our world-leading stewardship status.
- 1.4 Maori investment makes up a significant proportion of the current ownership of the industry and their role is expected to grow as aquaculture settlements deliver 20% of any new development to local Iwi. This creates both cultural and economic benefits, particularly in the regions.
- 1.5 The Government has identified aquaculture as a priority industry on the Business Growth Agenda its real potential to help create a more productive and competitive economy with a lower environmental footprint. The Aquaculture Strategy and Five Year Action Plan to Support Aquaculture confirms Government's commitment to enabling the aquaculture industry to reach its \$1 billion goal. This strategy identifies that quality planning and permitting and effective and responsive regulation are key strategic requirements to help enable growth.
- 1.6 This submission generally represents the views of our shareholders (mussel, salmon and oyster farming companies) and the AQNZ Board.

2.0 COMMENTS

2.1 New Zealand aquaculture is largely conducted in the coastal marine area (CMA) with some freshwater farms in Canterbury hydro-canals. By their nature our farms, operations and infrastructure are generally in the regions rather than in urban areas.

2.2 However the industry's experience operating within the current resource management system is in line with the Local Government New Zealand¹ view that 'processes under the resource management system are time consuming, complex and often not proportional to the risk or impact of a proposal'.

2.3 Particular issues for aquaculture include:

- There has been limited growth since the 2001 moratorium, despite extensive legislative reforms in 2005 and 2011.
- More than 75% of current farms are due for re-consenting in 2024 – the outlook at this time is that there is a potential for many of these consent applications to be declined. As a result *'investors in New Zealand's marine farms are beginning to respond to re-consenting risks by reducing their level of exposure below what they would likely otherwise seek.'*² With reduced access to investment, the industry will be less able to progress its growth potential through substantive infrastructural, productivity, innovation and/or market/product development initiatives.
- The recent NZKS EDS Supreme Court decision, relating to the application of the NZCPS, has added an additional level of risk to both current industry renewals and potential growth.
- Aquaculture New Zealand and the Ministry for Primary Industries' Aquaculture Unit are expending considerable resources attempting to maintain a holding pattern – to smooth the pathway for the 2024 consent renewals – when these resources should ideally be concentrated on our growth pathways.

2.3 Consequently, in 2013, Aquaculture New Zealand generally supported the proposed elements of the Government's discussion on 'improving our resource management system'³, particularly the need to improve efficiency and clarity and reduce timeframes and costs in order to foster investment certainty and encourage strategic planning. We share the view that *'the costs, uncertainties and delays of the current resource management system are affecting New Zealand jobs, infrastructure and productivity'* and that *'they are causing frustrations for those wanting to progress development'*.

2.5 Currently, as a result of continued barriers to growth for the industry, AQNZ is collaborating on a Government led working group to explore options for national direction for aquaculture. The working group includes representatives from the Natural Resources Sector ministries, regional councils, industry and the Environmental Defence Society. A recurring theme of these discussions is that, as much as possible, the resource management system should encourage

¹ MartinJenkins for LGNZ (2015). A 'blue skies' discussion about New Zealand's resource management system.

² NZIER (2015). NZIER overview of the impacts of re-consenting uncertainty and delay on aquaculture investment in New Zealand

³ New Zealand Government (2013). Resource Management – Summary of Reform Proposals 2013.

up-front strategic collaboration at the planning level so that at the consent-by-consent level the processes are much more efficient and the outcomes much more certain.

2.4 For these reasons we support the current suite of conversations on designing a fit for purpose resource management system and note that urban planning is an important part of that. We particularly support the willingness to look beyond the current resource management and planning system to consider fundamentally different ways of delivering planning and development. AQNZ has consistently asked Government to look for aquaculture planning examples offshore – where sustainable aquaculture is managed within an efficient and effective framework, recognising and providing for both the economic and social benefits of aquaculture and the wide range of uses and values within the coastal marine area.

2.3 We note though, the importance that these conversations are held collaboratively and strategically. So that, while thinking about the best framework for urban planning, there is also awareness and consideration of the much broader issues within the current system.

I am happy to discuss any of the aspects raised in these comments and/or provide further information as required.

Yours sincerely



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